
Rail Industry Group Information

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Executive Summary

Substantial businesses seeking legal counsel today face a true dilemma. The issues that confront them are nearly always urgent and complex. Strategies must be developed and implemented without delay. In addition to knowing the law, their lawyers must understand the client's industry and business objectives.

Keevican Weiss Bauerle & Hirsch LLC is a service-focused law firm that has built its reputation on practical business legal advice to its clients. What makes the Firm stand out is its understanding of its clients' needs as well the access it offers to the capital markets through its subsidiary, Renaissance Partners, LLC.

Keevican Weiss Bauerle & Hirsch LLC has extensive experience working with companies, suppliers, governmental agencies and other constituencies whose businesses comprise the rail industry. Through its more than 30 years of service to companies in the rail industry, the Firm has built solid relationships with the key constituents. Based in Pittsburgh, the Firm is well situated in the midst of America's industrial heartland and knows the industry's hidden pitfalls and potential strengths. The Firm's representation of all sectors of the rail industry brings a wealth of knowledge unparalleled by others.

Firm Overview

The Firm's practice spans the full range of commercial matters, including:

- Antitrust and Trade Regulation
- Commercial & Real Estate Finance
- Corporate Governance
- Employment Litigation
- Environmental Law
- Franchising Law
- Healthcare
- International Business
- Litigation
- Product Liability
- Tax
- Trade Secrets & Unfair Competition
- Bank Regulatory Law
- Construction Law
- Customs
- Energy & Natural Resources
- Estates & Trusts
- Government Affairs
- Immigration & Citizenship
- Labor & Employment
- Mergers & Acquisitions
- Real Estate
- Technology Law
- Bankruptcy & Creditors' Rights
- Corporate & Business Law
- Emerging Business
- Entertainment Law
- Financial Institutions
- Government Contracts
- Intellectual Property
- Land Use Development
- Non-Profit Organizations
- Securities
- Venture Capital

The Firm's practice areas and industry groups cover a broad range of business and legal needs. This breadth of expertise and resources enables the Firm to provide solutions in either a traditional way or an innovative fashion. It also offers an unprecedented range of services through two ancillary services groups: Renaissance Partners, LLC and FiCap Strategic Partners, LLC. These ancillary businesses provide the legal, investment banking and business consulting services that help companies succeed.

Keevican Weiss Bauerle & Hirsch LLC also maintains the flexibility demanded by its corporate clients to resolve disputes in a cost-effective manner tailored to meet the client's needs and financial boundaries. The Firm frequently works with its clients to establish budgets and effective commercial litigation strategies that enable the clients to meet their corporate goals within budgetary and time constraints.

What distinguishes Keevican Weiss Bauerle & Hirsch LLC is its ability to provide a wide range of practical legal and business solutions. Many of its lawyers have career experience in industry and government. They understand the needs of business, and they have the experience and resources that help companies continue their success.

Rail Industry Capabilities

Comprehensive Rail Industry Experience

Keevican Weiss Bauerle & Hirsch LLC conceived, structured and implemented many important transactions of the last three decades in the rail industry.

The Firm's attorneys have served as architects of these transactions by:

- Identifying clients' needs
- Structuring deal features (from labor contracts and benefit arrangements to financial models)
- Arranging financing
- Closing the transactions
- Continuing as general counsel for the resulting entity

The Firm's knowledge also includes comprehensive experience with companies that supply and serve the rail industry, from raw materials through all aspects of construction, management and financing.

