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February 25, 2011

E-FILED

Ms. Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, DC 20423-0001

Re: STB Finance Docket No. 35410, Adrian & Blissfield Rail Road
Company – Continuance in Control Exemption – Jackson &
Lansing Railroad Company

STB Finance Docket No. 35411, Jackson & Lansing Railroad
Company – Lease and Operation Exemption – Norfolk Southern
Railway Company

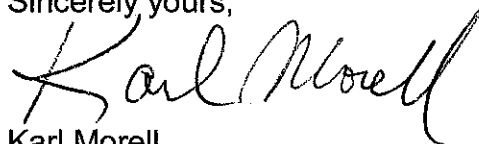
STB Finance Docket No. 35418, Jackson & Lansing Railroad
Company – Trackage Rights Exemption – Norfolk Southern
Railway Company

Dear Ms. Brown:

On behalf of Adrian & Blissfield Rail Road and Jackson & Lansing
Railroad Company attached for e-filing is the Reply to Yreka Western Railroad
Company, United Transportation Union, Brotherhood of Locomotive Engineers and
Trainmen and Peter Thompson.

If you have any questions, please contact me.

Sincerely yours,



Karl Morell

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 35410

ADRIAN & BLISSFIELD RAIL ROAD COMPANY
-- CONTINUANCE IN CONTROL EXEMPTION --
JACKSON & LANSING RAILROAD COMPANY

STB FINANCE DOCKET NO. 35411

JACKSON & LANSING RAILROAD COMPANY
-- LEASE AND OPERATION EXEMPTION --
NORFOLK SOUTHERN RAILWAY COMPANY

STB FINANCE DOCKET NO. 35418

JACKSON & LANSING RAILROAD COMPANY
-- TRACKAGE RIGHTS EXEMPTION --
NORFOLK SOUTHERN RAILWAY COMPANY

REPLY TO THE COMMENTS OF YREKA WESTERN RAILROAD COMPANY, UNITED
TRANSPORTATION UNION, BROTHERHOOD OF LOCOMOTIVE
ENGINEERS AND TRAINMEN, AND PETER THOMPSON

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Attorney for:
ADRIAN & BLISSFIELD RAIL ROAD
COMPANY AND JACKSON & LANSING
RAILROAD COMPANY

Dated: February 25, 2011

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 35410

ADRIAN & BLISSFIELD RAIL ROAD COMPANY
-- CONTINUANCE IN CONTROL EXEMPTION --
JACKSON & LANSING RAILROAD COMPANY

STB FINANCE DOCKET NO. 35411

JACKSON & LANSING RAILROAD COMPANY
-- LEASE AND OPERATION EXEMPTION --
NORFOLK SOUTHERN RAILWAY COMPANY

STB FINANCE DOCKET NO. 35418

JACKSON & LANSING RAILROAD COMPANY
-- TRACKAGE RIGHTS EXEMPTION --
NORFOLK SOUTHERN RAILWAY COMPANY

REPLY TO THE COMMENTS OF YREKA WESTERN RAILROAD COMPANY, UNITED
TRANSPORTATION UNION, BROTHERHOOD OF LOCOMOTIVE
ENGINEERS AND TRAINMEN, AND PETER THOMPSON

Adrian & Blissfield Rail Road Company ("ADBF") and Jackson & Lansing Railroad Company ("JAIL") hereby reply to the comments filed with the Surface Transportation Board ("Board") by Yreka Western Railroad Company ("YW"), United Transportation Union ("UTU"), and Brotherhood of Locomotive Engineers and Trainmen ("BLET") on February 10, 2011, and the comments filed by Peter Thompson, President of Local 278, on February 15, 2011.

BACKGROUND

In STB Finance Docket No. 35411, JAIL filed a notice of exemption under 49 C.F.R. § 1150.31, on September 20, 2011, to lease from Norfolk Southern Railway Company ("NS") approximately 44.5 miles of NS rail lines and obtain incidental trackage rights over 2.6 miles of NS rail line ("Leased Lines"). In STB Finance Docket No. 35418, JAIL filed a notice of exemption under 49 C.F.R. § 1180.2(d)(7), on September 20, 2011, to obtain trackage rights over approximately 1.06 miles of rail line owned by NS and leased to CSX Transportation, Inc. ("CSXT"). In STB Finance Docket No. 35410, ADBF filed a notice of exemption under 49 C.F.R. § 1180.2(d)(2), on September 20, 2011, to continue in control of JAIL, upon JAIL's becoming a Class III rail carrier.

On October 20, 2011, UTU and BLET jointly filed a Petition to Revoke in all three proceedings ("UTU/BLET Petition"). On October 29, 2010, ADBF and JAIL filed a reply to the UTU/BLET Petition ("Reply").

By decision served December 28, 2010, in all three proceedings ("December Decision"), the Board instituted a proceeding to consider the UTU/BLET Petition. In so doing, the Board ordered JAIL to serve a copy of the Board's decision on all shippers on the Leased Lines since commencing operations. The Board invited interested parties to submit comments and evidence by February 10, 2011, and responses to the opening submissions by February 25, 2011. On February 10, 2011, the following comments were filed: (1) YW filed comments in all three proceedings ("YW Comments"); (2) UTU and BLET jointly filed a letter comment in all three proceedings ("UTU/BLET Comments"); (3) NS filed comments in all three proceedings ("NS Comments"); and ADBF and JAIL jointly forwarded the comments of Louis Padnos Iron &

Metal ("Padnos"). On February 15, 2011, Mr. Thompson filed his comments ("Thompson Comments").

On February 17, 2011, YW withdrew the YW Comments in STB Finance Docket Nos. 35410 and 35411. YW continues to be a party in STB Finance Docket No. 35418.

MOTION TO STRIKE

The December Decision set February 10th as the deadline for submitting comments in these three proceedings. The Thompson Comments were filed on February 15th, or five days late. Mr. Thompson provides no explanation for his untimely filing nor does he seek leave to late-file his comments. Also, while the Thompson Comments contain a certificate of service, as of February 24, 2011, counsel for ADBF and JAIL has not received a copy of the Thompson Comments. While the Thompson Comments appear on the Board's website, half of the pages attached as Exhibit B are totally or partially illegible. It would be fundamentally unfair to expect ADBF and JAIL to respond to materials it has not seen. In addition, it does not appear that Mr. Thompson is an attorney or practitioner. Under such circumstances, comments must be verified in order to be considered by the Board. 49 C.F.R. § 1104.4.

ADBF and JAIL hereby move to strike the Thompson Comments on grounds they are untimely in violation of 49 C.F.R. § 1104.6, were not properly served in violation of 49 C.F.R. § 1104.12, and are not verified in violation of 49 C.F.R. § 1104.4.

REPLY TO COMMENTS

While YW withdrew its comments in STB Finance Docket Nos. 35410 and 35411, YW continues to be a party in STB Finance Docket No. 35418. Moreover, the YW Comments remain on the Board's website for the public to read in all three proceedings. Thus, ADBF and JAIL feel compelled to respond to the false and defamatory statements contained in the YW

Comments. As Mr. Dobronski explains in the attached Verified Statement ("Dobronski VS"), YW filed the comments in an attempt to extort concessions from ADBF, JAIL and Charlotte Southern Railroad Company ("CHS"), another subsidiary of ADBF. YW owes the three railroads \$353,765 in storage and switching fees as of January 31, 2011. Of that amount, \$233,191.667 is owed to JAIL. Mr. Dobronski was informed that, if he reduced the charges by approximately 80 percent, YW would withdraw its comments. Mr. Dobronski further explains that the service problems encountered by ADBF, JAIL and CHS were caused by Mr. Courter R. Hammond, the owner of YW, and not the ADBF railroads.

In August 2010, Mr. Hammond approached ADBF, representing himself as a railcar storage broker on behalf of GE Railcar Services ("GERS"), seeking storage space for the GERS railcars. ADBF and Mr. Hammond reached an oral agreement as to the number of railcars that could be stored at three locations. Mr. Hammond was specifically told the order in which each location could receive railcars for storage (first Adrian, MI, second Charlotte, MI, and last Detroit, MI) and that unless and until a contract was entered into the tariff rates would apply. Dobronski VS at 2.

The first set of GERS railcars arrived at Charlotte before CHS had an opportunity to remove the existing stored railcars and thus blocking the egress of those railcars. Soon thereafter, ADBF received notice that over 100 empty GERS railcars were on the way to Detroit, even though Mr. Hammond had been told that there was only room for 50 railcars in Detroit. Once JAIL became operational, the parties agreed to move the stored cars from Charlotte to Lansing. On October 21, 2010, JAIL's second day of operations, Mr. Hammond had empty railcars routed to JAIL from several locations. Mr. Hammond was instructed not to send any additional railcars to JAIL. Dobronski VS at 3.

During the Christmas holiday, Mr. Hammond routed to JAIL: (1) 101 empty railcars for storage via CSX Transportation, Inc. ("CSXT") to an interchange track that holds only 40 cars; (2) a large block of empty railcars via Canadian National Railway ("CN") to an interchange track that holds only 20 cars; and (3) a block of empty cars for storage via NS. As Mr. Dobronski explains, JAIL simply did not have the track space to accommodate the unwanted cars. Dobronski VS at 4.

In January 2011, JAIL issued an embargo against any GER empty railcars for storage at Jackson and Lansing. The embargo, however, was circumvented when someone altered the waybills to show a shipper or consignee other than GER. Dobronski VS at 4.

Not only had Mr. Hammond plugged up JAIL's tracks, but he also has not paid a single storage invoice. ADBF and JAIL have come to learn that they are not the only railroads experiencing problems with Mr. Hammond. Mr. Hammond forwards more than twice the number of railcars that a railroad has agreed to store and then refuses to pay. Mr. Hammond not only stiffes railroads but the Federal and state governments and other creditors as well. Attached as Exhibit 1 are tax liens and judgments against YW. The Federal Tax Liens alone total over \$428,296 and date back to taxes owed in 2000. YW also has at least two judgments against it, one entered June 2, 2006, in the amount of \$48,168.44, and another entered October 20, 2008, in the amount of \$10,000. It appears that YW pays its state taxes one to two years after they are due. Notwithstanding his sizable debt, Mr. Hammond has the temerity to suggest that YW become the directed rail carrier to retrieve the stored GER railcars. ADBF and JAIL suggest that Mr. Hammond concentrate on paying his bills and, once he does, ADBF and JAIL will be more than happy to give Mr. Hammond back the stored railcars.

