Transit X™

Transit X presents a preliminary proposal for privately-financed, solar-powered micro-rail network — a fleet of automated electric vehicles (pods) for passengers and freight on a local and regional podway providing public transportation for

Manhattan, NYC, NY

This proposal is downloadable at transitx.com/proposals/Transit_X_for_Manhattan,NYC,NY.pdf

High capacity • High speed • Nonstop • 24/7
Solar powered • Zero Wait • Door-to-door • Resilient

A 24-page companion Transit X Handbook is available at transitx.com/transitxhandbook.pdf

209 mile network with 49,625 pods

95% of population within a 1 min. walk

Nonstop 45 mph service to 3,360 stops

Transit X proposes to build and operate a green, privately-financed micro-rail podway to carry passengers and freight for Manhattan that makes the Transit X service convenient to 95% of the population.

Transit X efficiently services both suburbs and cities and provides for a higher quality of life. See transitx.com for more details. This 3-minute video (transitx.com/video) describes our innovative solution.

Major benefits

- Reduce congestion
- Provide parking relief
- Reduce pollution
- Improve safety

The Transit X Handbook (transitx.com/transitxhandbook.pdf) answers many questions about our service, the company, our technology, and the way we address: congestion, parking, road safety, pedestrian safety, ADA compliance, sustainability, fares, solar+storage, construction, aesthetics, operations, economic development, quality of service, security, station footprint, equitability, carbon footprint, transit integration, resiliency, reliability, rights-of-way, and open space.

Congestion, parking, pollution, and safety

Most regions suffer from traffic congestion, limited parking, air pollution, and unsafe roads. Potential solutions are costly, but Transit X can solve these challenges without public funding. Transit X can integrate into the built environment, providing both short term relief and a long term solution.

No public funding

Transit X does not require government funding because our revenue from fares, freight, and advertising is greater than our costs. We have reduced or eliminated many costs of transportation including the cost of materials, land, construction, fuel, debt service, and labor. Our projects are financed by investment banks and private equity firms.

Proven technology

Our team and partners have built fully automated systems that are now in operation around the world. Transit X may look unique, but the underlying design is very similar to systems that have been operating for 40 years with an exemplary safety record. The rollout and maiden flight occurred on Oct 29, 2018 in Leominster, Massachusetts. The first Transit X system will be operating by the end of 2019. We partner with local civil engineering and construction firms for the installation.

Service Quality

Transit X provides on-demand, last-mile service that is superior to cars or buses. An operating agreement will guarantee high levels of availability and reliability. Our use of small vehicles (pods) makes this possible. By reducing car use, Transit X creates walkable and bike-friendly neighborhoods.

Less pollution: Air, Sound, Light, Visual, Water

Transit X offers a much higher quality of life by eliminating many forms of pollution. Pods are quiet and have no emissions. Pods offer less visual impact than the existing roads and vehicles, and utility lines can be hidden within the track. At night, there is no light pollution from headlights or taillights. Water pollution from road runoff is significantly reduced.

Sustainable

Transit X runs on 100% sustainable energy. The energy generated from solar panels on the track and stored within the poles is sufficient in most cases, but sustainable power contracts may used to buy and sell power to the grid. Transit X makes it possible to reduce the amount of impervious surfaces and increase green space by reducing the need for parking and roads. By replacing cars, Transit X has a negative carbon footprint.

More Transit & Fewer Cars

Transit X provides the convenience and privacy that people value in cars, yet without the negative impacts of personal cars. Transit X combines the best of mass transit and personal transportation modes which will lead to higher use of mass transit and less use of personal vehicles.

De-risking Projects

Transit X is working with large, established firms to provide fixed-price contracts for the engineering, certification, construction, and operations of a Transit X system. Theses partnerships enable Transit X to de-risk all of the major elements of the project, and provide performance guarantees.

We would work with regional urban planning and construction firms who are familiar with permitting and applicable codes.

Jobs and Workforce Development

Many jobs will be created to build a new transportation infrastructure, as well many new types of job will be created as transportation becomes more efficient. Transit X intends to build manufacturing and assembly plants around the world and locate them where Transit X is first deployed in a region. The vast majority of the construction jobs will be locally sourced. Preferential hiring would be given to those workers displaced by the transition to automated podways.

