

247203

LAW OFFICE
THOMAS F. MCFARLAND, P.C.
208 SOUTH LASALLE STREET - SUITE 1666
CHICAGO, ILLINOIS 60604-1228
TELEPHONE (312) 236-0204
mcfarland@aol.com

ENTERED

Office of Proceedings

February 25, 2019

Part of

Public Record



THOMAS F. MCFARLAND

February 25, 2019

By UPS overnight mail
(Monday delivery)

Ms. Cynthia T. Brown, Chief
Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20024

Re: Finance Docket No. 36272, *The Gregory B. Cundiff Trust, The Connie Cundiff Trust, CGX, Inc., and Ironhorse Resources, Inc. -- Continuance in Control Exemption -- Tennessee Railroad Holdings, LLC, Sequatchie Valley Switching Company, LLC, and Walking Horse Railroad, LLC*

Dear Ms. Brown:

Hereby transmitted is the original and 10 copies of a Verified Notice Of Exemption Under 49 C.F.R. § 1180.2(d)(2) for filing with the Board in the above referenced matter.

Also enclosed is a check in the amount of \$7,500 to cover the filing fees for Finance Docket No. 36269 (\$2,000), Finance Docket No. 36270 (\$2,000), Finance Docket No. 36271 (\$2,000), and Finance Docket No. 36272 (\$1,500).

Very truly yours,

Tom McFarland

Thomas F. McFarland
Attorney for Applicants

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FEE RECEIVED
February 25, 2019
SURFACE
TRANSPORTATION BOARD

FILED
February 25, 2019
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD



THE GREGORY B. CUNDIFF TRUST,	)	
THE CONNIE CUNDIFF TRUST, CGX,	)	
INC., AND IRONHORSE RESOURCES,	)	FINANCE DOCKET
INC. -- CONTINUANCE IN CONTROL	)	NO. 36272
EXEMPTION -- TENNESSEE	)	
RAILROAD HOLDINGS, LLC;	)	
SEQUATCHIE VALLEY SWITCHING	)	
COMPANY, LLC; AND WALKING	)	
HORSE RAILROAD, LLC	)	

VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. § 1180.2(d)(2)

THE GREGORY B. CUNDIFF TRUST
42 Long Branch Lane
Caseyville, IL 62232

THE CONNIE CUNDIFF TRUST
42 Long Branch Lane
Caseyville, IL 62232

CGX, INC.
1575 North Green Mount Road, Suite 300
P.O. Box 99
O'Fallon, IL 62269

IRONHORSE RESOURCES, INC.
1575 North Green Mount Road, Suite 300
P.O. Box 99
O'Fallon, IL 62269

Applicants

THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street, Suite 1666
Chicago, IL 60604-1228
(312) 236-0204 (office)
mcfarland@aol.com

Attorney for Applicants

Date Filed: February 25, 2019

BEFORE THE
SURFACE TRANSPORTATION BOARD

THE GREGORY B. CUNDIFF TRUST,	)	
THE CONNIE CUNDIFF TRUST, CGX,	)	
INC., AND IRONHORSE RESOURCES,	)	FINANCE DOCKET
INC. -- CONTINUANCE IN CONTROL	)	NO. 36272
EXEMPTION -- TENNESSEE	)	
RAILROAD HOLDINGS, LLC;	)	
SEQUATCHIE VALLEY SWITCHING	)	
COMPANY, LLC; AND WALKING	)	
HORSE RAILROAD, LLC	)	



**VERIFIED NOTICES OF EXEMPTION
UNDER 49 C.F.R. § 1180.2(d)(2)**

Pursuant to the class exemption at 49 C.F.R. § 1180.2(d)(2), the GREGORY B. CUNDIFF TRUST, the CONNIE CUNDIFF TRUST, IRONHORSE RESOURCES, INC., and CGX, INC. (the Controlling Entities) hereby provide notice of their class exemption from 49 U.S.C. § 11323 for their continuance in control of TENNESSEE RAILROAD HOLDINGS, LLC (TRH), SEQUATCHIE VALLEY SWITCHING COMPANY, LLC (SQSC), and WALKING HORSE RAILROAD, LLC (WHRR) when TRH, SQSC, and WHRR become rail carriers as a result of the proceedings identified below.