YW filed its comments in these proceedings in an attempt to use the good offices of the Board to extort concessions from ADBF, JAIL and CHS. ADBF and JAIL suggest that the Board impose appropriate sanctions against YW for this blatant and unethical misuse of the Board's procedures. It is after all a criminal offense to submit false or fraudulent statements to a federal agency. *See* 18 U.S.C. § 1001(a) and 49 C.F.R. § 1104.5(c).

In their joint letter, UTU and BLET cite to an incident of which they admittedly have no personal knowledge. As explained by Mr. Dobronski, an incident did occur but it is an isolated situation. Since 2003, ADBF has received the prestigious Jake Award each year. Those awards, which are given annually to shortlines with outstanding safety achievements, and not an isolated incident, are more indicative of the overall safety record of ADBF and its subsidiary railroads.

Moreover, JAIL took immediate corrective action and decertified the locomotive engineer. Mr. Dobronski also explains that the outdated Dispatcher's Bulletin was inadvertently switched for the current one while CSXT Road Foreman and Trainmaster were reviewing paperwork in the JAIL locomotive. The current Bulletin was subsequently found in the JAIL locomotive. The incident was investigated by the Federal Railroad Administration's Regional Inspector who apparently places primary blame on CSXT's failure to properly train JAIL engineers' operations over CSXT's tracks. Dobronski VS at 6.

It is also somewhat ironic that UTU and BLET would raise this issue since they routinely defend their members in similar situations. For example, attached as Exhibit 2 is an Award from the National Railroad Adjustment Board ("NRAB") wherein BLET defended one of its engineers against a claim that he ran through a switch. The Award is also instructive in terms of the burden of proof required to hold an engineer culpable. The NRAB found the engineer not culpable because the railroad's evidence was conjecture. Exhibit 3 is an Award from the Public Law

Board where UTU defended one of its members in a derailment. Again, the Board found that the carrier had failed to meet its burden to produce substantial evidence. Here, UTU and BLET readily admit that they “presently have no direct evidence” to submit.

If the Board does not strike the Thompson Comments, the Board should disregard them as unsubstantiated and internally inconsistent. For example, Mr. Thompson claims that JAIL cannot move more than 20 loads out of the NS Jackson Yard. Some of the legible pages in Exhibit B to the Thompson Comments, however, show trains with significantly more than 20 cars.¹

Mr. Thompson alleges that, on October 22, 2010, a JAIL crew failed properly to perform a Class 1 air brake test leaving Jackson. Mr. Thompson also alleges that at 3:30 a.m., on November 12, 2010, a JAIL crew, after leaving Jackson Yard, attempted to return to the west end of the yard and became lost. Mr. Thompson fails to state whether he has firsthand knowledge of the alleged two instances nor does he provide any supporting evidence.

In his attached Affidavit (“Babbish Affidavit”), the conductor on that train in the first alleged incident and the engineer on the train in the second alleged incident, Byron C. Babbish, states that neither of these events occurred. Mr. Babbish explains that, on October 22, 2010, NS left JAIL an “air slip” which confirmed that NS mechanical personnel had performed a Class 1 brake test on the train. Nevertheless, Mr. Babbish performed his own Class 1 brake test. Babbish Affidavit at 1. Thus, contrary to Mr. Thompson’s allegation that no Class 1 brake test was performed on the train, there were actually two such tests performed. Mr. Babbish also denies that a JAIL train was “lost” in Jackson Yard on November 12, 2010. Mr. Babbish explains that his train departed Jackson Yard at approximately 2:00 a.m., over an hour-and-a-half

¹ Every JAIL locomotive and every railcar handled by JAIL has four axles. Thus, a 20 car train would have 84 axles.

before the alleged incident occurred. Babbish Affidavit at 2. The Scanner Report for that day (Exhibit B-9 to the Thompson Comments) shows that the train passed the scanner at 2:27 a.m., which means that the train had to have left the Jackson Yard around 2:00 a.m., since the scanner is about two miles north of the Jackson Yard. Thus, Mr. Thompson's own exhibit refutes his allegation.

Mr. Thompson attaches the Scanner Reports (about half of which are illegible) which purportedly show that JAIL crews exceeded the speed limit on the Leased Lines. That scanner is on JAIL property and Mr. Thompson fails to explain how he obtained access to the scanner. Moreover, the scanner is not accurate particularly in recording the speed of a passing train. JAIL has no knowledge of when, if ever, NS properly calibrated or adjusted the scanner for purposes of accurately measuring train speeds. The inaccuracy of the scanner is best demonstrated by the report for December 7, 2010 (Exhibit B-20 to the Thompson Comments) which shows a 5-axle train passing the scanner, which, of course, is physically impossible.

Based solely on a Dunn (sic) and Bradstreet report, Mr. Thompson claims that ADBF and JAIL do not have adequate financing to operate the Leased Lines. Mr. Thompson fails to attach the report presumably because the report does not say what Mr. Thompson alleges it says. Mr. Thompson erroneously claims that ADBF has a high to medium risk of experiencing financial stress in the next 12 months with a rating of 4. Attached as Exhibit 4 are the Dun and Bradstreet reports for ADBF and NS. As these reports demonstrate, ADBF has a financial stress rating of 3, which is the same rating for NS.

Finally, Mr. Thompson makes the preposterous suggestion that JAIL should be required to prepare an environmental impact study because of contamination on adjacent properties caused by a third party. JAIL is simply leasing the rail lines from NS for continued rail

operations. Since there will be no changed use of the lines, there is no legal obligation for JAIL to prepare such a study.

As noted in the Reply, the standard for revoking an exemption is whether regulation is needed to carry out the rail transportation policy of Section 10101. 49 U.S.C. § 10502(d). Requests to revoke must be based on reasonable, specific concerns demonstrating that reconsideration of the exemption is warranted. Also, the party seeking revocation of an exemption has the burden of proving that regulation of the transaction is necessary.

Where, as here, an exemption has become effective, a revocation request is treated as a petition to reopen and revoke. *See* STB Finance Docket No. 35412, *Middletown & New Jersey Railroad, LLC – Lease and Operation Exemption – Norfolk Southern Railway Company* (not printed) served December 23, 2010, slip op. at 2, note 1. Therefore, the party seeking revocation must state in detail whether reopening is supported by material error, new evidence, or substantially changed circumstances. UTU, BLET, YW and Mr. Thompson fail to address any one of these standards much less introduce any evidence warranting a finding favorable to them under these standards.

In the UTU/BLET Petition, UTU and BLET seek revocation of the exemptions on grounds that the overall transaction is anti-competitive, threatens safety and discourages fair wages and working conditions. In the Reply, ADBF and JAIL fully addressed those assertions.

In adopting the class exemption at 49 C.F.R. 1150, Subpart D, the Board's predecessor found that the exemptions will foster the rail transportation policy ("NPR") by: (1) minimizing the need for Federal regulatory control over the rail transportation system [49 U.S.C. § 10101(2)]; (2) ensuring the development and continuation of a sound rail transportation system [49 U.S.C. § 10101(4)]; (3) fostering sound economic conditions in transportation [49 U.S.C. §

10101(5)]; (4) reducing regulatory barriers to entry [49 U.S.C. § 10101(7)]; and (5) encouraging efficient rail management [49 U.S.C. § 10101(9)]. *Class Exemption – Acq. & Oper. Of R. Lines Under 49 U.S.C. 10901*, 1 I.C.C.2d 810, 817 (1985) (“*Class Exemption*”) *aff’d Illinois Commerce Commission v. ICC*, 817 F.2d 145 (D.C. Cir. 1987).

In deciding whether or not to revoke an exemption, the Board considers only the provisions of the statute that were invoked in granting the exemption. *Minnesota Comm. Ry., Inc. – Trackage Exempt. – BN RR. Co.* 8 I.C.C.2d 31, 36-37 (1991) (“There is no reason for us to declare that an exemption should be revoked because a section of the RTP *unrelated* to the underlying section of the statute requires revocation”). Consequently, contrary to the contentions of UTU and BLET, the provisions of 49 U.S.C. §§ 10101(1), (6), (8), (11) and (12) do not apply in STB Docket No. 35411. To the extent UTU’s and BLET’s allegations are relevant in these proceedings, they are totally unsubstantiated. UTU and BLET have the burden of proof in seeking revocation of the involved exemptions, but they make no effort to introduce factual evidence to support their allegations.

In the December Decision, the Board invited comments on the effect these exemptions will have on competition and shippers, the potential anticompetitive effect of the lease credit provision, and safety and employee-interests.

The only party commenting on competition is NS. NS explains that the overall transaction between NS and JAIL “is an entirely precompetitive arm’s-length transaction whereby NS hopes to improve the efficiency and customer-responsiveness of operations on this small part of NS’s rail network.” NS Comments at 4. NS graphically points out that the traffic on the Leased Lines is about 10 percent of what it was in 1999. In NS’s view, the only way to preserve the Leased Lines is to bring on a locally based shortline operator like JAIL.

The Board's predecessor, the Interstate Commerce Commission made the following observation:

[I]t has been our experience with transactions of this type that the acquiring firm will bring new vitality to the line. Typically, the new operator has closer ties to local communities and will provide better service, often at lower rates, and will work closely with shippers on the line.

Finance Docket No. 31089, *Montana Rail Link, Inc. – Exemption Acquisition and Operation – Certain Lines of Burlington Northern R. Co.* (not printed), served May 26, 1988, slip op. at 21. *See also Class Exemption*, at 813 (“Transfer of a line to a new carrier that can operate the line more economically or more effectively than the existing carrier serves shipper and community interests by continuing rail service.... [S]hortlines are dependent on local traffic for their survival, and thus have a greater incentive ... to provide local shippers with service tailored to their needs”).