Revenue Generator

Not only does Transit X not require public financing, but the government and private easement owners receive 4-5% of gross revenue, which would be US$289 million per year average over the first 10 years. For specifics, please see the "Taxes and

Fees" section of this proposal. These fees and taxes paid by Transit X enables lower taxes or more spending on public services.
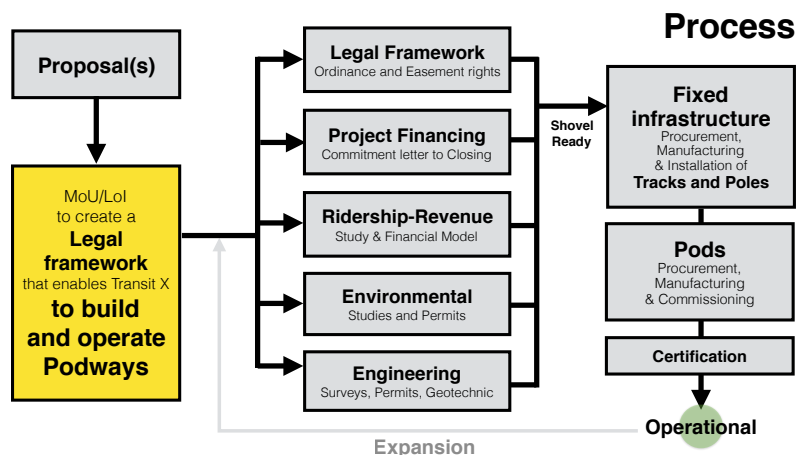
Short and Long Term Solution

A project could be operational within 24 months from the start of a project. Transit X offers a rapidly-deployable solution that provides long term benefits. We would form a local company to build, operate, and maintain the network. At least 75% of the profits would be invested back into the region.

Moving Forward

The diagram shows our general process for working with a government or commercial entity. We would refine a proposal that meets your needs, then ask for a letter stating you will create a legal framework for Transit X to build and operate a podway in your region. Example documents and a sample project schedule can be viewed at:

transitx.com/process

Process

```
Proposal(s)

MoU/LoI
to create a
Legal
framework
that enables Transit X
to build
and operate
Podways

            Legal Framework
            Ordinance and Easement rights

            Project Financing          Shovel
            Commitment letter to Closing  Ready

            Ridership-Revenue
            Study & Financial Model

            Environmental
            Studies and Permits

            Engineering
            Surveys, Permits, Geotechnic

                    Expansion

Fixed
infrastructure
Procurement,
Manufacturing
& Installation of
Tracks and Poles

Pods
Procurement,
Manufacturing
& Commissioning

Certification

Operational
```

Evaluation

Please review our preliminary proposal, and then ask us any questions. We would be happy to provide further information, address specific concerns, or meet with specific people or groups. Any routes or coverage areas shown on the map are only preliminary suggestions and actual routes would be determined based on needs, rights-of-ways, utility corridors, location of trees, and many other factors.

We expect this proposal to be reviewed by one or more committees or working groups. Familiar transportation options, such as buses, light rail, subways, and ride-sharing services (including autonomous vehicles) may have already been considered. Very few options offer the convenience of cars with at least the capacity of buses, and most, if not all, require public funding and subsidies.

Private cars have a dominant mode share because people like the privacy and convenience of a car — despite the significant risks and negative impact associated with them. People won't give up their cars unless the alternative is both better and cheaper. That is what Transit X can provide.

We hope you agree that this proposal offers a way to address your challenges in both the short and long term, providing an option that is better and lower risk than any alternative — including continuing with the status quo.

Whatever process you use to evaluate this proposal, Transit X is open to working with you on refining this proposal to meet your needs. We hope you will conclude

that moving forward with Transit X is an excellent opportunity to meet your current and future challenges.

Once we agree to move forward, we need a memorandum of understanding (example at transitx.com/process/mou.html) stating that you intend to pass an ordinance that enables our use of air rights along with an operating agreement.

The buildout of the network would be rolled out in phases, where a first phase could be a 15 to 30 km pilot.

Other Resources

The links below provide general information about Transit X:

- 2 minute video overview (transitx.com/video)
- Transit X Handbook (transitx.com/transitxhandbook.pdf)
- Letters of Project Financing, Due Diligence, Contracts (transitx.com/letters.pdf)
- Memorandum of Understanding template (transitx.com/process/mou.html)
- Example Resolution (transitx.com/process/resolution.html)
- Operating Agreement (transitx.com/process/operating_agreement.html)
- General Q & A (transitx.com/QandA.html)
- Other proposals (transitx.com/proposals)

Addendum

The remaining pages of this proposal provide project-specific details:

- Project Overview and Impact — *pages 6 and 7*
- Taxes and Fees — *pages 8 and 9*
- Fares — *page 10 and 11*
- Financial Project Summary with Pro Forma — *pages 12 and 13*

We look forward to working with you to improve the quality of life for Manhattan through better transportation.

Sincerely,

Mike Stanley
Founder & Owner, Transit X

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TransitX.

