

**OFFER TO PURCHASE AND INTERIM
TRAIL USE/RAILBANKING AGREEMENT**

This Offer to Purchase and Interim Trail Use/Railbanking Agreement ("Agreement") made this 28 day of February, 2022 by and between PIONEER VALLEY RAILROAD COMPANY, INC., a Nevada corporation, with an address of 94 N. Elm Street, Suite 404, Westfield, Massachusetts 01085, hereinafter referred to as the "Seller", and the TOWN OF SOUTHAMPTON, a Massachusetts municipal corporation, with an address of 210 College Highway, Suite 7, Southamptn, Massachusetts 01073, hereinafter referred to as the "Buyer".

Whereas, Seller intends to seek authority from the Surface Transportation Board ("STB") for interim trail use/railbanking or abandonment of railroad operations over certain rights-of-way, as described hereinafter;

Whereas, accordingly, Seller also intends to offer the Premises (defined below) to the Massachusetts Department of Transportation ("MassDOT") pursuant to MassDOT's statutory right of first refusal under Massachusetts General Laws Chapter 161C, which right of first refusal each of the Seller and the Buyer anticipate will be waived by MassDOT;

Whereas, during this proceeding, Buyer intends to initiate a request for interim trail use of paid rights-of-way under and pursuant to the National Trails Systems Act, 16 U.S.C. §1247(d) to which request for negotiation Seller intends to accede;

Whereas, it is anticipated that the STB shall issue a Notice of Interim Trail Use ("NITU") for the stated rights-of-way, under which the jurisdiction of the STB over the property remains effective, Seller to date not having effected the abandonment of all or any portion of said rights-of-way; and

Whereas, Buyer intends to purchase, pursuant to the National Trails Systems Act, all of Seller's right, title and interest in and to the rail corridor described in a deed recorded in the Hampshire County Registry of Deeds in Book 2303, Page 81 (the "Premises"), as further described on Exhibit A, attached hereto and incorporated herein, at the price and upon the terms and conditions as follows:

1. Purchase of the Premises.

The Seller agrees to sell the Premises to the Buyer and the Buyer agrees to purchase the Premises from the Seller, upon the terms and conditions hereinafter set forth.

2. Purchase Price: Payment of Purchase Price.

The Seller and the Buyer agree that the total purchase price for the Premises shall be Three Hundred Forty Thousand and 00/100 (\$340,000.00) Dollars (the "Purchase Price"). The Purchase Price shall be payable by certified check, treasurer's check, bank check or wire transfer to an account designated by the Seller, all in immediately available funds, on the date of closing, as hereinafter defined.

3. Terms of Conveyance.

Seller shall convey all of Seller's right, title and interest in the Premises to Buyer by quitclaim deed, properly invoking Section 8(d) of the National Trails Systems Act, 16 U.S.C. §1247(d), subject to all rights, easements and reservations in place or of record and in accordance with the other terms, conditions and reservations contained herein, including, but not limited to, all licenses and other agreements between Seller and third parties affecting the Premises, and disclosed to Buyer, so long as said licenses and other agreements do not unreasonably interfere with the Buyer's access to or use of the Premises as a rail-trail, as commonly known, and those reversionary interests of third parties that may exist under the laws

of the Commonwealth of Massachusetts. In the event Seller's description of the Premises as used in the deed is not acceptable to Buyer, Buyer shall so advise Seller of its objection to said description, and Buyer shall, at its expense, arrange for a survey of the Premises to be furnished to Seller, a plan of which shall be recorded prior to, or contemporaneously with, the Closing at Buyer's cost and expense.

4. Structures.

The conveyance shall include any interest Seller may have in all bridges, culverts and other structures located on the Premises. The price of all such structures is included in the total purchase price, and Seller agrees to furnish a bill of sale for all such structures at no additional cost to Buyer.