This Notice of Exemption is related to Finance Docket No. 36269 wherein TRH proposes to acquire a rail line between Bridgeport, Alabama and Jaspar, Tennessee; Finance Docket No. 36270 wherein SQSC proposes to operate that Bridgeport-Jaspar rail line; and Finance Docket No. 36271 wherein WHRR proposes to replace a rail carrier as operator of a rail line between Wartrace and Shelbyville, Tennessee.

PROPOSED CONTINUANCE IN CONTROL

As a result of those transactions, Ironhorse would directly control SQSC and WHRR. CGX would directly control TRH. SQSC, and WHRR would be operating rail carriers. Ironhorse is a noncarrier holding company. So is CGX. CGX controls Ironhorse. The Gregory B. Cundiff Trust and the Connie Cundiff Trust own CGX in equal shares.

INFORMATION REQUIRED BY 49 C.F.R. § 1180.6(a)(1)

(1) A description of the proposed transaction, including appropriate references to any supporting exhibits and statements contained in the application and discussing the following:

(i) A brief summary of the proposed transaction, the name of applicants, their business address, telephone number, and the name of the counsel to whom questions regarding the transaction can be addressed.

The proposed transactions are continuance in control of TRH, SQSC, and WHRR when they become rail carriers as a result of acquiring and operating rail lines.

CGX is a noncarrier holding company. CGX owns Ironhorse, which is also a noncarrier holding company. CGX is owned in equal parts by the Gregory B. Cundiff Trust and the Connie Cundiff Trust, both of which are noncarrier individual trusts.

CGX and Ironhorse own and control the following Class III rail carriers who operate in the States shown:

<u>Carrier</u>	<u>Owner</u>	<u>Operates In</u>
Crystal City Railroad, Inc.	CGX	Texas
Lone Star Railroad, Inc.	CGX	Texas
Rio Valley Railroad, Inc.	CGX	Texas
Mississippi Tennessee Holdings, LLC	CGX	Tennessee
Texas Railroad Switching, Inc.	Ironhorse	Texas
Rio Valley Switching Company	Ironhorse	Texas

Mississippi Tennessee Railroad, LLC	Ironhorse	Tennessee
Southern Switching Company, Inc.	Ironhorse	Texas
Gardendale Railroad, Inc.	Ironhorse	Texas
Caney Fork & Western Railroad, LLC	Ironhorse	Tennessee
Santa Teresa Southern Railroad, LLC	Ironhorse	New Mexico
San Pedro Valley Holdings, LLC	CGX	Arizona
San Pedro Valley Railroad, LLC	Ironhorse	Arizona

The continuances in control qualify for the class exemption from 49 U.S.C. § 11323 in 49 C.F.R. § 1180.2(d)(2) because, as shown by the attached Verification, (1) the properties to be owned by TRH, those operated by SQSC and WHRR, and the properties operated by the rail carriers listed above do not connect with each other; (2) the proposed continuances in control are not a part of a series of anticipated transactions that would connect the carriers with each other or any railroad in their corporate families; and (3) the transactions do not involve a Class I rail carrier.

Applicants are The Gregory B. Cundiff Trust, 42 Long Branch Lane, Caseyville, IL 62232, The Connie Cundiff Trust, 42 Long Branch Lane, Caseyville, IL 62232, CGX, Inc., 1575 North Green Mount Road, Suite 300, P.O. Box 99, O'Fallon, IL 62269, Ironhorse Resources, Inc., 1575 North Green Mount Road, Suite 300, P.O. Box 99, O'Fallon, IL 62269, and CGX, Inc., 1575 North Green Mount Road, Suite 300, P.O. Box 99, O'Fallon, IL 62269.

Applicants' counsel to whom questions may be addressed regarding the proposed transactions is Thomas F. McFarland, Thomas F. McFarland, P.C. 208 South LaSalle Street, Suite 1666, Chicago, IL 60604-1228, ph (312) 236-0204, mcfarland@aol.com.

