

429 Forbes Avenue
Allegheny Building, 17th Floor
Pittsburgh, PA 15219
www.stemberfeinstein.com
T: 412.281.8400
F: 412.281.1007

John Stember
Edward J. Feinstein
Ellen M. Doyle
William T. Payne
Pamina Ewing
Stephen M. Pincus
Joel R. Hurt
Jonathan K. Cohn
M. Davidson-Welling
Of Counsel:
Tybe Ann Brett
Lawrence A. Frolik

Dear FreightCar Class Members:

Enclosed is an official notice from the United States District Court for the Western District of Pennsylvania, Johnstown Division, about the proposed settlement (“Settlement”) the parties have agreed to in *Sowers et al. v. FreightCar America, Inc.*, (Case No. 3:07-cv-00201-KRG).

We have been representing you in this class action lawsuit. The case arose out of layoffs by FCA in 2007, which affected the pension eligibility of a number of employees.

Plaintiffs alleged that FCA timed these layoffs to prevent members of the class from vesting for certain pensions. The Court granted Plaintiffs’ request for a Preliminary Injunction and FCA was directed to return class members to work. FCA then appealed this ruling. While the appeal was pending, the parties negotiated this Settlement.

While the Court has never made a final decision on which side was right, FCA has agreed to a compromise which we believe is fair and reasonable. We fully support the Settlement and are recommending to the Court that it be approved.

If the Court approves the Settlement, all members of the class will vest in either a Rule of 65 or 70/80 (if hired in 1988-1989 and you would have vested by May 31, 2010) or a deferred vested pension (if hired in August-October 2004). Subject to the Court’s approval, the Settlement thus ensures that members of the class will become eligible for these pensions.

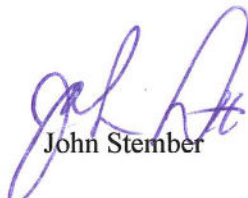
Details of the settlement are summarized in the Court’s notice and are fully set out in the Settlement Agreement, which is also enclosed. We urge you to study these documents carefully.

The court has scheduled a hearing on November 17, 2008, at 1:30 p.m. in Courtroom A at the United States Courthouse, Johnstown Pennsylvania Johnstown Division, Penn Traffic Building, 319 Washington Street, Johnstown, PA 15901 to determine whether to approve the Settlement.

If the Court approves the Settlement, it will apply to you and other members of the Class. If you wish to file an objection to the Settlement, you must do so in writing, as explained in the notice, postmarked by October 15, 2008. If you do not object to the Settlement, you need not file anything with the Court or attend the hearing.

The Settlement is the result of extended negotiations. We have carefully considered the alternatives and have concluded that this Settlement is in the best interest of the class. You, of course, have a right to object to the Settlement, but—again—we are recommending that it be approved.

Very truly yours,


John Stember