#			
1	**Transit X network length**	**336** km	**208.9 miles**
2	People (resident-equivalent) in region	1,664,727 resident-equivalent population	
3	Route density ratio (route length to service area)	5.82	
4	Number of stops	3,360	
5	Triple-speed route length	0 km	
6	Water crossing route length	0 km	
7	**Cost of fixed infrastructure**	$1,219,760,100	
8	…per person	$733	
9	Mode share of travel on Transit X (28% after first year)	86% after 10 years	
10	Distance traveled by passengers on Transit X, per year	11,398,220,628 km	**7,079,640,142 miles**
11	…per day	31,228,002 km	**19,396,274 miles**
12	Daily potential energy generation with standard panels on tracks	2,583 MWh	
13	Sustainable energy use per day	212 MWh	8% of max capacity
14	Energy storage capital cost for 1 day(s) of supply at $100 per kWh	$21,173,321	
15	Size (rated power) of solar installation	49,225 KW	
16	Cost to generate sustainable energy (at $1,000 per kW)	$49,224,600	
17	Cost of buying sustainable energy at $0.15 per kWh	$31,760 per day	14% of OPEX
18	Daily passengers riding Transit X	1,424,778 customers	86% of the pop.
19	Distance per passenger per day	22 km	**13.6 miles**
20	Average distance per trip (assuming 3 trips per day)	7 km	**4.5 miles**
21	**Single passenger fare for shared 7 km trip**	**$1.78**	
22	Passenger distance traveled during peak hour	6,245,600 km	**3,879,255 miles**
23	**Breakeven**	**189,084** customers per day (13% of expected and 12% of people convenient to Transit X)	
24	Boarding capacity	1,209,600 passengers per hour (85% of customers)	
25	**Number of pods for peak demand**	**49,625** **pods at 86% mode share**	
26	Number of customers per pod	28.7 and 34 people per pod	
27	Distance per pod per year	168,192 km	
28	Two-layer pod garage area (16% of route with side–parking)	54,588 m²	0.2% of car parking
29	Cost of pods	$322,562,500 is $149 per person	
30	Capital cost of energy generation and storage	$91,517,297 is $55 per person	

31 Project Finances

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32	Total Project Cost (privately financed)	$1,633,839,897	
33	Project cost	$4,858,281 per km	US$7.8M per mi.
34	Equity	$490,151,969	
35	Private debt financing	$1,143,687,928	
36			
37			
38			
39	Debt service (per year)	$171,553,189	
40	**Yearly fees and taxes (US$218 per capita)**	**$362,523,315**	
41	OPEX + Debt service + Tax + Fees	$615,768,499	
42			
43			
44	Project costs — per person	$981	
45	Number of motor vehicles displaced	1,139,822 motor vehicles	
46	Yearly cost of cars displaced — per person	$6,162	
	Operating costs per passenger-km	$0.01	
47	Full costs per passenger-km	$0.05	
48	Breakeven revenue distance per day	4,144,302 km	**2,574,101 miles**
49	Number of tracks in one direction needed to satisfy peak demand	**0.38**	

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Impact of proposed network

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1	Reduction in GHG emissions (metric tons CO2-eq)	1,125,574	MTCO2-eq annually
2	Estimated cost to maintain public roadways	$59,578,200	annually
3	Reduced waste products	182,656	metric tons annually
4	Travel time saved (non-stop travel and congestion)	389	hrs/person annually
5	Cost savings from reduced car ownership	$1,703	per person annually
6	Increase in household income (from time savings and car costs)	13%	
7	Reported injuries avoided	7,067	annually
8	Lives saved (from safety)	71	annually
9	Land freed from parking (6,478 acres)	26,215,907	m²
12	Temperature reduction (from heat island effect & GHG reductions)	0.5 to 2	°C
11	Health care savings (from pollution, injuries)	High	