Given the dramatic decline in traffic, NS could not economically justify continued operations over the Leased Lines. Thus, JAIL's lease of these lines preserves service to existing customers. Once the leased lines are upgraded by JAIL, JAIL will be able to provide improved service to existing customers and hopefully attract new customers. If JAIL is successful in attracting additional traffic to the leased lines, either from existing or new customers, all parties will benefit from these transactions including UTU and BLET personnel on Class I railroads since the vast majority, if not all, of the traffic will be interchanged to one or more Class I railroads and handled by UTU and BLET personnel. Class II and III railroads operate about 29 percent of the rail mileage in the United States, much of which would no longer exist if it had been left in the hands of the Class I railroads. Also, about 25 percent of all Class I traffic is

derived from Class II and III railroads. Thus, traffic originating or terminating on shortlines contributes significantly to the employment levels on the Class I railroads.

The only parties commenting on service to shipperS are YW and Padnos. As already explained, YW is a deadbeat customer of ADBF and JAIL who filed comments in these proceedings in an attempt to extort concessions from ADBF, JAIL and CHS. Padnos welcomes JAIL's customer centric services and also notes that, as a locally based carrier, JAIL will be able to more directly focus on its service needs.

In the UTU/BLET Petition, UTU and BLET argue that the lease credit provision creates a third-party barrier limiting other carriers' ability to compete for JAIL traffic. In criticizing the lease credit provision, UTU and BLET ignore the fact that 98 percent of the current traffic on the Leased Lines is inbound, providing JAIL very limited, if any, ability to route the traffic. Nor do UTU and BLET explain how an interchange commitment can be anticompetitive when the short line is unable to route traffic that is subject to the commitment. To the extent JAIL is able to attract outbound traffic, the per car credits set forth in the Lease Agreement would be meaningless since all of the credits are more than used up by the inbound traffic. The only party commenting on the lease credit provision in the last round of filings is NS, and NS explains why that provision is procompetitive. Thus, the evidence of record in these proceedings clearly demonstrates that the credit provision in the Lease Agreement is procompetitive.

The only parties commenting on safety-related issues are UTU/BLET and Mr. Thompson. As previously noted, UTU/BLET simply cite to an incident about which they admittedly have no personal knowledge and no evidence to support. Mr. Thompson makes a number of allegations that are unsupported and unsupportable because the cited incidents did not occur. The Thompson Comments are not verified nor are the allegations in the Comments

supported by factual evidence. Moreover, some of the allegations are contradicted in the exhibits attached to the Thompson Comments. Mr. Thompson has made allegations of unsafe operations, but he has made no showing that the Federal Railroad Administration has found any safety violations. Mr. Thompson has also alleged operating problems since JAIL commenced operations, but not one customer of JAIL has come forward to complain. *See Central Illinois RR. Co. – Lease and Operation – BNSF*, 6 S.T.B. 362, 367 (2002).

In response to the December Decision, no party has commented on employee related issues. In fact, UTU, BLET and Mr. Thompson fail to identify a single NS employee who suffered any hardship from these transactions.

In summary, the record in these proceedings is replete with unfounded and unsupported allegations. The record, however, is devoid of any meaningful evidence from which the Board could revoke the exemptions. No party in opposition has addressed, much less submitted evidence regarding, the factors the Board must consider in revoking the lease exemption: (1) minimizing the need for Federal regulatory control over the rail transportation system; (2) ensuring the development and continuation of a sound rail transportation system; (3) fostering sound economic conditions in transportation; (4) reducing regulatory barriers to entry; and (5) encouraging efficient rail management

CONCLUSION

ADBF and JAIL respectfully urge the Board to deny the UTU/BLET Petition. The UTU/BLET Petition, as supplemented, fails to meet the statutory standard for revoking an exemption.

Respectfully submitted,



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Attorney for:
ADRIAN & BLISSFIELD RAIL ROAD
COMPANY AND JACKSON & LANSING
RAILROAD COMPANY

Dated: February 25, 2011

VERIFIED STATEMENT OF MARK W. DOBRONSKI

My name is Mark W. Dobronski and I am President of Adrian & Blissfield Rail Road Company ("ADBF") and its several subsidiaries, including Jackson & Lansing Railroad Company ("JAIL"). I am responsible for financial and legal matters with respect to ADBF and JAIL. I submitted a verified statement to the Surface Transportation Board ("Board") on October 29, 2010 in response to the Petition to Revoke jointly filed by United Transportation Union ("UTU") and the Brotherhood of Locomotive Engineers and Trainmen ("BLET").

I submit this verified statement in response to the comments filed by Yreka Western Railroad Company ("YW"), the comments jointly filed by UTU and BLET, and comments filed by Mr. Peter Thompson, the President of Local 278.

YW seeks to have the exemption in STB Finance Docket No. 35410 declared void ab initio on grounds that, at the time ADBF filed its Verified Notice of Exemption, ADBF had not yet filed for control of the Charlotte Southern Railroad Company ("CHS"), the Detroit Connecting Railroad Company ("DCON"), the Lapeer Industrial Railroad Company ("LIRR") and the JAIL. ADBF, of course, sought authority to control JAIL in STB Finance Docket No. 35410. Due to some inadvertent missteps, ADBF failed to obtain authority to control CHS, DCON and LIRR. Upon seeing the YW comments, ADBF took immediate corrective steps. On February 15, 2011, ADBF and the owners of ADBF filed to control CHS, DCON and LIRR in STB Finance Docket No. 35253. I apologize for this unnecessary delay in seeking control authority and wish to assure the Board that it was not intentional.

YW also seeks to have the exemption in STB Finance Docket No. 35411 revoked on grounds that ADBF was not capable of storing YW's railroad cars. YW conveniently omits the fact that, through January 31, 2011, YW owes ADBF, CHS and JAIL about \$353,765 in storage

and switching fees (of which \$233,192.67 is owed to JAIL), which YW has failed to pay. Some of the amounts owed by YW are now going on 6 months delinquent.

I have been informed by YW that, if ADBF, CHS and JAIL will agree to settle the matter for a small fraction of what is owed – by a reduction of approximately 80 percent – then YW would withdraw its opposition comments. ADBF will not submit to this type of blackmail.

YW is also less than honest in blaming the service problems on ADBF, CHS and JAIL when in fact the problems were directly caused by YW, *inter alia*, sending cars prior to any agreements to accept cars were in place and sending substantially more cars than the interchange tracks could hold.

In August 2010, ADBF was contacted by Mr. Courter R. Hammond, representing himself as a “railcar storage broker” for General Electric Railcar Services (“GERS”). Mr. Hammond initially stated that he was with Standard Railcar Company (“SRC”) and subsequently disclosed that he was also affiliated with YW. Mr. Hammond was seeking storage space for empty GERS railcars. At that time, ADBF informed Mr. Hammond that ADBF had space available in Adrian, Michigan to store 100 to 150 rail cars and that its subsidiary, CHS, would soon have room to store 100 to 150 railcars at Charlotte, Michigan once some existing stored cars departed. I specifically told Mr. Hammond that railcars stored at Charlotte would have to be on a “last in, first out” basis. I also told Mr. Hammond that there may be some storage space available on another subsidiary, DCON, in Detroit, Michigan. Mr. Hammond was specifically told that we would require that railcars should first be sent for storage to Adrian and then to Charlotte before any are sent to Detroit.

Mr. Hammond was informed of our tariff rates for railcar storage. Mr. Hammond wanted to negotiate a more favorable contract rate for long-term storage. While we did inform Mr.

Hammond that we were agreeable to considering a long term contract at more favorable rates, we specifically told Mr. Hammond that the tariff rate would apply until a written contract was in place.

Much to our surprise and before a contract offer was even made, much less negotiated, empty GERS cars arrived at Charlotte blocking the egress of the existing stored cars from another customer which were departing in controlled flows of 20 car blocks. We then received notification that over 100 empty railcars were being routed to Detroit. When we contacted Mr. Hammond, he blamed the failure to follow our instructions on a "difficult individual" at GERS, but promised to resolve the problem.

At Charlotte, Mr. Hammond wanted to "cherry pick" several of the stored cars one of which was 97 cars deep. We reminded him that Charlotte storage was "last in, first out."

After notice of the JAIL transaction was published, Mr. Hammond inquired about storage opportunities at JAIL. We discussed with Mr. Hammond our desire to relocate the Charlotte railcars to Lansing to allow the earlier stored railcars which were trapped by the Hammond railcars. Mr. Hammond was advised that the commencement date for JAIL was October 20, 2010, and that as soon as our operations commenced, Mr. Hammond should make arrangements for the movement of his block of cars at Charlotte to Lansing via the Canadian National Railway ("CN"), which would also allow for the opportunity to "cherry pick" the railcars sought by Mr. Hammond. We also told Mr. Hammond that we did not want any additional cars until a written agreement was finalized. Mr. Hammond agreed.

On or about October 21, 2010, much to our surprise, Mr. Hammond had empty railcars routed to JAIL from several locations. Mr. Hammond again blamed a "difficult individual at GERS" and made assurances that the problems would be resolved. However, the problems

continued unresolved. In November 2010, we again told Mr. Hammond to stop all shipments of empty railcars to JAIL for storage, which he assured us had been done. However, railcars continued to flow inbound.

During the Christmas holiday, CSX Transportation, Inc. ("CSXT") interchanged 101 empty railcars to JAIL at Lansing for storage which plugged up the CSXT interchange because the interchange track can only hold approximately 40 cars. At the same time, a large block of empty railcars arrived via the CN at Lansing even though that interchange track holds only 20 cars. Empty railcars were also arriving via NS at Jackson, Michigan. At this point, approximately 500 GERS railcars had been received by JAIL when we had not approved any to be routed to JAIL. JAIL could not handle all of these unwanted cars because of the limited number of useable tracks in the Saginaw Yard and the New Hollow Yard. Also, because of the snow and ice conditions, JAIL employees were unable to place additional tracks into service. Under the circumstances, JAIL did its best to store the unwanted railcars while receiving assurances from Mr. Hammond that all inflows of railcars for storage had stopped. But, the inflows of GERS railcars did not stop.

On January 11, 2011, JAIL issued an embargo (Embargo No. JAIL000111) through the AAR Embargo System against receiving any GERS empty railcars for storage at Jackson and Lansing. Unfortunately, the embargo did not stop the inflow of empty GERS railcars, as someone then changed the waybills to reflect a shipper or consignee other than GERS, thus defeating the embargo system. Empty GERS railcars continued to arrive at JAIL for storage.