Maintenance of Way

Keevican Weiss Bauerle & Hirsch LLC's experience includes general representation of a leading supplier of track, track materials and maintenance of way products. Specific examples include:

- Negotiation, Bankruptcy Court approval and implementation of the acquisition of the abandoned division from the trustees of a regional railway company
- Negotiation and Bankruptcy Court approval of appointment as exclusive Dismantling and Marketing Agent of 3,000 miles of abandoned track throughout the Midwest from the Trustee of the Rock Island Railroad
- Negotiation, Bankruptcy Court approval and acquisition of track and right of way throughout Western United States from the trustee of regional railroad
- Negotiation and acquisition of abandoned track from a mid-western railroad
- Acquired and subsequently sold tie treating facility
- Sale of track works division of a major rail products supplier

Rolling Stock, Component Parts

The Firm's experience includes general representation of the largest U.S. manufacturer of forged railroad wheels and axles in all aspects of its operation. Specific examples include:

- Acquisitions, dispositions and all contract negotiations in the United States and Europe
- Acquisition of additional manufacturing facilities in England
- Creation and implementation of financing and acquisition and divestiture programs
- Negotiation of sales to OEMs and rail car manufacturers and transportation authority bids
- Negotiation and due diligence in connection with an unsuccessful bid to acquire the car building division of a national steel company

Power

The Firm's experience here includes representation of a leading international locomotive re-manufacturer, manufacturer and distributor of locomotive components. Specific examples include:

- Original acquisition of a traction motor and remanufacturing company in a "going private" transaction
- All of its relations with OEMs (in United States, Canada, Europe and Asia)
- The combination of the traction motor coil and manufacturing company and four other operating units (including the backshop operations of a locomotive company) to create a major rail company and the subsequent public offering of 35% of the combined entity
- Representation of the company in all of its acquisitions and dispositions including the negotiation and documentation from development stage to manufacturing stage
- Negotiation of financing leases with Australian banks for locomotives in Malaysia, Indonesia and Australia and the ultimate disposition of the entity's Australian rebuilding operation

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- Negotiation and documentation of the sale of the locomotive fleet to an American freight car lessor
 - Representation of the a major rail company in all of its environmental and labor issues at a locomotive manufacturing facility

Strategic Transactions

The Firm's experience here includes:

- Negotiation of the joint venture agreement for the privatization of a Mexican railway company
- Negotiation and implementation of participation in the successful privatization of a Buenos Aires subway system
- Negotiation of "Iron Highway" intermodal venture between two private rail and rail parts companies
- Restructuring of Port Terminal Railroad in Houston, TX
- Creation of the largest regional short line railroad—more than 1,000 miles—including obtaining the first exemption from "labor protection" under then-applicable ICC regulations

Service to Industrial Companies

- Structuring of right of way arrangements to enable industrial users to continue to have service from Class I and Class III railroads
- Negotiation of utility easements and similar joint use agreements
- Connection of a major steel company's works to a Texas-based company's midwest pipeline
- Negotiations to create transit car manufacturer's test track along Class III railroad right of way

Labor and Benefits

Leading Edge Practice

- Restructuring of labor and benefits arrangements to reduce costs has been a key feature of virtually every rail industry acquisition the Firm has completed
- The Firm has consistently accomplished significant savings without incurring strikes, work stoppages or other labor unrest
- The Firm has been an architect of innovative labor structures that have gained acceptance throughout America's industrial heartland
- Labor agreements negotiated and won by the Firm have regularly been used as templates by others seeking to achieve for themselves the same gains in labor cost and productivity
- The Firm has regularly defeated organizing efforts brought by unions against its clients and their employees
- The Firm has also helped clients attain favorable media coverage of their labor relations' strategies

Selected Attorney Profiles

Profiles of selected attorneys within the Firm's rail industry group are provided in the following pages. Additional attorney profiles may be viewed on the Keevican Weiss Bauerle & Hirsch website at www.kwbhlaw.com.



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Since co-founding Keevican Weiss Bauerle & Hirsch LLC, Leo A. Keevican, Jr., has steered the law firm with a clear vision—focusing on the needs of business.

The *Post-Gazette* called Mr. Keevican a "middle-market merger maker" and "one of Pittsburgh's busiest mergers and acquisitions attorneys." In fact, Mr. Keevican has led the firm in orchestrating over 400 transactions. During his more than 30 years of practice, Mr. Keevican has completed transactions involving operations or companies throughout the United States, Europe, Asia, Central and South America and Australia.

Over the Firm's history, Mr. Keevican has launched five ancillary services to provide additional professional services to its clients. In a *Chicago Tribune* article entitled, "Law firms take steps out of the box," Mr. Keevican was quoted for being among the first law firms in the country to establish ancillary services.