Model Inputs

#				
15	Ratio of road length to track length	4		
16	Walking speed	4.9	km/h	3 mph
17	Width of convenient swath along track	0.16	km	0 miles
18	Fixed cost per km. Solar+storage not included.	$2,790,000		
19	Water crossing: additional cost per km	$8,370,000		
20	Triple-speed: additional cost per km	$5,580,000		
21	Rate factor for water crossings or high-speed links.	2.2		
22	Average distance traveled per person per year (for trips under 1600 km)	10,000	km	6,211 miles
23	Average distance per day per person	27	km	
24	Mode share % of people convenient to Transit X	85%	at 5 min walk.	
25	Percentage of daily demand during peak hour	20%		
26	Maximum capacity per track	23,598	pph	
27	Average dwell time during peak hour	10	seconds	
28	% of pods traveling on route with highest demand	18%		
29	Average speed of pod	72	km/h	45 mph
30	Average # of trips for a daily customer	3	per day	
31	Average passengers per pod during peak hours	2.2	passengers	
32	Average passengers per pod	1.4	passengers	
33	Average discount per passenger	18%		
33	Maximum passengers per pod	5	passengers	
34	Empty pods: Percentage non-revenue	25%		
35	Ex-Factory cost per pod	$5,000		
36	Worldwide Median Income per Household (US$)	10,000		
37	Average number of residents per household	2.3		
38	Base fare per km	$0.41		
39	(per mile)	$0.66		
40	O&M as % of project cost	5%		
41	Percentage debt financed	70%		
42	Length of loan/debt	10	years	
43	Interest rate for debt	5%		
44	kg CO2 emissions per liter of gasoline	2.37		
45	Monetary value of 1 hour personal time (USD)	$13.75		
46	Eat. roadway maintenance per year per km	$51,000		
47	Area of one parking lot space	23	m²	247 sf
48	Commercial income of land (annual)	$1.10	per m²	
49	Distance from roadway that is convenient	0.05	km	
50	Stops per km	10.0		
51	Boarding capacity per stop	360	pph	
52	Solar panel area per meter of track	2.0		
53	Cost of sustainable energy and storage	$0.15	per kWh	
54	Global Horizontal Irradiance (GHI)	3.8	kWh/m²/day	
55	Cost to generate sustainable energy	$1,000	per kW	
56	Storage per column	40	kWh	
57	Typical span	23	m	cols/km: 44
58	Energy storage cost	$100	per kWh	
59	Energy storage capacity	1	days	
60	Area of parked pod	2.20	m²	
61	Distance discount at max distance	40%		
62	Max distance discount	500	km	
63	Max usage discount at 10,000 km per capita	50%		
64	Shared Pod Discount	20%		
65	Shared Pod Compartment Discount	40%		
66	Mode share starting discount	67%		

Model Inputs (continued)

#		
68	Name of region or project	Manhattan, NYC, NY
69	Currency name	
70	Equal to US$1	1
71	Sustainable energy/electricity generation & storage as	CAPEX
72	Land area of region (sq. km)	59
73	Number of residents in region	1,664,727
74	% travel within region	80%
75	% of land area served by roads	98%
76	Coverage: % of pop. convenient (1 min walk) to Transit X	95%
77	Annual median household income (US$)	$55,000
78	Convenient walk time to stop (min)	1
79	Triple-speed route length (km)	0
80	Water crossing route length (km)	0.0
81	Visitors per year	0
82	Average length of visit (days)	2
83	Solar production ratio	1.57
84	Regional Fare Factor	1.0
85	EPC costs & contingency	30%
86	Triple-speed (km/h)	242
87	Daily Passengers Factor	1

Pod & Car

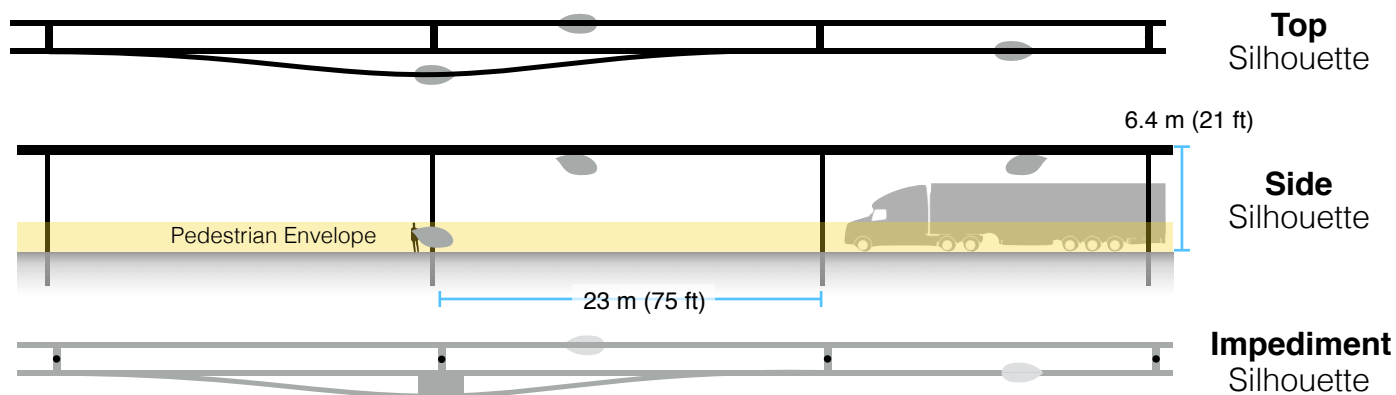| #		Pod	Car
87	Service life (years)	20	12
88	Full cost of vehicle per year	$200	$9,000
89	Public cost to maintain infrastructure (per km)	$0	$100,000
90	Energy consumption (MPGe)	3564	24
91	Energy consumption (liters/100km)	0.07	9.8
92	Energy consumption (Watt-hours/km)	9	1375
93	mass of CO2 per vehicle per km (kg)	0	0.09875
94	Vehicle mass (kg)	45	1950
95	Average speed of urban travel (km/h)	72	16
96	Typical travel time (in minutes) for 7 km trip	6	27
97	Fare/cost per km	$0.41	$0.62
98	Number of deaths per 100M passenger-km	0.00001	1
99	Number of injuries per 100M passenger-km	0.0006	62
100	Volume to park (cubic meters)	5.7	70.9

