

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

(Effective September 20, 2011)

1. **Ownership Requirements.** The Board of Directors expects that each Non-Executive Director will maintain Company stock holdings at least equal to the aggregate number of shares (including options or shares granted but not vested) that the Company has awarded to the Non-Executive Director during the three-year period ending on any given date of determination. The Director may reduce the amount of required stock holdings by the number of shares the Director has applied directly to the payment of taxes on such awards (*e.g.*, in a “withhold to cover” transaction).
2. **Included Holdings.** Company stock holdings that count towards meeting the ownership requirements include:
 - (a) Shares owned outright or in trust; and
 - (b) Stock options, restricted stock and restricted stock units, including options and shares granted but not vested.
3. **Compliance Review; Changes to Guidelines.** Non-Executive Directors will have three years to satisfy the guidelines after becoming a Director. The Nominating and Governance Committee will review each Director’s compliance with the above ownership requirements 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 the above ownership requirements, 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 compensation to the purchase of Company stock or reducing future equity compensation awards.