

## NAPA VALLEY WINE TRAIN, INC.

### A Philosophical Statement by the President, Chairman and Principle Shareholder

We may say we are in the travel industry and the food and beverage business but actually, we are in the "people business". Our success in Travel as well as Food and Beverage is determined by our success in serving customers; attracting and holding capable dedicated employees; maintaining good business rapport with our suppliers as well as observing the regulations of and maintaining good relations with those government entities that regulate us.

Our basic philosophy for dealing with all four groups is the same, and it is simply the Golden Rule: We want to treat our customers, employee's suppliers and regulators, as we ourselves would like to be treated.

The name of our company is Napa Valley Wine Train, Inc., and it is also known as Napa Valley Railroad Company. Therefore, each and every one of you is a representative of the Napa Valley Wine Train. In many respects, since a significant number of you meet our customers each day, you will be the image of the Wine Train. Therefore, it is your job to see that the Napa Valley Wine Train is represented in the most exemplary manner at all times.

#### I. OUR CUSTOMERS:

We will provide our customers service on a level far superior to any other food and beverage company. We will offer our passengers the quality of food and merchandise they have a right to expect and receive from a company such as the Napa Valley Wine Train.

#### II. OUR EMPLOYEES:

Our employees are a primary key to our success. To attract and hold top people, we will pay top wages, offer maximum fringe benefits by industry standards, and provide a pleasant family atmosphere in which to work. In return, we expect our employees to be happy, cheerful, smiling and vocal. Our passengers want an enjoyable experience on the Wine Train and your smile and cheerful "Hello", "Have a nice day", "May I help you?", etc. accompanied by excellent service, will help to make their Wine Train experience a memorable one.

We maintain high standards for employee performance. We believe in the Free Enterprise System of regarding people according to their abilities, time and effort put forth. Employees are judged on their actual performance in meeting company objectives. There is no place in our company for poor, sub-standard Performance.

We expect complete honesty and loyalty to the Company, and we expect all employees to live by the rules and regulations of the Company. Employees should always be guided by a sense of personal honor, which is one of the most precious possessions in life. If any employee has a question about a course of action, the answer should instinctively be: Do what is ethically and morally proper. Dishonesty cannot and will not be tolerated at any level or in any relationship with customers, suppliers, other employees, regulatory agencies or the company.

We want positive, active thinkers, because we recognize we live in a time of constant change. Therefore, we will provide an atmosphere, in our company, where suggestions for improvement are freely exchanged, evaluated and acted upon. We must seize and exploit every new opportunity to get the job done in a more effective and efficient way.

We will play no favorites. All employees are to be treated equally and fairly. We maintain an "open door" policy. If any employee thinks he has been treated unfairly, they can take their complaint to the next highest official ... right up to the President of the company.

In order to provide career opportunities for our employees, we must commit ourselves to a sound, planned pattern of growth. To prosper and grow, we must have profit. In addition, to be profitable we must have loyal and productive employees who want to succeed and have the company succeed.

The management of this company makes this commitment to all employees: No employee will ever become or be treated as a number, but rather, will always be treated as an individual whose worth is equal to any other employee or official of this company. That all employees will be treated with the same fairness and consideration, and that anything contrary to this will be reviewed by top management.

#### III. OUR SUPPLIERS:

Our suppliers are an invaluable line in our success. We must be as fair and honest with our suppliers as we are with our customers and employees. We want to be firm and demanding, but never ruthless.

#### IV. REGULATORY AGENCIES AND PERSONNEL:

We must treat-all such agencies and their personnel with respect and fairness, the same way we wish to be treated. Confrontations based in anger are very seldom fruitful and most often result in wasted time and little result. Always work within the rules and regulations of those that govern our operation and endeavor to maintain cordial working relationships with the agencies and their staffs.

#### V. OUR COMPANY:

Our company must merit the respect and loyalty of our customers, employees, suppliers and regulatory agencies. Success, growth and progress are winning characteristics--and everyone wants to be a winner. We want a company where everyone is proud to say---"Napa Valley Wine Train --- that's my company".

Vincent DeDomenico - Chairman