By this time, Mr. Hammond's failure to pay any of the storage invoices generated since September 2010 had also become an issue. Mr. Hammond informed the undersigned that GERS would not pay him until there was a final written agreement with JAIL, and Hammond began

using this to try to force further rate concessions out of ADBF/CHS/JAIL. However, we then learned from GERS that they had, in fact, paid Hammond and his companies substantial sums relative to storage of cars on ADBF, CHS, and JAIL.

At the same time, an individual at Carolina Southern Railroad ("CSR") informed us of their bad experience with Mr. Hammond and the empty GERS railcars they had stored. As with JAIL, more than twice the number of agreed upon railcars arrived and no payments made by Mr. Hammond. Upon contacting GERS, we were informed that GERS had been paying Mr. Hammond and that Mr. Hammond had informed GERS that he had a written contract with ADBF. We were also told by an associate of Mr. Hammond that his company was in serious trouble with the Internal Revenue Service and that apparently Mr. Hammond had spent the sums he received from GERS for the railcars stored on ADBF, CHS and JAIL to pay down his tax liens and other bills.

We have since learned that the Internal Revenue Service has recorded federal tax liens against YW which total in the hundreds of thousands of dollars. In reviewing the recorded liens, we see that YW has failed to pay its employee withholding taxes (CT-1 taxes) going back as far as 2001. In short, we learn from the federal tax liens, that YW has a 10 year history of withholding tax money from its employees' payroll checks, but instead of paying that money over to the IRS as required by law, YW has "pocketed" same.

Our attorneys will shortly be commencing litigation to collect the large sum of money we are due from Mr. Hammond and his companies. Meanwhile, Mr. Hammond continues to forward empty GERS railcars to JAIL despite the embargo and our repeated demands that he stop sending additional railcars.

In their joint comments UTU and BLET convey a second hand story of an incident that occurred on December 27, 2010. The allegation is correct to the extent the incident did occur. In response, we have decertified the locomotive engineer. UTU and BLET also correctly noted that there was confusion over the Dispatcher's Bulletin. Immediately after the incident, a CSXT Road Foreman and CSXT Trainmaster met with our train crew on our locomotive. During the meeting, they apparently reviewed employee paperwork. Standard procedure is to post the current bulletin on a clipboard located adjacent to the engineer's control stand. In the process of the CSXT supervisors reviewing paperwork, the current Dispatcher's Bulletin, which had been clipped to the engineer's control stand, was switched with a bulletin from two or three days earlier. When the relief train crew was advised by the Train Dispatcher that the bulletin was outdated, it took several minutes to locate the current bulletin which was found on the locomotive.

The incident was investigated by the Federal Railroad Administration's Regional Inspector, John Robertson. Apart from the violation by the JAIL engineer, Mr. Robertson was troubled by the failure of CSXT to provide proper training to JAIL as a foreign railroad operating over CSXT. According to Mr. Robertson, there have been other recent incidents involving foreign railroads operating over CSXT -- specifically, he mentioned Amtrak -- wherein he had found that CSXT had not done proper training. Mr. Robertson stated that he placed bigger fault on CSXT than on JAIL or the engineer.

This was an isolated instance and is not indicative of the overall safety record of JAIL or ADBF. As I noted in my prior Verified Statement, ADBF has an exemplary safety record. Since I became President of ADBF in 2003, ADBF has received the prestigious Jake Award each year.

Mr. Thomason makes a number of erroneous, irrelevant and dubious allegations. He first claims that JAIL has failed to explain how the lease credits will increase competition. The lease credits will enable JAIL to make necessary upgrades to the leased lines which, in turn, will enable JAIL to improve service along the lines and, hopefully, attract new rail customers. As he points out in its comments, "NS had repeatedly postponed scheduled track rehabilitation and resurfacing since purchasing it in 1999." Mr. Thompson apparently recognized the need for the repairs and upgrades JAIL intends to make.

Mr. Thompson next alleges that, since JAIL took over operations, shippers have seen large increases in shipping and dwell time and that some cars in NS's Jackson Yard have failed to move for over a week. NS operated with skeleton crews and did not interchange cars to JAIL during multiday periods at Thanksgiving, Christmas and New Years. There was a 4 day period from January 6-10, 2011, that NS did not interchange cars to JAIL because several of its Jackson-based locomotives were out-of-service. A recent winter blizzard shut down Jackson Yard for a multiday period, again causing no cars to be interchanged to JAIL. Most recently, NS yard crews were unable to switch (interchange) cars to NS during the period February 11-14, 2011 for reasons which are still unclear.

Mr. Thompson recites to an alleged incident on October 22, 2010 wherein a JAIL crew allegedly did not perform a proper Class I air brake test before departing Jackson Yard. This allegation is not true. JAIL commenced its operations at Jackson on October 21, 2010, and I was personally present supervising our crews each and every night during the first week of operations. I personally observed that our train was left an "air slip" showing a satisfactory Class I air test having been completed by the NS Mechanical Department. Further, notwithstanding the "air slip," I observed our train crew perform a satisfactory Class I air test.

As to the allegations raised by Mr. Thompson relative to a JAIL train that was allegedly lost in Jackson yard on November 12, 2010 at approximately 3:30 A.M., this allegation is also untrue. Our train JL1 departed Jackson yard at 2:00 A.M. This fact is confirmed by the scanner report which Mr. Thompson attached at Exhibit B-9 to his comments, which shows that our train was 2 miles north of Jackson and proceeding northbound (away) at 2:27 A.M.

Mr. Thompson is accurate in his allegation that, for a very short period of time, JAIL only had one operational locomotive due to traction motor damage caused by severe winter weather. This should come as no surprise to Mr. Thompson as, at the same time, NS had several of its locomotives out of service at Jackson Yard due to problems caused by severe winter weather. Additional locomotives had been acquired by JAIL in early December 2010, but were delayed for several weeks due to CSXT having failed to list JAIL as having an interchange with CSXT at Lansing, Michigan. JAIL now has 4 locomotives, and plans on adding yet 2 more locomotives by Summer 2011. But, even during the short period of only having one locomotive operational, JAIL provided daily service to its customers; the bigger obstacle was that NS's operations at Jackson were frequently disrupted during November-December 2010 and January 2011, which on multiple occasions prevented JAIL from being able to receive or deliver interchange traffic with NS at Jackson for multiple day periods.

Mr. Thompson makes an allegation that a JAIL train ran through a switch at Jackson Yard on January 22, 2011. There is no evidence to support the allegation that the track 15 switch was run through by a JAIL crew. In fact, on the morning of January 22, 2011, upon arrival the JAIL crew found that the track 13/14 switch was damaged, and immediately reported it.

I also have reviewed the speeding allegations made by Mr. Thompson. The AEI scanner involved, which Mr. Thompson has somehow gained unauthorized electronic access to, is not

calibrated for speed measurement purposes. The fact that the device cannot be relied upon for accurate speed measurement is evident in the fact that there is at least one report which Mr. Thompson attached at Exhibit B-20 to his comments which shows a passing train with 5 axles; an impossibility. As part of our engineer proficiency testing program, our railroad police officers are assigned state-of-the-art light detection and ranging (LIDAR) units, identical to those used by police officers performing traffic enforcement, to clandestinely measure the speeds of our trains. Coincidentally, many of the speed measurements by our railroad police officers have been made at Lansing Avenue, which is where the AEI scanner is located, and there have been no trains observed operating at excessive speed.

AFFIRMATION

I, Mark W. Dobronski, declare under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file the foregoing statement.

Executed on: February 23, 2011.

A handwritten signature in black ink, reading "Mark W. Dobronski". The signature is written in a cursive style with a large, looped capital "M" and a stylized "D".

Mark W. Dobronski

AFFIDAVIT

State of Michigan)
) ss;
County of Oakland)

BYRON C. BABBISH, being first duly sworn, does depose and state as follows:

1. I am an attorney admitted to the practice of law in the State of Michigan, and am currently an Adjunct Professor at the Thomas M. Cooley Law School.

2. Prior to accepting my professorship, I assisted Adrian & Blissfield Rail Road Company ("ADBF") with the start up of its new Jackson & Lansing Railroad Company ("JAIL") operation between Jackson, Michigan and Lansing, Michigan. I served as Superintendent of JAIL during the planning and start-up of the JAIL operation. I am a certified locomotive engineer, and have been qualified as a locomotive engineer since 1992. I continue to work part-time for ADBF and its subsidiaries as a Rules and Operating Practices Examiner.

3. I have read the comments filed by Peter Thompson, President of Local 278, in Finance Docket No. 35410, 35411, and 35418.

4. On the evening of October 21-22, 2010, I was the conductor on JAIL train JL1. Any allegation that we departed Jackson Yard without performing a Class I initial terminal brake test is false. We were left an "air slip" for the train (a report of satisfactory Class I brake test) which Class I test had been performed by the Norfolk Southern Railway mechanical personnel. Not only were we left an "air slip," it was my practice to perform our own Class I brake test, which we did do. I, personally, walked the train and the train met all necessary requirements for the Class I brake test, as specified at 49 C.F.R. §232.205(c), prior to our train departing Jackson Yard. Had any car not passed the test, we would have simply switched the car out of the train;

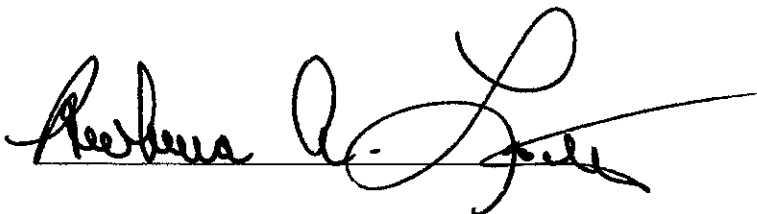
but this was not necessary.

5. I was also the engineer on JAIL train JL1 on the evening of November 11-12, 2010. I can clearly state that there was no JAIL train or crew that was "lost" in Jackson Yard on November 12, 2010 at approximately 3:30 A.M. The incident recited by Mr. Thompson did not happen. Further, our train departed Jackson Yard on November 12, 2010 at approximately 2:00 A.M. – over an hour-and-a-half before the incident which Mr. Thompson alleges transpired – which fact is attested to by the scanner report supplied by Mr. Thompson at Exhibit B-9 to his comments, which scanner report clearly shows our train going northbound (away) from Jackson, Michigan on November 12, 2010 at 2:27 A.M.

