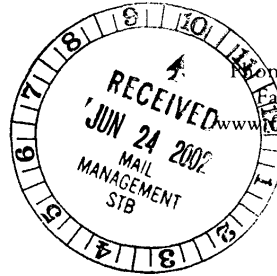


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June 22, 2002



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VIA FEDERAL EXPRESS

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W., Room 700
Washington, DC 20006

ENTERED
Office of Proceedings

JUN 24 2002

Part of
Public Record

Re: **Finance Docket No. 34177**
Iowa, Chicago & Eastern Railroad Corporation – Acquisition
and Operation Exemption – Lines of I&M Rail Link, LLC

Dear Secretary Williams:

Iowa, Chicago & Eastern Railroad Corporation ("IC&E") is today filing its reply in opposition to the petitions for stay filed by various parties in the above-captioned proceeding. Those petitions seek to stay the effective date of IC&E's exemption to acquire and operate the lines of I&M Rail Link, LLC ("IMRL"). As the Board is aware, certain issues have arisen with respect to access to the Chicago terminal. IC&E has no intention of closing this transaction without adequate access for its shippers into the Chicago market. Indeed, it is a condition of the Asset Purchase Agreement that IMRL ensure such access prior to closing. IC&E expects this issue to be resolved in the near future, and in any event IC&E will not attempt to close this transaction until and unless it is resolved. After more than two months of attempting to arrange a meeting with one of the railroads involved (Metra), we have begun a constructive dialogue and hope to resolve that matter promptly.

Because IMRL has not as yet delivered or provided reasonable assurance that it will deliver all of its closing obligations by the scheduled June 28 closing, and to allow the parties time to pursue a private resolution to the Chicago market access issue and to advise the Board of that resolution prior to any decision on the petitions for stay, IC&E hereby advises the Board that it will not consummate the acquisition of the subject lines before 5:00 p.m. Central Daylight Time on July 26, 2002. Postponement of the consummation date obviates the need for the Board to issue a decision on the pending stay petitions prior to June 28, 2002, the date on which IC&E's exemption otherwise becomes effective. IC&E respectfully requests that the Board issue its decision within three to seven days after IC&E advises the Board of the resolution of these issues or by July 25, 2002, whichever is earlier. Such a schedule would provide the Board up to the same amount of time for a decision as provided under the current schedule. IC&E submits that such a schedule gives the parties time to attempt to resolve or

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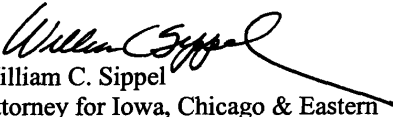
Mr. Vernon A. Williams
June 22, 2002
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adjudicate the issues and still allow the Board sufficient time to make an informed judgment on the stay petitions.

Ten copies of this letter are enclosed for filing at the Board. Copies have also been provided directly to the Board's Office of Proceedings, and served by facsimile on parties seeking stay and by first-class mail, postage prepaid, on all other known parties of record herein.

Please feel free to contact me should any questions arise regarding this matter.

Respectfully submitted,


William C. Sippel
Attorney for Iowa, Chicago & Eastern
Railroad Corporation

WCS/tjl

Enclosures

cc: David M. Konschnik, Esq. (via facsimile)
Parties of record