Among his accomplishments in his legal practice, Mr. Keevican has had extensive dealings in both the steel and rail industries. The Firm, under his leadership, has worked with over fifty companies in the steel industry and helped form MotivePower, the largest remanufacturer of railroad locomotives in the United States. He has represented a privately held international manufacturing company in its acquisition of one of Europe's largest railroad wheel and axle manufacturers from one of the world's largest producers of stainless steel.

Mr. Keevican and his M & A group represented the purchasers of Rouge Steel from Ford Motor Company. He also represented a publicly held manufacturer in a merger, resulting in the creation of a \$1.3 billion diversified manufacturing concern. Mr. Keevican was instrumental in creating the only American-owned ferroalloys manufacturer by winning a 30% reduction in wage and benefit costs from the United Steelworkers of America. He also organized and developed a U.S. presence for a French-owned manufacturing company and served as its general counsel, negotiating over \$400,000,000 of contracts.

Mr. Keevican served as the Secretary and General Counsel of Freedom Forge Corporation (Standard Steel) and as a Director of American Alloys, Inc., since each company's inception. He has served as a member of the Board of Directors of the United Way of Allegheny County, Shadyside Hospital Foundation and the West Penn Chapter of the March of Dimes. Mr. Keevican is also active in major fund raising campaigns for the Hillman Cancer Center, the Little Sisters of the Poor and Catholic Charities.



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Education

*Oberlin College (B.A., 1976)
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James F. Bauerle is Director of Legal and Business Services of Keevican Weiss Bauerle & Hirsch LLC.

Mr. Bauerle's rail industry experience includes significant real estate acquisitions and dispositions, purchases of companies in the power and maintenance of way businesses, and financing of companies in all aspects of rail and rail-related businesses.

Mr. Bauerle regularly contributes articles to regional and national publications. Mr. Bauerle has also served as an executive officer and director of publicly traded and privately held financial services companies.

In his nearly 30 years of law practice, Mr. Bauerle has:

- Completed asset-based financings for railroads and companies that supply railroads
- Represented economic development agencies developing sites designed to provide industrial users convenient access to adjacent railroad lines
- Conducted extensive research on title and real estate issues associated with changes in use of railroad rights of way
- Advised clients concerning railroad real estate law in the context of Ch. 11 reorganization of integrated steel companies



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Education

*Washington and Jefferson College
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Memberships

*American Diabetes Association,
National Board of Directors*

Michael A. Weiss is a member of the Board of Directors of Keevican Weiss Bauerle & Hirsch LLC.

Mr. Weiss' practice is concentrated in corporate matters with particular focus on the tax aspects of business financing, mergers and acquisitions and estate and business succession planning. During his 28 years of practice in Pittsburgh, Pennsylvania, Mr. Weiss has completed transactions involving operations in companies throughout the United States and in numerous foreign countries. He has served as Vice President, Secretary and General Counsel of L.B. Foster Company, and as Secretary and General Counsel of Rouge Steel Company and MotivePower Industries, Inc. (formerly MK Rail Corporation). He also serves on the Board of Directors of numerous private corporations and charitable organizations and is currently the National Chair of the Board-Elect of the American Diabetes Association.

Among his accomplishments in his practice, Mr. Weiss has:

- Represented a steel products distribution company specializing in rail materials, tubular goods and constructions products in its sale to a well-known leverage buyout firm. As General Counsel, he oversaw the Company's initial public offering of its common stock, successfully raising over \$33 million in fresh equity capital.
- Rolled back nearly one hundred years of labor protection of railroad employees under Interstate Commerce Commission regulations in a transaction that became the model for dozens of national railroad reorganizations.
- Served as corporate general counsel in the initial public offering of a fully integrated domestic steel manufacturer with sales of over \$1.1 billion.
- Successfully protected a publicly held manufacturer of rail and related transportation products from the financial difficulties and ultimate bankruptcy reorganization of its majority stockholder.