(ii) The proposed time schedule for consummation of the proposed transaction.

The proposed transactions are scheduled to be consummated no sooner than 30 days after the filing of this notice of exemption.

(iii) The purpose sought to be accomplished by the proposed transaction, e.g., operating economies, eliminating excess facilities, improving service, or improving the financial viability of the applicants.

The purpose sought to be accomplished by the proposed transactions is achievement of operating efficiency and economy.

(5) A list of the State(s) in which any part of the property of each applicant carrier is situated.

The required information is shown in the listing of rail carriers, *supra*.

(6) Map (exhibit 1). Submit a general or key map indicating clearly, in separate colors or otherwise, the line(s) of applicant carriers in their true relations to each other, short line connections, other rail lines in the territory, and the principal geographic points in the region traversed. If a geographically limited transaction is proposed, a map detailing the transaction should also be included. In addition to the map accompanying each application, 20 unbound copies of the map shall be filed with the Board.

Attached to this Notice as Appendix 1 are maps showing the Rail Lines proposed to be acquired by TRH and operated by SQSC and WHRR.

(7)(ii) Agreement (exhibit 2). Submit a copy of any contract or other written instrument entered into, or proposed to be entered into, pertaining to the proposed transaction. In addition, parties to exempt trackage rights agreements and renewal of agreements described at Sec. 1180.2(d)(7) must submit one copy of the executed agreement or renewal agreement with the notice of exemption, or within 10 days of the date that the agreement is executed, whichever is later.

No written contract bears on the proposed transactions.

(g)(1)(i) Indicate the level of labor protection to be imposed.

Inasmuch as only Class III rail carriers are involved, no labor protective conditions are to be imposed. See 49 U.S.C. § 11326(c).

VERIFICATION

Attached to this Notice as Appendix 2 is a Verification of the facts that qualify the transactions for the class exemption from 49 U.S.C. § 11323, and the other facts asserted herein.

ENVIRONMENTAL AND HISTORIC CONSIDERATIONS

Pursuant to 49 C.F.R. § 1105.6(c)(2), no environmental documentation or report is required for the proposed transactions. Pursuant to 49 C.F.R. § 1105.8(b)(2), no historic documentation or report is required for the proposed transactions.

CAPTION SUMMARY

Attached to this Notice as Appendix 3 is the required caption summary.

CONCLUSION

WHEREFORE, the Board should publish this Supplement to Notice of Exemption in the *Federal Register* within 16 days of its filing.

Respectfully submitted,

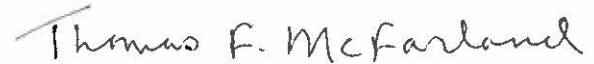
THE GREGORY B. CUNDIFF TRUST
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Applicants



THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street, Suite 1666
Chicago, IL 60604-1112
(312) 236-0204 (office)
mcfarland@aol.com

