



700 Harrison Dr.
Columbus, OH 43204
614-274-2500 Fax 614-274-2600

Non-Binding Term Sheet

1. PURCHASE PRICE & STRUCTURE

Base Asset Purchase Price: \$5,000,000

Price Composition:

- Operating Assets: \$4,100,000 (to be conveyed from Buckeye Dayton)
- Real Estate: \$900,000 (to be conveyed from Buckeye Charter Leasing LTD)

Payment Terms:

- Cash at Closing: \$3,800,000
- Seller Promissory Note: \$1,200,000, secured by purchased assets and real estate.

2. PURCHASE PRICE ADJUSTMENTS

- Real estate transfer at \$900,000 (from Buckeye Charter Leasing LTD)

3. ASSETS INCLUDED

Operating Assets (Buckeye Charters, Ltd.):

- Substantially all assets of Buckeye Charters, Ltd., including transfer of title to 20-unit bus fleet (Cardinal will conduct fleet inspection and examine title)

Real Estate (Buckeye Charter Leasing LTD):

- All real property, including related improvements, located at 8240 Expansion Way, Dayton, Ohio 45424.
- Transfer of clear title and deed to Buyer
- Subject to title insurance and survey, to be purchased and performed by Buyer at Buyer's sole expense.

Working Capital Assets:

- Parts inventory and maintenance equipment



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- Other agreed operating assets

Other Assets:

- Operating permits and DOT authorities
 - Customer relationships and contracts
 - Maintenance equipment and tools
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4. EXCLUDED ASSETS

- Cash on hand (~\$1,036,772)
 - Personal assets of shareholders
 - Non-operating investments
 - Shareholder loans and related receivables
 - Accounts Receivable
 - Tools personally owned by employees/mechanics
 - Seller records related to any Excluded Asset and/or any liability of Seller
 - Pre-paid expenses related to any Excluded Asset or liability
 - Tax refunds, credits, litigation claims, or insurance policies arising from the operation of the business prior to closing
 - A car, truck, and van owned by Buckeye Leasing
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5. LIABILITIES

Unless otherwise agreed to in writing, Seller Retains ALL Pre-Closing Liabilities Including:

- Shareholder loans (\$572,287)
- Ohio PTE tax accruals (\$12,755)
- All pending/future litigation
- Payroll taxes and DOT fines
- Environmental claims
- All other historical obligations
- Real estate-related liabilities (taxes, liens, etc.)

Buyer Assumes: Zero historical liabilities

6. SELLER PROMISSORY NOTE TERMS

Principal: \$1,200,000

Term: 5 years

Interest Rate: 5%

Amortization: [to be determined]

Security: Senior lien on fleet assets and real estate; Personal Guaranty from majority owner of Buyer

7. KEY COVENANTS & RESTRICTIONS

(*2) Non-Compete: 3 years, 100-mile radius, subject to carve-out (*3)

(*2) Mutual Customer Non-Solicitation: 24 months, top 10 customers by revenue.

(*3) Lima Business Carve-Out: Lima business not subject to non-compete

(*4) Lima Business – First Right of Refusal

Indemnities: Full title indemnification for real estate

8. DUE DILIGENCE & CLOSING CONDITIONS

- 60-day due diligence window
- Fleet appraisal, real estate title search/survey
- Working capital assessment
- DOT/financial/legal compliance review
- Environmental review of real estate
- Regulatory approvals if required
- Satisfactory completion required for closing
- Buyer to pay all expenses associated with Buyer agents, representatives, contractors, etc. related to due diligence.

9. REPRESENTATIONS & WARRANTIES

The parties acknowledge that the definitive purchase agreement will contain customary representations and warranties of the Seller and Buyer for a transaction of this type, the scope, duration, and remedies for which shall be subject to good faith negotiation between the parties. Seller's liability for breaches of such representations and warranties will be limited as set forth in the definitive agreements.

10. TRANSITION & SUPPORT

- Owner transition: 90-day consulting agreement
- Key employee retention: [to be finalized]. The parties acknowledge that employment of current employees of Seller by Buyer is at the discretion of Buyer and such persons.
- Operational continuity: contracts, permits, property management

11. REGULATORY & LEGAL

- Ohio law, venue, and dispute resolution provisions
- Tax treatment: asset basis step-up and allocation
- Real estate transfers per Ohio requirements



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12. DEAL PROTECTIONS

- Exclusivity: 60 days from LOI execution
 - Material adverse change clause
 - The closing date is anticipated to be approximately 90 days from LOI execution.
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13. EXPENSES

Each party will pay its own expenses incurred in connection with the consideration, negotiation, and consummation of the transaction contemplated.

14. NEXT STEPS

1. Execute LOI
2. Complete full diligence within 60 days
3. Negotiate and execute definitive agreements
4. Finalize and close transaction

(*2) Non-Compete & Customer Non-Solicit – Standard Terms

- General Non-Compete Three (3) years from Closing; 100-mile radius of 8240 Expansion Way, Dayton, Ohio 45242.
- Restricted Activities Owning, operating, managing, or advising any charter, shuttle, or school-bus carrier that competes with Buckeye; soliciting or hiring Buckeye employees.
- Mutual Customer Non-Solicit. For twenty-four (24) months after Closing, Seller and all affiliates – including the Lima Entity – shall not solicit, accept business from, or provide transportation services to any of Buckeye Dayton's top 10 clients (ranked by revenue or trip volume) as listed on the mutually agreed customer schedule included in the final purchase agreement. Similarly, for Twenty-four (24) months after Closing, Buyer and all Buyer affiliates shall not solicit, accept business from, or provide transportation services to any of Buckeye Lima's top 10 clients (ranked by revenue or trip volume) as listed on the mutually agreed customer schedule included in the final purchase agreement (Buckeye Lima to be named as a third-party intended beneficiary in the



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final purchase agreement); *provided that* no client that Buckeye Dayton provided services to in the 18 months prior to closing shall be included on such list.

- Permitted Exceptions Passive investments < 2 % in a public company.
- Remedies Injunctive relief

(*3) Lima Business Carve-Out

- William Harnishfeger may keep ownership in the Lima Entity; Ownership interest and operation thereof does not constitute beach of Non-Compete described above.
- Lima operations must use separate assets and books.
- Lima remains fully subject to the 24-month mutual customer non-solicitation clause above.

(*4) Lima Business – First Right of Refusal

- Buyer shall have a first right of refusal on any sale or transfer of Seller's ownership interest in the Lima Entity for three (3) years following Closing.
- Seller must notify Buyer in writing of any bona fide third-party offer, including material terms and purchase price.
- Buyer has thirty (30) days to match the offer and elect to purchase on the same terms.
- If Buyer does not exercise its right, Seller may proceed with the third-party sale on terms no more favorable than those offered to Buyer.
- If the third-party transaction does not close within one hundred eighty (180) days, the ROFR is re-triggered.
- Enforcement: The ROFR shall be included as a covenant in the definitive purchase agreement and shall be enforceable through injunctive relief and specific performance.