5. Conditions to Closing.

The Buyer and the Seller agree that each of their obligations under this Agreement shall be contingent upon the following:

(a) The Buyer shall have complied fully with the obligations and procedures imposed upon it by G.L. c. 30B. For purchase of real property determined to be unique, thirty (30) days shall have elapsed from the date of publication of Buyer's determination of uniqueness in the Central Register, without objection. Buyer agrees to diligently pursue full compliance with said statute at its sole cost and expense;

(b) The Seller shall have complied, at its sole cost and expense, with the obligations and procedures imposed upon it by G.L. c. 161C, Section 7 in light of its sale of the Premises, and MassDOT shall have waived its statutory right of first refusal to purchase the Premises;

(c) Buyer shall have inspected title to the Premises and be satisfied with the same, in its sole and absolute discretion;

(d) The Buyer shall have submitted, at its sole cost and expense, a request for interim trail use of paid rights-of-way for the Premises under and pursuant to the National Trails Systems Act, 16 U.S.C. §1247(d), and the STB shall have issued a NITU for Premises; and

(e) Compliance by Buyer with any other requirements of Massachusetts General or Special Laws or regulations relative to the acquisition of real property by the Buyer with and Buyer agrees to diligently pursue full compliance with said laws and regulations at its sole cost and expense.

6. Governmental Approvals.

This Agreement is entered into pursuant to the National Trails Systems Act, 16 U.S.C. §1247(d) and other applicable authorities. In the event the Surface Transportation Board, MassDOT, or any other federal or state authority having jurisdiction over any part of this conveyance, shall impose additional terms or conditions upon this conveyance, the Seller and Buyer agree to take reasonable steps to comply with said additional terms or conditions in order to implement this Agreement.

7. Closing.

The deed and bill of sale are to be delivered and the purchase price is to be paid at the offices of Doherty, Wallace, Pillsbury and Murphy, P.C., 1414 Main Street, Springfield, Massachusetts, within ninety (90) days from the later of the date of execution and acceptance by the STB of this Agreement and satisfaction of the conditions precedent set forth in this Agreement, at a mutually agreeable date and time. If closing on any of the Premises is barred by reason of conditions imposed by the STB, then the closing shall be postponed pending satisfaction and/or withdrawal of such conditions until a date no later than thirty (30) days from

satisfaction and/or withdrawal of said conditions. Seller shall, in addition to all other obligations of the Seller that are set forth in this Agreement, provide the Buyer with the following:

(a) Deed; Bill of Sale. The Seller shall deliver a deed and a bill of sale, duly executed and acknowledged by the Seller conveying to the Buyer the Premises of the same covenants and quality as held by the Seller, and any structures, free and clear of liens and encumbrances except those under Paragraph 10 hereof and those reversionary interests of third parties that may exist under the laws of the Commonwealth of Massachusetts.

(b) Representations and Warranties. The representations and warranties made by the Seller and the Buyer in this Agreement shall be true and correct on the date of this Agreement and shall be true and correct on the date of closing with the same effect as though such representations and warranties had been made or given as of such date. The Seller and the Buyer agree that the representations and warranties of the Seller and the Buyer as set forth in this Agreement shall survive the closing.

(c) Title Insurance Requirements. The Seller shall deliver such affidavits, certificates, resolutions and similar documents as may be reasonably required by the Buyer's title insurance company.

(d) Mechanic's Lien Affidavit. The Seller shall deliver to the Buyer a mechanic's lien affidavit duly executed and acknowledged by the Seller in form and substance reasonably satisfactory to the Buyer's title insurance company showing the Premises to be free of any liens, and certifying that no work has been performed or contracted for which might give rise to liens, or such other instruments as may be reasonably required by the Buyer's title insurance company.

(e) Releases. The Seller shall deliver to the Buyer releases, UCC-3 termination statements, or any equivalent documents, for any mortgage or other liens and filings encumbering the Premises.

(f) Non-Foreign Person Affidavit. The Seller shall furnish to the Buyer an affidavit that the Seller is not a "foreign person" as defined in the Foreign Investment and Real Property Tax Act.

(g) G.L. c. 7C, §38 Certificate. The Seller shall furnish to the Buyer those certificate(s) required by G.L. c. 7C, Section 38.

(h) Assignment of Contracts. The Seller shall furnish to the Buyer an assignment of any and all leases, licenses, permits and contracts of any kind whatsoever affecting the Premises, unless by their own terms those leases, licenses, permits and contracts run with the Premises to the benefit of its owner.

8. Possession and Condition of Premises; No Oral Representations.

Except as otherwise specifically set forth herein, the Seller has not made and does not make any representation or warranty as to any matter affecting or relating to the Premises, including but not limited to the physical (including environmental) condition thereof, and the Buyer acknowledges that no such representation or warranty has been made and agrees to take the Premises in "AS IS" condition on the date of this Agreement. The Seller shall not be liable or bound in any manner by any statement, representation or information pertaining to the Premises which may have been furnished to the Buyer by any of the Seller's employees, officers, directors, attorneys, agents, servants or other persons, except to the extent that any such representation or information is expressly set forth herein. The Buyer represents and warrants to the Seller that the Buyer has had a fair and complete opportunity to inspect the Premises, and

has, in fact, inspected the Premises and accepts them "AS IS," subject only to the contingencies and the representations and warranties set forth in this Agreement.