Further, deponent sayeth naught.


Byron C. Babbish

Subscribed and sworn to before me
this 24 day of February, 2011.



BARBARA A. LASATER
Notary Public, State of Michigan
County of Lenawee
My Commission Expires Dec. 21, 2013
Acting in the County of DAKLAND

EXHIBIT 1

Recording Requested By Internal Revenue Service. When recorded mail to:

INTERNAL REVENUE SERVICE
PO BOX 145585, STOP 8420G
CINCINNATI, OH 45250-5585

Siskiyou County Recorder
Mike Mallory, Recorder

DOC - 10-0004411
Acct 8201-Internal Revenue
Monday, MAY 24, 2010 11:25:51
Ttl Pd \$8.00 Nbr-0000179495
JES/C2/1-1

For Optional Use by Recording Office

Form 668 (Y)(c)
(Rev. February 2004)

1018 Department of the Treasury - Internal Revenue Service

Notice of Federal Tax Lien

Area: SMALL BUSINESS/SELF EMPLOYED AREA #7
Lien Unit Phone: (800) 913-6050

Serial Number
656635910

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

Name of Taxpayer YREKA WESTERN RAILROAD CO
a Corporation

Residence 300 E MINER ST
YREKA, CA 96097-2637

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refiled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

Kind of Tax (a)	Tax Period Ending (b)	Identifying Number (c)	Date of Assessment (d)	Last Day for Refiling (e)	Unpaid Balance of Assessment (f)
941	12/31/2009	94-6001539	04/19/2010	05/19/2020	75.92
CT-1	12/31/2007	94-6001539	10/05/2009	11/04/2019	34924.32
CT-1	12/31/2008	94-6001539	10/05/2009	11/04/2019	1794.52

Place of Filing

SISKIYOU COUNTY
311 FOURTH ST ROOM 108
YREKA, CA 96097

Total \$ 36794.76

This notice was prepared and signed at OAKLAND, CA, on this, 14th day of May, 2010.

Signature *R. A. Mitchell*
for DAVID J BARBEARO

Title
REVENUE OFFICER 27-12-3918
(530) 722-1254

(NOTE: Certificate of officer authorized by law to take acknowledgment is not essential to the validity of Notice of Federal Tax lien
Rev. Rul. 71-466, 1971-2 C.B. 409)

Part 1 - Kept By Recording Office

Form 668(Y)(c) (Rev. 2-2004)
CAT. NO 60025X

Recording Requested By Internal Revenue Service. When recorded mail to:

INTERNAL REVENUE SERVICE
PO BOX 145585, STOP 8420G
CINCINNATI, OH 45250-5585

Siskiyou County Recorder
Mike Mallory, Recorder

DOC - 10-0004815
Acct 9201-Internal Revenue
Monday, JUN 07, 2010 11:45:00
Ttl Pd \$8.00 Nbr-0000180047
JEK/CL/1-1

For Optional Use by Recording Office

Form 668 (Y)(c)
(Rev. February 2004)

1018 Department of the Treasury - Internal Revenue Service

Notice of Federal Tax Lien

Area: SMALL BUSINESS/SELF EMPLOYED AREA #7
Lien Unit Phone: (800) 913-6050

Serial Number
660797810

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

Name of Taxpayer YREKA WESTERN RAILROAD CO
a Corporation

Residence 300 E MINER ST.
YREKA, CA 96097-2637

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refilled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

Kind of Tax (a)	Tax Period Ending (b)	Identifying Number (c)	Date of Assessment (d)	Last Day for Refiling (e)	Unpaid Balance of Assessment. (f)
CT-1	12/31/2009	94-6001539	04/19/2010	05/19/2020	575.33

Place of Filing

SISKIYOU COUNTY
311 FOURTH ST ROOM 108
YREKA, CA 96097

Total \$ 575.33

This notice was prepared and signed at OAKLAND, CA, on this, 26th day of May, 2010.

Signature R. A. Mitchell
for DAVID J BARBEARO

Title
REVENUE OFFICER 27-12-3918
(530) 722-1254

(NOTE: Certificate of officer authorized by law to take acknowledgment is not essential to the validity of Notice of Federal Tax lien
Rev. Rul. 71-466, 1971 - 2 C.B. 409)

Part 1 - Kept By Recording Office

Form 668(Y)(c) (Rev. 2-2004)
CAT. NO 60025X

Recording Requested By Internal Revenue
Service. When recorded mail to:

INTERNAL REVENUE SERVICE
PO BOX 145585, STOP 8420G
CINCINNATI, OH 45250-5585

Siskiyou County Recorder
Leanna Dancer, Recorder

DOC - 09-0004944
Acct 8201-Internal Revenue
Thursday, MAY 21, 2009 11:06:58
Ttl Pd \$8.00 Nbr-0000162174
RAS/C2/1-1

For Optional Use by Recording Office

Form 668 (Y)(c)
(Rev. February 2004)

3625 Department of the Treasury - Internal Revenue Service

Notice of Federal Tax Lien

Area: SMALL BUSINESS/SELF EMPLOYED AREA #7
Lien Unit Phone: (800) 913-6050

Serial Number
547382209

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

Name of Taxpayer YREKA WESTERN RAILROAD CO , a Corporation

Residence 300 E MINER ST
YREKA, CA 96097-2637

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refiled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

Kind of Tax (a)	Tax Period Ending (b)	Identifying Number (c)	Date of Assessment (d)	Last Day for Refiling (e)	Unpaid Balance of Assessment (f)
941	03/31/2006	94-6001539	04/27/2009	05/27/2019	2038.22

Place of Filing

COUNTY RECORDER
SISKIYOU COUNTY
YREKA, CA 96097

Total \$ 2038.22

This notice was prepared and signed at OAKLAND, CA, on this,
the 12th day of May, 2009.

Signature R. A. Mitchell
for DAVID J BARBEARO

Title
REVENUE OFFICER 27-12-3918
(530) 722-1254

(NOTE: Certificate of officer authorized by law to take acknowledgment is not essential to the validity of Notice of Federal Tax lien
Rev. Rul. 71-466, 1971 - 2 C.B. 409)

Part 1 - Kept By Recording Office

Form 668(Y)(c) (Rev. 2-2004)
CAT. NO 60025X

Recording Requested By Internal Revenue Service. When recorded mail to:

INTERNAL REVENUE SERVICE
PO BOX 145585, STOP 8420G
CINCINNATI, OH 45250-5585

Siskiyou County Recorder
Leanna Dancer, Recorder

DOC - 09-0001390
Acct 8201-Internal Revenue
Friday, FEB 13, 2009 11:14:54
Ttl Pd \$8.00 Nbr-0000157320
RAS/C2/1-1

For Optional Use by Recording Office

Form 668 (Y)(c)
(Rev. February 2004)

5223 Department of the Treasury - Internal Revenue Service

Notice of Federal Tax Lien

Area: SMALL BUSINESS/SELF EMPLOYED AREA #7

Serial Number

Lien Unit Phone: (800) 913-6050

514290609

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

Name of Taxpayer YREKA WESTERN RAILROAD CO , a Corporation

Residence PO BOX 660
YREKA, CA 96097-0660

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refiled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

Kind of Tax (a)	Tax Period Ending (b)	Identifying Number (c)	Date of Assessment (d)	Last Day for Refiling (e)	Unpaid Balance of Assessment (f)
941 CT-1	09/30/2001 12/31/2000	94-6001539 94-6001539	04/21/2008 05/05/2008	05/21/2018 06/04/2018	8632.11 88955.47

Place of Filing

COUNTY RECORDER
SISKIYOU COUNTY
YREKA, CA 96097

Total \$ 97587.58

This notice was prepared and signed at OAKLAND, CA, on this, the 03rd day of February, 2009.

Signature

R. A. Mitchell

Title
REVENUE OFFICER
(530) 722-1254

27-12-3918

for DAVID J BARBEARO

(NOTE: Certificate of officer authorized by law to take acknowledgment is not essential to the validity of Notice of Federal Tax lien
Rev. Rul. 71-466, 1971 - 2 C.B. 409)

Part 1 - Kept By Recording Office

Form 668(Y)(c) (Rev. 2-2004)
CAT. NO 80025X

Recording Requested By Internal Revenue Service. When recorded mail to:

INTERNAL REVENUE SERVICE
PO BOX 145585, STOP 8420G
CINCINNATI, OH 45250-5585

Siskiyou County Recorder
Leanna Dancer, Recorder

DOC - 09-0001127
Acct 8201-Internal Revenue
Thursday, FEB 05, 2009 11:05:45
Ttl Pd \$8.00 Nbr-0000156963
JEK/CI/1-1

For Optional Use by Recording Office

Form 668 (Y)(c)
(Rev. February 2004)

1533 Department of the Treasury - Internal Revenue Service

Notice of Federal Tax Lien

Area: SMALL BUSINESS/SELF EMPLOYED AREA #7
Lien Unit Phone: (800) 913-6050

Serial Number
512009309

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

Name of Taxpayer YREKA WESTERN RAILROAD CO , a Corporation

Residence PO BOX 660
YREKA, CA 96097-0660

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refiled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

Kind of Tax (a)	Tax Period Ending (b)	Identifying Number (c)	Date of Assessment (d)	Last Day for Refiling (e)	Unpaid Balance of Assessment (f)
941	09/30/2000	94-6001539	04/14/2008	05/14/2018	10082.25
941	03/31/2001	94-6001539	02/25/2008	03/27/2018	4816.24
941	06/30/2001	94-6001539	04/07/2008	05/07/2018	6078.42
941	06/30/2007	94-6001539	02/18/2008	03/20/2018	4600.80
941	09/30/2007	94-6001539	02/25/2008	03/27/2018	3679.66
941	09/30/2008	94-6001539	12/29/2008	01/28/2019	591.99
CT-1	12/31/2001	94-6001539	02/25/2008	03/27/2018	133844.92

Place of Filing

COUNTY RECORDER
SISKIYOU COUNTY
YREKA, CA 96097

Total \$ 163694.28

This notice was prepared and signed at OAKLAND, CA, on this, the 27th day of January, 2009.