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![TransitX logo]

5% of gross revenue is paid to government easement owners for all fees and taxes. When on a private easement, 4% is paid to the private owner and 1% to the government. A minimum payment is based on the Footprint and the Transit X Commercial Rate (TXCR).

#				
1	**Government Fees and Tax rate**		(for calculating minimums)	
2	Total commercial land (estimated)	5,782,000 m²	**1,429** acres	
3	Total commercial gov't revenue (US$)	$6,360,200		
4	**TXCR (Transit X Commercial Rate)**	$1.10 per m²		
5	TXCR is the yearly tax rate per land area. Calculation: total land area of commercial properties in the governmental region, divided by all the governmental income generated by those properties. The TXCR is used to calculate the minimum tax/fee.	$11.84 per sf		
6				
7	**Private Easement Fees**			
8	**4% of gross revenue**	$215.60 per route-meter	**$65.76 per route-foot**	
9	**Minimum per year**	$1.63 per route-meter	**$0.50 per route–foot**	
10	**Government Fees and Taxes**			
11	% of route on government easements	98%		
12	**5% on government easements**	$355,272,849		
13	**1% on private easements**	$1,450,093		
14	**Total gov't fees and taxes**	**$356,722,942** per year		
16	per resident	$214		
15	**with a minimum of**	**$549,793** per year		

Footprint calculations for minimum fee

Top Silhouette

6.4 m (21 ft)

Pedestrian Envelope

Side Silhouette

23 m (75 ft)

Impediment Silhouette

	Footprint Calculations	Metric		Imperial	
1					
2	Track width	0.30	m	11.8	inches
3	Track height	0.60	m	23.6	inches
4	Post diameter	0.3	m	11.8	inches
5	Post cross section	0.07	m²	0.8	sf
6	Stop landing area	3.75	m²	40.4	sf
7	…width	1.5	m	59.1	inches
8	…length	2.5	m	98.4	inches
9	Ramp length	21	m	68.9	feet
10	Typical Span	23	m	75.5	feet
11	Number of posts per unit length	43.5	poles per km	70.0	poles per mile
12	Post height	6	m	19.7	feet
13					
14	**Single track**	1022.1	m²	10998	sf
15	…Area of Side Silhouette	678.3	m²	7298	sf
16	…Area of Top Silhouette	313.1	m²	3369	sf
17	…Impediment Area (adjusted)	30.7	m²	331	sf
18					
19	**Dual track**	1322.1	m²	14226	sf
20	…Area of Side Silhouette	678.3	m²	7298	sf
21	…Area of Top Silhouette	613.1	m²	6597	sf
22	…Impediment Area (adjusted)	30.7	m²	331	sf
23					
24	**Stop**	82.1	m²	883	sf
25	…Area of Side Silhouette	25.2	m²	271	sf
26	…Area of Top Silhouette	19.4	m²	208	sf
27	…Impediment Area (adjusted)	37.5	m²	404	sf
28					
29	Stops with dedicated landing areas	2	stops per km	3.2	stops per mile
30	% of dual track	100%			
31					
32	**Average area per unit length**	**1,486**	m² per route-km	**25,793**	sf per route–mile
33					
34	**Contract values**				
35	% gross revenue for government on private prop.	1%			
36	% gross revenue for private easement	4%			
37	% gross revenue for government easement	5%			
38	Impediment Factor	10			

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Fair Fare Formula

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Summary	The average commute would be 3.5 times faster saving each commuter 295 hours per year.*
	At 0.39 USD per mile, a typical commute on Transit X is 17% less than public transit and 74% less than a Taxi.*