9. Management, Operation and Maintenance of the Premises.

Buyer assumes full and complete responsibility for the management, operation and maintenance of the Premises and under no circumstances shall Seller be required to manage, operate or maintain the Premises after the closing hereunder. This Agreement shall not be construed to create a joint enterprise for the operation of the Premises.

10. National Trails Systems Act.

This Agreement and any subsequent conveyance shall be interpreted to conform to Section 8(d) of the National Trails Systems Act, 16 U.S.C. §1247, and Buyer shall assume all financial, managerial and legal responsibility and liability for use of the Premises upon conveyance. It is agreed and understood that any conservation/recreation use by Buyer shall not impair future restoration of rail service pursuant to the National Trails Systems Act. In the event of reactivation of rail service at the Premises, Buyer shall be compensated in an amount equal to the purchase price stated herein or the then fair market value of the Premises, whichever is lower, provided that the price shall be adequate to reimburse for any rail or trail-related improvements constructed by or on behalf of Buyer. The fair market value shall be determined by an appraisal process acceptable to all parties, upon the request of any party. Buyer shall re-convey the Premises free and clear of any encumbrances other than those in effect on the date hereof, except those compatible with restoration of rail service.

11. Buyer's Indemnity.

Buyer agrees, to the extent permitted by law, to indemnify and hold Seller harmless from any and all liability, cost or expense, including reasonable attorney's fees, arising after the date

of closing, including injuries, death or property loss or damage. Buyer shall, to the extent permitted by law, protect, hold harmless and indemnify Seller against any claim or liability arising from or based on the violation of any law, ordinance, regulation, injunction or final order or decree of bodies or tribunals having any jurisdiction or authority which in any way affect the performance of this Agreement, whether by Buyer or its officials, employees, representatives, agents or contractors. Buyer shall be responsible for the defense of any litigation contesting the right of the parties hereto to enter into or effectuate this Agreement under the National Trails Systems Act, 16 U.S.C. §1247(d). Notwithstanding the foregoing, these agreements shall not apply to the extent any loss or damage is caused by the negligence of Seller.

12. Seller's Indemnity.

Seller shall indemnify and hold Buyer harmless from any and all liability, cost or expense, including reasonable attorney's fees, incurred by or assessed against Buyer arising prior to the date of closing on account of injuries, death or property loss or damage resulting from Seller's acts or omissions in connection with Seller's ownership, use, operation or maintenance of the Premises; provided, however, that in no event shall Seller indemnify or hold harmless the Buyer from any liability, cost or expense resulting from the environmental condition of the Premises.

13. Closing Costs.

The Buyer shall pay all of the Buyer's costs and expenses, including but not limited to, its attorney's fees, inspections costs, title fees and the costs, if any, for title insurance in connection with the purchase of the Premises by the Buyer. The Seller shall pay all of its costs and expenses in connection with the sale of the Premises to the Buyer, including but not limited to its attorney's fees.

14. Adjustments.

Taxes for the current tax year shall be adjusted in accordance with G.L. c. 59, § 72A. Any taxes paid by Seller prior to the date of closing shall not be refunded, as Buyer does not have the ability to refund taxes paid by the Seller prior to the date of closing. If the amount of such taxes is not known on the date of closing, taxes shall be apportioned on the basis of the taxes assessed for the preceding year.

15. Acceptance of Deed.

Except as otherwise expressly provided in this Agreement, the acceptance of the deed by the Buyer shall be deemed to be a full performance and discharge of every agreement and obligation of the Seller contained herein or expressed, except such agreements or obligations which, by the terms thereof, are to be performed after the delivery of such deed, all of which shall survive the delivery of the deed.

16. Condition of Premises.

Buyer has completed its inspection of the condition of the Premises, including any structural components thereof, and agrees that the Premises are satisfactory for the Buyer's intended use. The Seller shall deliver the Premises at closing in the same condition as of the date of this Agreement, ordinary wear and tear excepted, without any representation or warranty regarding the condition thereof, and the Buyer agrees to take the Premises in such "AS IS" condition.