Signature *R. A. Mitchell*
for DAVID J BARBEARO

Title
REVENUE OFFICER 27-12-3918
(530) 722-1254

(NOTE: Certificate of officer authorized by law to take acknowledgment is not essential to the validity of Notice of Federal Tax lien
Rev. Rul. 71-466, 1971 - 2 C.B. 409)

Part 1 - Kept By Recording Office

Form 668(Y)(c) (Rev. 2-2004)
CAT. NO 60025X

Recording Requested By Internal Revenue
Service. When recorded mail to:

INTERNAL REVENUE SERVICE
PO BOX 145585, STOP 8420G
CINCINNATI, OH 45250-5585

Siskiyou County Recorder
Leanna Dancer, Recorder

DOC - 08-0012813
Acct 8201-Internal Revenue
Monday, DEC 01, 2008 09:10:42
Ttl Pd \$8.00 Nbr-0000154013
JES/CI/1-1

For Optional Use by Recording Office

Form 668 (Y)(c)
(Rev. February 2004)

3625 Department of the Treasury - Internal Revenue Service

Notice of Federal Tax Lien

Area: SMALL BUSINESS/SELF EMPLOYED AREA #7
Lien Unit Phone: (800) 913-6050

Serial Number
495420208

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

Name of Taxpayer YREKA WESTERN RAILROAD CO , a Corporation

Residence PO BOX 660
YREKA, CA 96097-0660

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refiled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

Kind of Tax (a)	Tax Period Ending (b)	Identifying Number (c)	Date of Assessment (d)	Last Day for Refiling (e)	Unpaid Balance of Assessment (f)
941	06/30/2008	94-6001539	09/08/2008	10/08/2018	2419.27

Place of Filing

COUNTY RECORDER
SISKIYOU COUNTY
YREKA, CA 96097

Total \$ 2419.27

This notice was prepared and signed at OAKLAND, CA, on this,
the 18th day of November, 2008.

Signature R. A. Mitchell
for DAVID J BARBEARO

Title
REVENUE OFFICER 27-12-3918
(530) 722-1254

(NOTE: Certificate of officer authorized by law to take acknowledgment is not essential to the validity of Notice of Federal Tax lien
Rev. Rul. 71-466, 1971 - 2 C.B. 409)

Part 1 - Kept By Recording Office

Form 668(Y)(c) (Rev. 2-2004)
CAT. NO 60025X

Recording Requested By Internal Revenue Service. When recorded mail to:

INTERNAL REVENUE SERVICE
PO BOX 145585, STOP 8420G
CINCINNATI, OH 45250-5585

Siskiyou County Recorder
Leanna Dancer, Recorder

DOC - 08-0012276
Acct 8201-Internal Revenue
Monday, NOV 10, 2008 09:42:55
Ttl Pd \$8.00 Nbr-0000153236
JEK/CL/1-1

For Optional Use by Recording Office

Form 668 (Y)(c)

3625 Department of the Treasury - Internal Revenue Service

(Rev. February 2004)

Notice of Federal Tax Lien

Area: SMALL BUSINESS/SELF EMPLOYED AREA #7

Serial Number

Lien Unit Phone: (800) 913-6050

491819408

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

Name of Taxpayer YREKA WESTERN RAILROAD CO , a Corporation

Residence PO BOX 660
YREKA, CA 96097-0660

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refiled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

Kind of Tax (a)	Tax Period Ending (b)	Identifying Number (c)	Date of Assessment (d)	Last Day for Refiling (e)	Unpaid Balance of Assessment (f)
941	03/31/2008	94-6001539	06/30/2008	07/30/2018	1228.81

Place of Filing

COUNTY RECORDER
SISKIYOU COUNTY
YREKA, CA 96097

Total \$ 1228.81

This notice was prepared and signed at OAKLAND, CA, on this, 04th day of November, 2008.

Signature

R. A. Mitchell

for DAVID J BARBEARO

Title

REVENUE OFFICER
(530) 722-1254

27-12-3918

(NOTE: Certificate of officer authorized by law to take acknowledgment is not essential to the validity of Notice of Federal Tax lien
Rev. Rul. 71-466, 1971 - 2 C.B. 409)

Part 1 - Kept By Recording Office

Form 668(Y)(c) (Rev. 2-2004)
CAT. NO 60025X

Recording Requested By Internal Revenue Service. When recorded mail to:

INTERNAL REVENUE SERVICE
PO BOX 145585, STOP 8420G
CINCINNATI, OH 45250-5585

Siskiyou County Recorder
Leanna Dancer, Recorder

DOC - 07-0015972
Acct 8201-Internal Revenue
Wednesday, DEC 26, 2007 10:48:18
Ttl Pd \$7.00 Nbr-0000136319
RAS/C2/1-1

For Optional Use by Recording Office

Form 668 (Y)(c)
(Rev. February 2004)

3592 Department of the Treasury - Internal Revenue Service

Notice of Federal Tax Lien

Area: SMALL BUSINESS/SELF EMPLOYED AREA #7
Lien Unit Phone: (800) 913-6050

Serial Number
410496007

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

Name of Taxpayer YREKA WESTERN RAILROAD CO , a Corporation

Residence PO BOX 660
YREKA, CA 96097-0660

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refilled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

Kind of Tax (a)	Tax Period Ending (b)	Identifying Number (c)	Date of Assessment (d)	Last Day for Refiling (e)	Unpaid Balance of Assessment (f)
940	12/31/2006	94-6001539	04/30/2007	05/30/2017	153.18

Place of Filing	COUNTY RECORDER SISKIYOU COUNTY YREKA, CA 96097	Total	\$ 153.18
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This notice was prepared and signed at LOS ANGELES, CA, on this, 18th day of December, 2007.

Signature <u>R. A. Mitchell</u> for DAVID J BARBEARO	Title REVENUE OFFICER (530) 722-1254	27-12-3918
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(NOTE: Certificate of officer authorized by law to take acknowledgment is not essential to the validity of Notice of Federal Tax Lien
Rev. Rul. 71-466, 1971 - 2 C.B. 409)

Part 1 - Kept By Recording Office

Form 668(Y)(c) (Rev. 2-2004)
CAT. NO 60025X

Recording Requested By Internal Revenue Service. When recorded mail to:

INTERNAL REVENUE SERVICE
PO BOX 145585, STOP 8420G
CINCINNATI, OH 45250-5585

Siskiyou County Recorder
Leanna Danicer, Recorder

DOC - 07-0015971
Acct 8201-Internal Revenue
Wednesday, DEC 26, 2007 10:48:10
Ttl Pd \$7.00 Nbr-0000136318
RAB/C2/1-1

For Optional Use by Recording Office

Form 668 (Y)(c)
(Rev. February 2004)

3592 Department of the Treasury - Internal Revenue Service

Notice of Federal Tax Lien

Area: SMALL BUSINESS/SELF EMPLOYED AREA #7
Lien Unit Phone: (800) 913-6050

Serial Number
410495907

As provided by section 6321, 6322, and 6323 of the Internal Revenue Code, we are giving a notice that taxes (including interest and penalties) have been assessed against the following-named taxpayer. We have made a demand for payment of this liability, but it remains unpaid. Therefore, there is a lien in favor of the United States on all property and rights to property belonging to this taxpayer for the amount of these taxes, and additional penalties, interest, and costs that may accrue.

Name of Taxpayer YREKA WESTERN RAILROAD CO , a Corporation

Residence PO BOX 660
YREKA, CA 96097-0660

IMPORTANT RELEASE INFORMATION: For each assessment listed below, unless notice of the lien is refiled by the date given in column (e), this notice shall, on the day following such date, operate as a certificate of release as defined in IRC 6325(a).

Kind of Tax (a)	Tax Period Ending (b)	Identifying Number (c)	Date of Assessment (d)	Last Day for Refiling (e)	Unpaid Balance of Assessment (f)
720	09/30/2004	94-6001539	12/12/2005	01/11/2016	126.38
940	12/31/2005	94-6001539	04/30/2007	05/30/2017	1094.51
941	12/31/2003	94-6001539	03/01/2004	03/31/2014	
941	12/31/2003	94-6001539	09/12/2005	10/12/2015	20620.64
941	12/31/2004	94-6001539	03/07/2005	04/06/2015	
941	12/31/2004	94-6001539	12/25/2006	01/24/2017	17130.17
941	09/30/2005	94-6001539	04/16/2007	05/16/2017	5749.73
941	12/31/2005	94-6001539	04/16/2007	05/16/2017	1367.41
941	06/30/2006	94-6001539	04/23/2007	05/23/2017	2260.06
941	09/30/2006	94-6001539	04/16/2007	05/16/2017	5801.90
941	12/31/2006	94-6001539	04/16/2007	05/16/2017	4642.08
941	03/31/2007	94-6001539	05/21/2007	06/20/2017	1131.77
CT-1	12/31/2004	94-6001539	03/14/2005	04/13/2015	26341.30
CT-1	12/31/2005	94-6001539	04/23/2007	05/23/2017	12911.06
CT-1	12/31/2006	94-6001539	04/23/2007	05/23/2017	24628.21

Place of Filing

COUNTY RECORDER
SISKIYOU COUNTY
YREKA, CA 96097

Total \$ 123805.22

This notice was prepared and signed at LOS ANGELES, CA, on this, the 18th day of December, 2007.