Trip Length

All prices in USD	1 mile	6 mile	25 mile
Transit X	**0.49** to 0.81 2 min., 3.6x faster	**2.41** to 4.04 8 min., 3.6x faster	**9.25** to 15.76 33 min., 3.4x faster
Public transit average	**2.73**	**4.34**	**6.37**
Taxi	3.79 2 to 6 minutes	16.49 8 to 30 minutes	64.11 30 to 120 minutes
Uber/Lyft	2.88 2 to 6 minutes	11.87 8 to 30 minutes	45.58 30 to 120 minutes
Public Bus	2.20 3 to 12 minutes	2.20 15 to 60 minutes	3.37 60 to 240 minutes
Train	3.30 2 to 12 minutes	3.88 8 to 60 minutes	6.08 30 to 240 minutes
Personal car	**3.16** 2 to 6 minutes	**9.94** 8 to 30 minutes	**35.36** 30 to 120 minutes

Common public modes (label for Taxi, Uber/Lyft, Public Bus, Train rows)

Travel mode	Avg. Speed km/h	Low Speed km/h	High speed km/h	Base	Includes km	Over per-km	Min Dist. km	Max Dist. km	Time cost per min	Mode share 6% 2	70% 10	24% 40
Taxi	30	20	80	2.20	1	1.10	0.5	100	0.98	5%	4%	1%
Uber/Lyft	30	20	80	1.76	1	0.88	0.5	100	0.49	10%	10%	2%
Public Bus	15	10	40	2.20	20	0.06	0.5	50	0	50%	50%	40%
Train	30	10	80	3.30	2	0.07	2	100	0	35%	36%	57%
Transit X	72	72	72	0	0	0.24	0.1	50	0	-	-	-
Personal car	30	20	80	1.47	0	0.73	0.1	400	0.23	-	-	-

* All numbers on mode shares, speeds, and costs are rough estimates..

Base fares are set for first 5 years, then adjusted by formula. A 20% discount on a shared pod and a 40% discount on a shared compartment. Trips are discounted proportional to their length reaching a maximum of a 40% discount on a 500 km trip. No congestion–based pricing. Fares are proportional to the median income of the area and inversely proportional to per capita use, so the more use of Transit X, the lower the base fare up a to 50% discount. The amount of market–rate fares must be less than the amount of discounted fares. Transit X Fair Fare Formula and Fair Freight Formula is universal and applies to all regions and all times.

Fair Fare Formula
Fare rates are updated annually using this formula

	Formula Name	Value	Units	Description of the value or model input
1	GlobalIncome	10,000	USD	Global median household income. Updated annually based on most recent standard published data.
2	AllTravel	23,000	km	Travel distance per household per year on any mode for trips under 1600 km. A global constant
3	PercentIncomeForTransport	20%		% of median household income for all transportation under 1600 km trips. A global constant.
4	GlobalRate	0.09	USD/km	Global rate: **GlobalIncome * PercentIncomeForTransport / AllTravel**
5	IncomeFirst	$55,000	USD	Median household income at first stop (per person per day). External input. Based on reliable public data source updated annually.
6	IncomeDest	$82,500	USD	Median household income at destination per trip. External input. Based on reliable public data updated annually.
7	RegionalRate	0.48	USD/km	Regional rate based on median income: **MedianIncomeFirst * PercentIncomeForTransport / AllTravel**
8	UnderIncomeRate	0.00	USD/km	Under global income adjustment: **if (RegionalRate < GlobalRate, GlobalRate - RegionalRate, 0)**
9	NominalRate	0.48	USD/km	Nominal rate: **RegionalRate + UnderIncomeRate**
10	RegionalFactor	1.00		Regional Fare Factor. Negotiated upfront to make network financially viable.
11	AdjustedRate	0.48	USD/km	Regional adjusted rate: **NominalRate * RegionalFactor**
13	Population	1,664,727		Population in region. Updated annually based on trusted public data source.
12	UsageMaxDiscount	50%		Fare Discount when Transit X travel per household equals AllTravel. Global constant.
14	PassengerTravel	11,398,220,628	km	Total passenger distance traveled previous calendar year. Based on expected mode share for first 3 years. Based on actual passenger trips. Audited.
15	ModeShare	30%		Percent of Total Travel Per Capita on Transit X: **PassengerTravel / (Population x AllTravel)**
16	BaseRate	**0.41**	USD/km	**Base rate for single-passenger pod (without discounts)** **(1 - UsageMaxDiscount x min(1,ModeShare)) x AdjustedRate**
17	SpecialRateFactor	2.20		Rate factor for water crossings or high-speed links. Global constant.
18	SpecialBaseRate	0.90	USD/km	Base rate for high-speed travel or water crossings: **BaseRate * SpecialRateFactor**
19	DistanceDiscount	40%		Distance discount at max distance. Global constant.
20	MaxDistanceDiscount	500	km	Max distance discount. Global constant.
21	DistanceDiscountPerKm	0.000326	USD/km	Discount amount per km: **BaseRate x DistanceDiscount / MaxDistanceDiscount**
22	SeniorDiscount	20%		Senior discount set according to local regulations
23	StudentDiscount	20%		Student discount set according to local regulations
	DisabilityDiscount	20%		Disability discount set according to local regulations
24	DiscountBaseRate	**0.33**	**USD/km**	**Discounted base rate: BaseRate x (1 - SeniorDiscount)**
25	SharedPodDiscount	20%		Discount for a shared pod. Set by Transit X per year. 15% minimum and 30% maximum. Maximum yearly change is one percentage point.
26	SharedPodRate	**0.33**	**USD/km**	**Rate for a shared pod: BaseRate x (1 - SharedPodDiscount)**
27	SharedCompartmentDiscount	40%		Discount for shared compartment. Set by Transit X per year. 25% minimum and 40% maximum. Maximum yearly change is one percentage point.
28	SharedCompartmentRate	**0.24**	**USD/km**	**Rate for shared compartment** **BaseRate x (1 - SharedCompartmentDiscount)**
29	SingleOccupancyMaxDistance	0.28	**USD/km**	Rate for 500 km in single–passenger pod.
30	Senior + SharedCompartmentRate	0.12	USD/km	Rate for a Senior taking a 500 km trip in a shared compartment. **BaseRate x (1 - SeniorDiscountAmount) x (1 - SharedCompartmentDiscount) x (1 - MaxDistanceDiscount)**
31	50PctIncomeAtDest	25%		% Higher fare rate if Destination has 50% higher median income than First **(IncomeDest / IncomeFirst - 1) / 2**
32	DistanceBase	8,434,683,265	km	Passenger distance under base fare. Audited value from operational data.
33	PercentBase	74%		Percent of passenger distance under base fare: **DistanceBase / PassengerTravel**
34	BaseRevenue	2,813,893,777	USD	Annual revenue from all travel under base rate. Audited value from operational data.
35	AverageDiscount	18%		Average fare discount from Base Rate: **1 - (BaseRevenue / (DIstanceDase x BaseRate))**
36	MarketFactor	1.0		Market rate factor. Negotiated value for setting ratio of AverageDiscount
37	MarketRateCap	18%		Cap on passenger travel distance at market rate: **AverageDiscount x MarketFactor**
38	MarketTravelCap	1,522,192,934	km	Cap on passenger travel distance at market rate: **DistanceBase x MarketRateCap**

