

**STOCK OWNERSHIP GUIDELINES  
FOR NON-EXECUTIVE BOARD MEMBERS OF  
FREIGHTCAR AMERICA, INC.**

1. **Ownership Requirements.** The Board of Directors expects that each Non-Executive Director will maintain an amount of Company stock holdings at least equal in value to three times the amount of annual cash retainer paid to the Director. For this purpose, annual cash retainer (not including any additional fees for service on a Board Committee or as Chair of a Committee), and the value of a Director's Company stock holdings shall be measured based on the average of the closing prices of the Company's stock over the last 30-trading days.
  
2. **Included Holdings.** Company stock holdings that count towards meeting the ownership requirements include:
  - (a) Shares of Company stock owned outright or in trust; and
  - (b) Stock options, restricted stock, restricted stock units, and other compensatory stock awards, including options and awards granted but not vested.
  
3. **Compliance Review; Changes to Guidelines.** A Director will have three years following the later of (a) the Director's initial appointment or election as a Director or, (ii) the date the amount of Company stock holdings set forth in the Guidelines is increased, to satisfy the Guidelines. If a Directors falls out of compliance with the Guidelines (*e.g.*, due to stock sale, stock price declines, etc.) the Director will have twelve (12) months to get back into compliance. The Nominating and Governance Committee will review each Director's compliance with the Guidelines annually. The Nominating and Governance Committee has the authority to review and alter the provisions of these Guidelines as it deems appropriate.
  
4. **Enforcement Provisions.** If a Director consistently fails to comply with these Guidelines, the Compensation Committee will take such actions as it deems appropriate, including, but not limited to allocating an additional amount of the Director's annual retainer to the award of Company stock or reducing future equity compensation awards.

Adopted Effective May 9, 2019