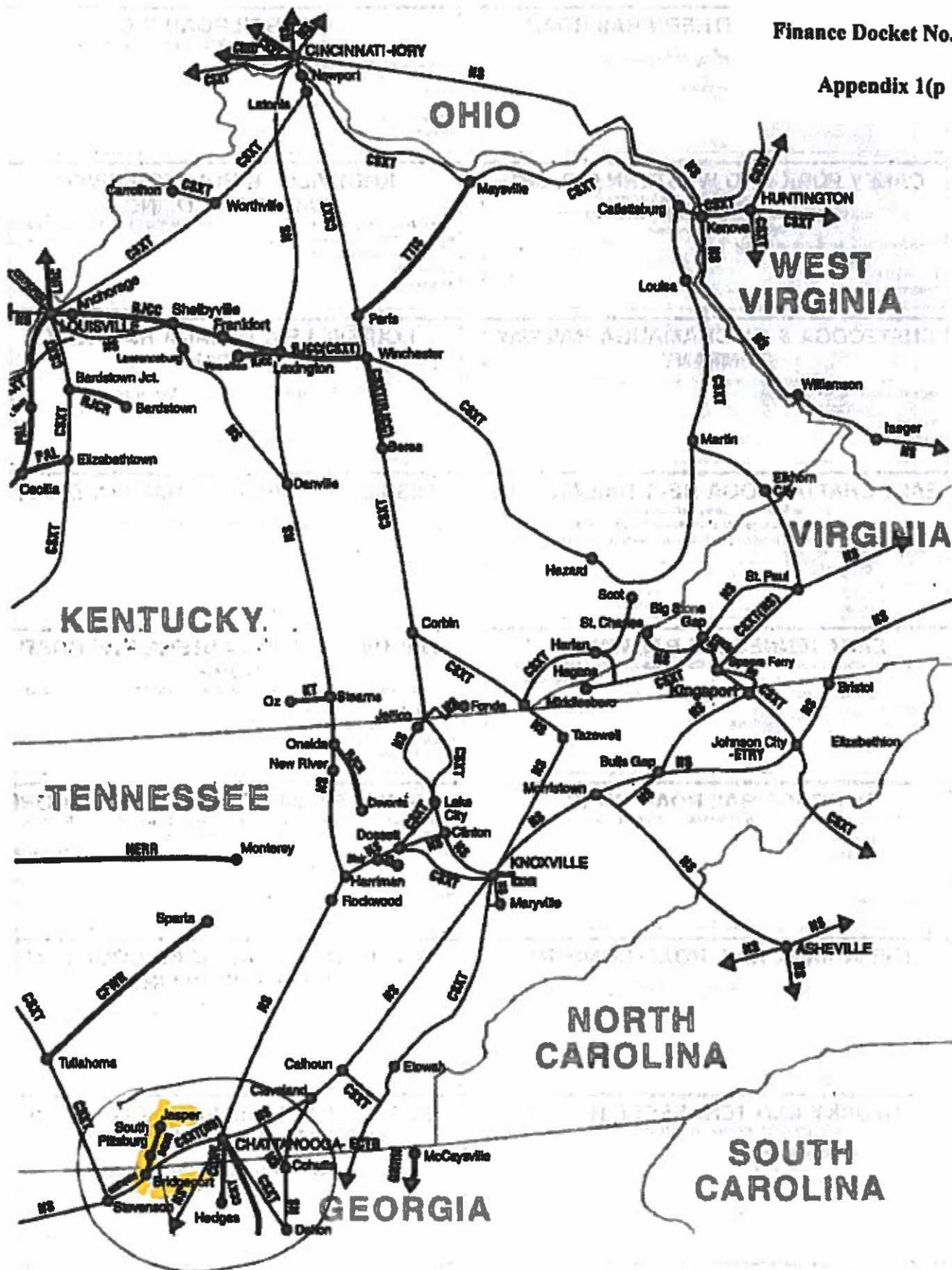
Attorney for Applicants

Date Filed: February 25, 2019

REGION 11
KY/TN/KY/TN

Finance Docket No. 36272

Appendix 1(p 1)



REGION 11
KY/TN/KY/TNL

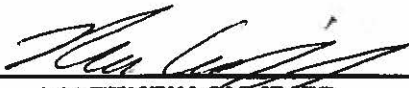
Appendix 1 (p 2)



VERIFICATION

MATTHEW CUNDIFF, being duly sworn, states that: (1) the properties to be acquired by Tennessee Railroad Holdings, LLC and to be operated by Sequatchie Valley Switching, LLC, and Walking Horse Railroad, LLC and the properties of the rail carriers controlled by the Gregory B. Cundiff Trust, the Connie Cundiff Trust, CGX, Inc., and Ironhorse Resources, Inc. do not connect with each other; (2) the proposed continuances in control are not part of a series of anticipated transactions that would connect those carriers with each other or any railroad in their corporate families; and (3) the transactions do not involve a Class I rail carrier; and

All facts asserted in the Notices of Exemption in Finance Docket No. 36272 are true and correct.



MATTHEW CUNDIFF

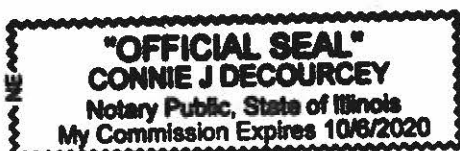
STATE OF ILLINOIS)
) SS:
COUNTY OF ST. CLAIR)

SUBSCRIBED and SWORN to before me
this 19th day of February, 2019.