17. Assignment.

The Buyer shall not be entitled to assign or otherwise transfer its rights under this Agreement to any person, firm or other entity without the prior written consent of the Seller, as determined in Seller's sole discretion.

18. Notices.

All notices, statements, demands, requests, consents, communications and certificates from either party hereto to the other shall be made in writing unless specified to the contrary herein and sent by Federal Express or similar overnight delivery service for which a receipt is made or is hand delivered by a representative of the attorney representing the party delivering such notice with an affidavit of service by such representative, addressed as follows:

(a) If intended for the Seller:

Thomas C. Owen, Jr., President
Pioneer Valley Railroad Company, Inc.
94 N. Elm Street, Suite 404
Westfield, MA 01085

With a copy to:

Michael S. Schneider, Esquire
Doherty, Wallace, Pillsbury & Murphy, P.C.
One Monarch Place - 19th Floor
Springfield, MA 01144-1900

(b) If intended for the Buyer:

Town of Southampton
c/o Southampton Select Board
210 College Highway, Suite 7
Southampton, MA 01073

With a copy to:

Katharine Lord Klein, Esquire
KP Law, P.C.
101 Arch Street, 12th Floor
Boston, MA 02110

or such other addresses as either party hereto may from time to time direct by service of notice to the other party as provided above. Any such notices, statements, demands, requests, consents, communications or certificates sent by an overnight delivery service shall be deemed

given on the date after the date such notice is sent in accordance with this Paragraph 18 and any notice that is hand delivered shall be deemed given on the date such notice is sent.

19. Extensions.

Buyer and Seller hereby authorize their respective attorneys (as the case may be) to execute on their behalf any agreed-upon extensions to the time for performance and any agreed-upon change of location and/or time for delivery of the deed. Buyer and Seller shall be able to rely upon the signature of said attorneys as binding unless they have actual knowledge before the execution or other consent to such extensions, that either party has disclaimed the authority granted herein to bind them. For purposes of this Agreement, facsimile signatures shall be construed as original.

20. No Brokers.

The Buyer and Seller represent and warrant to one another that it has not engaged or dealt with any broker or other person regarding the purchase and sale of the Premises. Each shall indemnify and hold harmless the other for its breach of its representation and warranty under this Paragraph 20.

21. Entire Agreement, Amendments.

This Agreement sets forth the entire understanding and agreement of the parties hereto with respect to the subject matter hereof, and no change or modification shall be valid unless made in writing, signed by all of the parties hereto.

22. Successors and Assigns, Applicable Law.

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, administrators, executors, successors and assigns. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts.

[Remainder of Page Intentionally Left Blank; Signatures Follow]

IN WITNESS WHEREOF, the parties hereto have signed this Agreement as a sealed instrument as of the date first written above.

SELLER

PIONEER VALLEY RAILROAD
COMPANY, INC.

By: _____
Thomas C. Owen, Jr., Its President

BUYER


TOWN OF SOUTHAMPTON,
By Its Select Board



Christine Howles, Chair




Jon Lumbra, Vice-Chair



Joy Piper, Clerk



Maureen Groden, Member



Francine Tishman, Member

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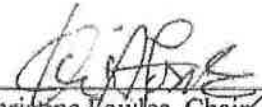
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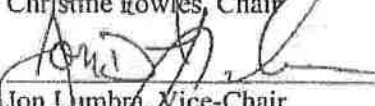
**PIONEER VALLEY RAILROAD
COMPANY, INC.**

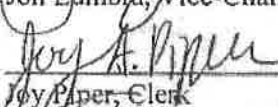
By: 
Thomas C. Owen, Jr., Its President

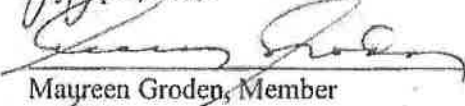
BUYER

**TOWN OF SOUTHAMPTON,
By Its Select Board**


Christine Howles, Chair


Jon Lumbrá, Vice-Chair


Joy Paper, Clerk


Maureen Groden, Member



Francine Tishman, Member

Exhibit A

Description of Premises

Four and one-quarter (4.25) miles of railroad right of way known as the Florence Secondary, being a stretch of railroad corridor, consisting of all land and improvements thereon, located in the Town of Southamptton, Massachusetts, from the northern terminus at Coleman Road to the southern terminus at Brickyard Road, near its intersection with Valley Road.