Signature R. A. Mitchell
for DAVID J BARBEARO

Title
REVENUE OFFICER 27-12-3918
(530) 722-1254

(NOTE: Certificate of officer authorized by law to take acknowledgment is not essential to the validity of Notice of Federal Tax lien
Rev. Rul. 71-466, 1971 - 2 C.B. 409)

Part 1 - Kept By Recording Office

Form 668(Y)(c) (Rev. 2-2004)
CAT. NO 60025X

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, address, State Bar number, and telephone number):

Recording requested by and return to:

William L. Anderson
Lawyer - SB 28282
608 Fourth Street
Yreka CA 96097-3301
[530] 842-1774

☒ ATTORNEY FOR ☒ JUDGMENT CREDITOR ☐ ASSIGNEE OF RECORD

SUPERIOR COURT OF CALIFORNIA, COUNTY OF **SISKIYOU**

STREET ADDRESS: 311 Fourth Street

MAILING ADDRESS: P. O. Box 1026

CITY AND ZIP CODE: Yreka, CA 96097

BRANCH NAME: Unlimited Jurisdiction

PLAINTIFF: L. B. Foster Company

DEFENDANT: Yreka Western Railroad Company

ABSTRACT OF JUDGMENT - CIVIL
AND SMALL CLAIMS

☐ Amended

FOR RECORDER'S USE ONLY

Siskiyou County Recorder
Leanna Dancer, Recorder

DOC - 06-0009012

Monday, JUL 03, 2006 09:17:49

Ttl Pd \$13.00

Nbr-0000103983

JES/CL/1-2

CASE NUMBER:

SCCV CV 06 0754

FOR COURT USE ONLY

1. The ☒ judgment creditor ☐ assignee of record applies for an abstract of judgment and represents the following:

a. Judgment debtor's

Name and last known address

Yreka Western Railroad Company
300 E. Miner
Yreka CA 96097

b. Driver's license No. and state: N/A

c. Social security No.: N/A

☐ Unknown

☐ Unknown

d. Summons or notice of entry of sister-state judgment was personally served or mailed to (name and address): Court R. Hammond, President & Agent for Service of Process. 300 E. Miner, Yreka, CA 96097

2. ☐ Information on additional judgment debtors is shown on page 2.

4. ☐ Information on additional judgment creditors is shown on page 2.

3. Judgment creditor (name and address):

L. B. Foster Company
415 Holiday Drive
Pittsburgh PA 15220

5. ☐ Original abstract recorded in this county:

a. Date:

b. Instrument No.:

Date: July 3, 2006

William L. Anderson

(TYPE OR PRINT NAME)

(SIGNATURE OF APPLICANT OR ATTORNEY)

6. Total amount of judgment as entered or last renewed:
\$ 48,168.44

7. All judgment creditors and debtors are listed on this abstract.

8. a. Judgment entered on (date): June 2, 2006

b. Renewal entered on (date):

9. ☐ This judgment is an installment judgment.

10. ☐ An ☐ execution lien ☐ attachment lien is endorsed on the judgment as follows:

a. Amount: \$

b. In favor of (name and address):

11. A stay of enforcement has

a. ☒ not been ordered by the court.

b. ☐ been ordered by the court effective until (date):

12. a. ☒ I certify that this is a true and correct abstract of the judgment entered in this action.

b. ☐ A certified copy of the judgment is attached.

Clerk, by D. Gobel, Deputy

LARRY GOBELMAN

LIEN NOTICE MAILED: COURT CODE 17/07/06

ATTORNEY OR PARTY WITHOUT ATTORNEY (Name, address, State Bar number, and telephone number):

Recording requested by and return to:

RICHARD L. KIMBELL
ATTORNEY AT LAW
322 W. CENTER STREET
P.O. BOX 1607
YREKA, CA 96097
530-842-1605

☒ ATTORNEY FOR ☒ JUDGMENT CREDITOR ☐ ASSIGNEE OF RECORD

SUPERIOR COURT OF CALIFORNIA, COUNTY OF SISKIYOU

STREET ADDRESS: 311 FOURTH STREET

MAILING ADDRESS: P.O. BOX 1026

CITY AND ZIP CODE: YREKA, CA 96097

BRANCH NAME: CIVIL DIVISION

Siskiyou County Recorder
Leanna Dancer, Recorder

DOC - 08-0011777

Check Number 17876

Thursday, OCT 23, 2008 15:14:15

Ttl Pd \$20.00

Nbr-0000152517

JES/CL/1-2

FOR RECORDER'S USE ONLY

PLAINTIFF: ROSS SINGLETON

DEFENDANT: YREKA WESTERN RAILROAD

CASE NUMBER:

YKLY 01
SCCV 06-417

**ABSTRACT OF JUDGMENT—CIVIL
AND SMALL CLAIMS**

☐ Amended

FOR COURT USE ONLY

1. The ☒ judgment creditor ☐ assignee of record applies for an abstract of judgment and represents the following:

a. Judgment debtor's

Name and last known address

YREKA WESTERN RAILROAD
P.O. BOX 660 / 300 E. MINER STREET
YREKA, CA 96097

- b. Driver's license no. [last 4 digits] and state: ☐ Unknown
c. Social security no. [last 4 digits]: ☐ Unknown
d. Summons or notice of entry of sister-state judgment was personally served or mailed to (name and address): YREKA WESTERN RAILROAD
300 E. MINER STREET, YREKA, CA 96097

2. ☐ Information on additional judgment debtors is shown on page 2.

3. Judgment creditor (name and address):

ROSS SINGLETON

P.O. BOX 1165, YREKA, CA 96097

Date: October 20, 2008

RICHARD L. KIMBELL

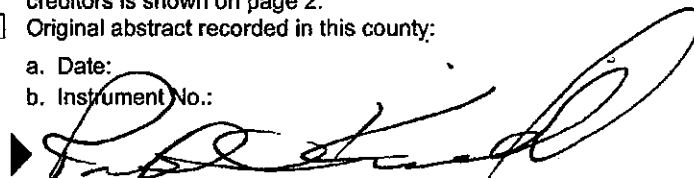
(TYPE OR PRINT NAME)

4. ☐ Information on additional judgment creditors is shown on page 2.

5. ☐ Original abstract recorded in this county:

a. Date:

b. Instrument No.:



(SIGNATURE OF APPLICANT OR ATTORNEY)

6. Total amount of judgment as entered or last renewed:
\$ 10,000.00

7. All judgment creditors and debtors are listed on this abstract.

8. a. Judgment entered on (date): 10/26/07

b. Renewal entered on (date):

9. ☐ This judgment is an installment judgment.

10. ☐ An ☐ execution lien ☐ attachment lien is endorsed on the judgment as follows:

a. Amount: \$

b. In favor of (name and address):

11. A stay of enforcement has

- a. ☒ not been ordered by the court.
b. ☐ been ordered by the court effective until (date):

12. a. ☒ I certify that this is a true and correct abstract of the judgment entered in this action.

b. ☐ A certified copy of the judgment is attached.

Clerk, by

LARRY D. GOBELMAN

, Deputy

[SEAL]

This abstract issued on (date):

OCT 20 2008

Siskiyou County Recorder
Leanna Dancer, Recorder

Recording Requested By
State of California
Employment Development Department
(916) 464-2949

DOC - 08-0004342
Thursday, APR 17, 2008 10:57:48
Ttl Pd \$0.00 Nbr-0000142446
RAS/C2/1-1

When recorded mail to:

STATE OF CALIFORNIA
EMPLOYMENT DEVELOPMENT DEPARTMENT
CENTRAL COLLECTION DIVISION, MIC 92
P.O. BOX 826880
SACRAMENTO, CALIFORNIA 94280-0001

NOTICE OF STATE TAX LIEN

(Filed pursuant to Section 7171 of the Government Code)

YREKA WESTERN RAILROAD COMPANY

PO BOX 660
YREKA CA 96097

Account No. 813 7554 5 SISKIYOU Certificate No. W300208726

TAX PERIOD	TAX	PENALTY	INTEREST	TOTAL
10/01/07 THRU 12/31/07	0.00	79.16	2.88	82.04

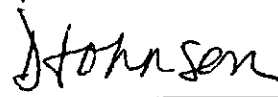
Interest calculated through 04/04/08

The Director of the Employment Development Department hereby certifies the above is liable to the State of California for amounts due and required to be paid as determined under the provisions of the Unemployment Insurance Code, the Revenue and Taxation Code, or both.

THE AMOUNT OF DELINQUENCY ABOVE SET FORTH SHALL BE A LIEN UPON ALL REAL OR PERSONAL PROPERTY AND RIGHTS TO SUCH PROPERTY, INCLUDING ALL AFTER-ACQUIRED PROPERTY AND RIGHTS TO PROPERTY BELONGING TO THE ABOVE NAMED.

Date 04/04/08
At Sacramento, California

The Director of the Employment Development Department has complied with all provisions of the Unemployment Insurance Code in the computation and levy of the amount assessed and has caused this notice of lien to be issued by a duly authorized representative.

By 
Authorized Representative

This agency has adopted the use of a facsimile signature as affixed above.

RECORDING REQUESTED BY:
EMPLOYMENT DEVELOPMENT DEPARTMENT
(866) 564-4228

WHEN RECORDED MAIL TO:
STATE OF CALIFORNIA
EMPLOYMENT DEVELOPMENT DEPARTMENT
COLLECTION DIVISION MIC 92G
P.O. BOX 826880
SACRAMENTO, CA 94280-0001

Siskiyou County Recorder
Leanna Dancer, Recorder

DAC - 08-0005996
Acct 8103-Cal St. Employ
Wednesday, MAY 28, 2008 12:01:54
Ttl Pd - \$13.00 Nbr-0000144664
JEK/CL/1-1

RELEASE OF LIEN IMPOSED UNDER A CERTIFICATE OR NOTICE OF STATE TAX LIEN

CERTIFICATE NO. W300208726

ACCOUNT NO. 813-7554-5

The Director of the Employment Development Department hereby releases and certifies that there has been released all property from any lien imposed thereon by the filing and recording of that certain Certificate or Notice of Amount of tax, interest, and penalty due under Section 1703 of the Unemployment Insurance Code or Section 7171 of the Government Code from:

YREKA WESTERN RAILROAD COMPANY

in the amount of \$ 82.04 which was recorded on 04/17/08
in volume/page 08-0004342 of Official Records of the County of SISKIYOU

THE DIRECTOR OF THE EMPLOYMENT DEVELOPMENT
DEPARTMENT OF THE STATE OF CALIFORNIA HAS CAUSED
THIS RELEASE TO BE ISSUED BY THE DULY AUTHORIZED
REPRESENTATIVE



Dated 05/15/08

This document is produced on a laser printer.

DE 2184 Rev. 31 (2-07)

By Johnson

Authorized Representative

This agency has adopted the use of a facsimile signature as affixed above.