Notary Public

My Commission expires: 10-6-2020



CAPTION SUMMARY**SURFACE TRANSPORTATION BOARD
NOTICE OF EXEMPTION**

(Finance Docket Nos. 36272)

**THE GREGORY B. CUNDIFF TRUST, THE CONNIE CUNDIFF TRUST, CGX, INC.,
AND IRONHORSE RESOURCES, INC. -- CONTINUANCE IN CONTROL
EXEMPTION -- TENNESSEE RAILROAD HOLDINGS, LLC; SEQUATCHIE VALLEY
SWITCHING COMPANY, LLC; AND WALKING HORSE RAILROAD, LLC**

In Finance Docket No. 36272, The Gregory B. Cundiff Trust, The Connie Cundiff Trust, CGX, Inc. (CGX), and Ironhorse Resources, Inc. (Ironhorse) have filed a Verified Notice of Exemption from 49 U.S.C. § 11323 under 49 C.F.R. § 1180.2(d)(2) for their continuance in control of Tennessee Railroad Holdings, LLC (TRH), Sequatchie Valley Switching Company, LLC (SQSC), and Walking Horse Railroad, LLC (WHRR) when TRH, SQSC, and WHRR become rail carriers as a result of the proceedings identified below. The Notice of Exemption is related to Finance Docket No. 36269 wherein TRH proposes to acquire a rail line between Bridgeport, Alabama and Jaspar, Tennessee; Finance Docket No. 36270 wherein SQSC proposes to operate that Bridgeport-Jaspar rail line; and Finance Docket No. 36271 wherein WHRR proposes to replace a rail carrier as operator of a rail line between Wartrace and Shelbyville, Tennessee.

CGX is a noncarrier holding company. CGX controls Ironhorse, which is also a noncarrier holding company. CGX is controlled jointly by the Gregory B. Cundiff Trust and the Connie Cundiff Trust, both of which are noncarrier individual trusts. CGX and Ironhorse control the following Class III rail carriers who operate in the States shown:

<u>Carrier</u>	<u>Owner</u>	<u>Operates In</u>
Crystal City Railroad, Inc.	CGX	Texas
Lone Star Railroad, Inc.	CGX	Texas
Rio Valley Railroad, Inc.	CGX	Texas
Mississippi Tennessee Holdings, LLC	CGX	Tennessee
Texas Railroad Switching, Inc.	Ironhorse	Texas
Rio Valley Switching Company	Ironhorse	Texas

<u>Carrier</u>	<u>Owner</u>	<u>Operates In</u>
Mississippi Tennessee Railroad, LLC	Ironhorse	Tennessee
Southern Switching Company, Inc.	Ironhorse	Texas
Gardendale Railroad, Inc.	Ironhorse	Texas
Caney Fork & Western Railroad, LLC	Ironhorse	Tennessee
Santa Teresa Southern Railroad, LLC	Ironhorse	New Mexico

The proposed continuance in control is exempt from the prior approval requirements of 49 U.S.C. § 11323 because the Gregory B. Cundiff Trust, the Connie Cundiff Trust, CGX, and Ironhorse have verified that (1) the properties to be acquired by TRH and operated by SQSC and WHRR and the properties of the rail carriers listed above do not connect with each other; (2) the continuance in control is not a part of a series of anticipated transactions that would connect those carriers to each other or to any railroad in their corporate families; and (3) the transactions do not involve a Class I carrier.

Petitions to revoke the exemptions under 49 U.S.C. § 10502(d) can be filed at any time. The filing of a petition to revoke will not automatically stay the proposed transactions. If the Notices of Exemption contain false or misleading information, the exemptions are void *ab initio*. Any petitions to revoke filed with the Board must be served on Applicants' representative, Thomas F. McFarland, Thomas F. McFarland, P.C., 208 South LaSalle Street, Suite 1666, Chicago, IL 60604-1228, ph (312) 236-0204, mcfarland@aol.com.

(SEAL)

By the Board