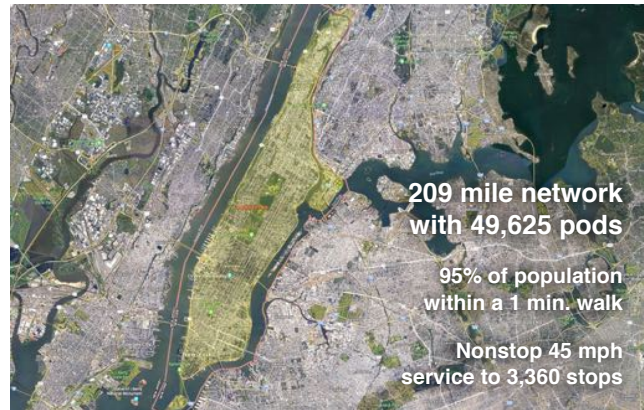|	
Project Description	A fully-automated, solar-powered, micro-rail network. A transportation utility.
Project type	**Privately-funded Public Transit** Design, Build, Finance, Own, Operate, Maintain (DBFOOM)
Project cost	US$1.63 billion
Cost to Gov't	$0
Structure	Privately financed equity and debt
Debt term	10 years @ 5%
Equity terms	A waterfall profit distribution with: 1. 90/10 split until Return of Capital, 2. then 50/50 until Target IRR met 3. then 10/90 onwards
Taxes & Fees	$356,722,942 per year
Benefits to society and environment	Extremely high
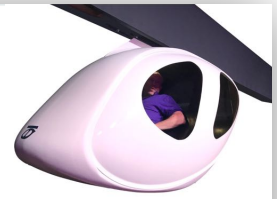
Transit X presents a preliminary proposal for privately-financed, solar-powered public transit network — a fleet of fully-autonomous, shared, electric, 4-passenger vehicles (pods) on a local and regional podway

Manhattan, NYC, NY

**High capacity · High speed · Nonstop · 24/7
Solar powered · Zero Wait · Door-to-door · Resilient**

209 mile network with 49,625 pods

95% of population within a 1 min. walk

Nonstop 45 mph service to 3,360 stops

Financials

(US$ in millions)

	Year 1	Total Years 1-12
Gross Revenues	**2,393**	**69,390**
Taxes and fees	**120**	**3,470**
Debt service	**$148**	**$1,481**

About Transit X

Transit X finances, designs, builds, and operates solar-electric micro-rail public transit podways to supplant buses, trains, cars, and trucks. Transit X offers its service to governments and commercial developers. Maiden Flight was on Oct 29, 2018 and pilot projects started in 2018. First pilots will break ground in 2019 and begin operations in 2020. Transit X is a privately held company founded in 2015, based in Boston, Massachusetts.

ESG (Environmental, Social, Governance) Benefits

Clean energy	yes	**Resiliency**	yes
Energy security	yes	**Sustainable**	yes
Emissions-free	yes	**Equitable**	yes
GHG-free	yes	**Recyclable materials**	yes
Lowers pollution	yes	**Affordable housing**	yes
Clean water	yes	**Improved Health**	yes
Improved Safety	yes	**Econ. Development**	yes
New infrastructure	yes	**Access to Food**	yes
Equitable transport	yes	**New job creation**	yes

Status

	Now	Prior to close
Project financing	Letter of intent	Yes
Outdoor test system	Dec, 2019	Yes
Rider-Revenue study	Preliminary	Yes
Environmental study	Per region	Yes
Air rights	Per project	Yes
Permitting	Per project	Yes
Safety certification	In process	Yes
Construction firm	Per project	Yes
Design and major subs	Per project	Yes
Operations & Maint	Yes	Yes
Utility relocation	Per project	Agreements

General information available at transitx.com. Detailed information and references can be provided under appropriate non-disclosure/non-compete/non-circumvent agreements. Contact: Mike Stanley, CEO, Transit X, mike@transitx.com, 508-596-7024

TransitX

Model Inputs and Assumptions

Route length (km)	336	Travel per year per pod (km)	168,192
Starting number of pods	16,376	Revenue per vehicle-km (US$)	0.87
Projected revenue growth	15%	OPEX as % of project cost	5%
Project Cost (Privately funded)	$1,633,839,897	Debt Interest rate	5%
% Debt financed	70%	Debt term (yrs)	10
Debt	$1,143,687,928	Years to return equity capital	5
Equity	$490,151,969	Profit share when below capital return	90%
Capital return per year	$98,030,394	Profit share when below Target IRR	50%
Debt payment (per year)	$148,112,819	Profit share when above Target IRR	10%

Pro Forma

Years	0	1	2	3	4	5	6	7	8	9	10	11	12
Revenue	0	2,392,617,352	2,751,509,955	3,164,236,448	3,638,871,916	4,184,702,703	4,812,408,108	5,534,269,325	6,364,409,723	7,319,071,182	8,416,931,859	9,679,471,638	11,131,392,384
5% RoW÷tax÷fee	0%	119,630,868	137,575,498	158,211,822	181,943,596	209,235,135	240,620,405	276,713,466	318,220,486	365,953,559	420,846,593	483,973,582	556,569,619
Debt service	0	$148,112,819	$148,112,819	$148,112,819	$148,112,819	$148,112,819	$148,112,819	$148,112,819	$148,112,819	$148,112,819	$148,112,819	0	0
Investor balance		-$166,037,282	$192,741,285	$591,383,315	$1,035,868,327	$1,533,072,767	$2,090,904,551	$2,640,033,465	$3,269,342,041	$3,990,857,227	$4,818,410,016	$5,782,717,330	$6,887,259,373

Important Notices

The information contained in this document is not an offer to sell or a solicitation to buy any security. These materials and documents and information from which they are derived or which are referred to by or accessible from them may contain forward looking statements within the meaning of Section 27A of the Securities Act of 1933, Section 2E of the Securities Exchange Act of 1934 and the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact are forward looking statements and are subject to risks and uncertainties. Forward looking statements generally can be identified by the use of forward looking terminology such as "may," "will," "expect," "intend," "estimate," "project," "anticipate," "believe" or "plan" or the negative thereof or variations thereon or similar terminology. Although Transit X believes that the expectations reflected in such forward looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. All forward looking statements speak only as of the date made. Except as required by law, Transit X undertakes no obligation to update any forward looking statement to reflect events or circumstances after the date on which it is made or to reflect the occurrence of anticipated or unanticipated events or circumstances. These materials and documents and information from which they are derived or which are referred to by or accessible from them represent Transit X's best estimate as to the allocation of the funding proceeds based upon its present business plan and financial condition. The costs and expenses to be incurred in pursuing the Company's business plan cannot be predicted with certainty. There can be no assurance that unforeseen events will not occur or that the Company's business plan will be achieved or that it will not be changed, and it is possible that the funding proceeds may be applied in a manner other than that described herein.