CU-PA029

Siskiyou County Recorder
Leanna Dancer, Recorder

Recording Requested By
State of California
Employment Development Department
(916) 464-2949

DOC - 08-0000359
Wednesday, JAN 09, 2008 10:58:18
Ttl Pd \$0.00 Nbr-0000137098
RAS/C2/1-1

When recorded mail to:
STATE OF CALIFORNIA
EMPLOYMENT DEVELOPMENT DEPARTMENT
CENTRAL COLLECTION DIVISION, MIC 92
P.O. BOX 826880
SACRAMENTO, CALIFORNIA 94280-0001

NOTICE OF STATE TAX LIEN

(Filed pursuant to Section 7171 of the Government Code)

YREKA WESTERN RAILROAD COMPANY

PO BOX 660
YREKA CA 96097

Account No. 813 7554 5 SISKIYOU Certificate No. W300206231

TAX PERIOD	TAX	PENALTY	INTEREST	TOTAL
07/01/05 THRU 12/31/06	2,423.63	327.80	207.06	2,958.49

Interest calculated through 12/28/07

The Director of the Employment Development Department hereby certifies the above is liable to the State of California for amounts due and required to be paid as determined under the provisions of the Unemployment Insurance Code, the Revenue and Taxation Code, or both.

THE AMOUNT OF DELINQUENCY ABOVE SET FORTH SHALL BE A LIEN UPON ALL REAL OR PERSONAL PROPERTY AND RIGHTS TO SUCH PROPERTY, INCLUDING ALL AFTER-ACQUIRED PROPERTY AND RIGHTS TO PROPERTY BELONGING TO THE ABOVE NAMED.

Date 12/28/07

At Sacramento, California

The Director of the Employment Development Department has complied with all provisions of the Unemployment Insurance Code in the computation and levy of the amount assessed and has caused this notice of lien to be issued by a duly authorized representative.

By

Authorized Representative

This agency has adopted the use of a facsimile signature as affixed above.

CUA-PA028

RECORDING REQUESTED BY:
EMPLOYMENT DEVELOPMENT DEPARTMENT
(866) 564-4228

WHEN RECORDED MAIL TO:
STATE OF CALIFORNIA
EMPLOYMENT DEVELOPMENT DEPARTMENT
COLLECTION DIVISION MIC 92G
P.O. BOX 826880
SACRAMENTO, CA 94280-0001

Siskiyou County Recorder
Leanna Dancer, Recorder

DOC - 08-0005995
Acct 8103-Cal St. Employ
Wednesday, MAY 28, 2008 12:01:36
Ttl Pd \$13.00 Nbr-0000144663
JEK/CI/1-1

RELEASE OF LIEN IMPOSED UNDER A CERTIFICATE OR NOTICE OF STATE TAX LIEN

CERTIFICATE NO. W300206231

ACCOUNT NO. 813-7554-5

The Director of the Employment Development Department hereby releases and certifies that there has been released all property from any lien imposed thereon by the filing and recording of that certain Certificate or Notice of Amount of tax, interest, and penalty due under Section 1703 of the Unemployment Insurance Code or Section 7171 of the Government Code from:

YREKA WESTERN RAILROAD COMPANY

in the amount of \$ 2,958.49 which was recorded on 01/09/08
in volume/page 08-0000359 of Official Records of the County of SISKIYOU

THE DIRECTOR OF THE EMPLOYMENT DEVELOPMENT
DEPARTMENT OF THE STATE OF CALIFORNIA HAS CAUSED
THIS RELEASE TO BE ISSUED BY THE DULY AUTHORIZED
REPRESENTATIVE



Dated 05/15/08
This document is produced on a laser printer.

DE 2184 Rev. 31 (2-07)

By Johnson
Authorized Representative
This agency has adopted the use of a facsimile signature as affixed
above.

CU-PA029

Siskiyou County Recorder
Leanna Dancer, Recorder

DOC - 07-0008407

Monday, JUL 02, 2007 10:01:17

Ttl Pd \$0.00

Nbr-0000126402

RAS/C2/1-1

Recording Requested By
State of California
Employment Development Department

(866) 564-4228

When recorded mail to:

STATE OF CALIFORNIA
EMPLOYMENT DEVELOPMENT DEPARTMENT
CENTRAL COLLECTION DIVISION, MIC 92
P.O. BOX 826880
SACRAMENTO, CALIFORNIA 94280-0001

NOTICE OF STATE TAX LIEN

(Filed pursuant to Section 7171 of the Government Code)

YREKA WESTERN RAILROAD COMPANY

PO BOX 660
YREKA

CA 96097

Account No. 813 7554 5

SISKIYOU

Certificate No. W071784039

TAX PERIOD	TAX	PENALTY	INTEREST	TOTAL
07/01/05 THRU 03/31/06	704.30	307.40	99.59	1,111.29

Interest calculated through 06/27/07

The Director of the Employment Development Department hereby certifies the above is liable to the State of California for amounts due and required to be paid as determined under the provisions of the Unemployment Insurance Code, the Revenue and Taxation Code, or both.

THE AMOUNT OF DELINQUENCY ABOVE SET FORTH SHALL BE A LIEN UPON ALL REAL OR PERSONAL PROPERTY AND RIGHTS TO SUCH PROPERTY, INCLUDING ALL AFTER-ACQUIRED PROPERTY AND RIGHTS TO PROPERTY BELONGING TO THE ABOVE NAMED.

Date 06/27/07

At Sacramento, California

The Director of the Employment Development Department has complied with all provisions of the Unemployment Insurance Code in the computation and levy of the amount assessed and has caused this notice of lien to be issued by a duly authorized representative.

By

Authorized Representative

This agency has adopted the use of a facsimile signature as affixed above.

RECORDING REQUESTED BY:
EMPLOYMENT DEVELOPMENT DEPARTMENT
(866) 564-4228

WHEN RECORDED MAIL TO:
STATE OF CALIFORNIA
EMPLOYMENT DEVELOPMENT DEPARTMENT
COLLECTION DIVISION MIC 92G
P.O. BOX 826880
SACRAMENTO, CA 94280-0001

Siskiyou County Recorder
Leanna Dancer, Recorder

DOC - 08-0005994
Acct 8103-Cal St. Employ
Wednesday, MAY 28, 2008 12:00:57
Ttl Pd \$13.00 Nbr-0000144662
JEK/CL/1-1

RELEASE OF LIEN IMPOSED UNDER A CERTIFICATE OR NOTICE OF STATE TAX LIEN

CERTIFICATE NO. W071784039

ACCOUNT NO. 813-7554-5

The Director of the Employment Development Department hereby releases and certifies that there has been released all property from any lien imposed thereon by the filing and recording of that certain Certificate or Notice of Amount of tax, interest, and penalty due under Section 1703 of the Unemployment Insurance Code or Section 7171 of the Government Code from:

YREKA WESTERN RAILROAD COMPANY

in the amount of \$ 1,111.29 which was recorded on 07/02/07
in volume/page 07-0008407 of Official Records of the County of SISKIYOU

THE DIRECTOR OF THE EMPLOYMENT DEVELOPMENT
DEPARTMENT OF THE STATE OF CALIFORNIA HAS CAUSED
THIS RELEASE TO BE ISSUED BY THE DULY AUTHORIZED
REPRESENTATIVE



Dated 05/15/08
This document is produced on a laser printer.

DE 2184 Rev. 31 (2-07)

By Johnson
Authorized Representative

This agency has adopted the use of a facsimile signature as affixed above.

CU-PA029

Recording Requested By
State of California
Employment Development Department
(866) 564-4228

When recorded mail to:
STATE OF CALIFORNIA
EMPLOYMENT DEVELOPMENT DEPARTMENT
CENTRAL COLLECTION DIVISION, MIC 92
P.O. BOX 826880
SACRAMENTO, CALIFORNIA 94280-0001

Siskiyou, County Recorder
Leanna Dancer, Recorder
DOC-03-0003079

Tue, FEB 25, 2003 13:27:06
Ttl Pd \$0.00
Receipt #-0000012863
JEK/C2/1-1

NOTICE OF STATE TAX LIEN

(Filed pursuant to Section 7171 of the Government Code)

YREKA WESTERN RAILROAD COMPANY

P.O. BOX 660
YREKA CA 96097

Account No. 813 7554 5 SISKIYOU Certificate No. W030454017

TAX PERIOD	TAX	PENALTY	INTEREST	TOTAL
10/01/01 THRU 12/31/01	1,984.98	213.50	149.93	2,348.41

Interest calculated through 02/14/03

The Director of the Employment Development Department hereby certifies the above is liable to the State of California for amounts due and required to be paid as determined under the provisions of the Unemployment Insurance Code, the Revenue and Taxation Code, or both.

THE AMOUNT OF DELINQUENCY ABOVE SET FORTH SHALL BE A LIEN UPON ALL REAL OR PERSONAL PROPERTY AND RIGHTS TO SUCH PROPERTY, INCLUDING ALL AFTER-ACQUIRED PROPERTY AND RIGHTS TO PROPERTY BELONGING TO THE ABOVE NAMED.

Date 02/14/03

At Sacramento, California



The Director of the Employment Development Department has complied with all provisions of the Unemployment Insurance Code in the computation and levy of the amount assessed and has caused this notice of lien to be issued by a duly authorized representative.

By Johnson

Authorized Representative

This agency has adopted the use of a facsimile signature as affixed above.

RECORDING REQUESTED BY
EMPLOYMENT DEVELOPMENT
DEPARTMENT

WHEN RECORDED MAIL TO:
EMPLOYMENT DEVELOPMENT
DEPARTMENT
P.O. Box 826880
SACRAMENTO, CA 94280-0001

Siskiyou, County Recorder
Leanna Dancer, Recorder
DOC-03-0006711

Acct 8183-Cal St. Empl
Fri, APR 25, 2003 11:55:04
Ttl Pd \$13.00
Receipt #-0000017449
NLE/C1/1-1

STATE OF CALIFORNIA
HEALTH AND WELFARE AGENCY
EMPLOYMENT DEVELOPMENT

RELEASE OF LIEN IMPOSED UNDER A CERTIFICATE OR NOTICE OF STATE TAX LIEN

CERTIFICATE NO. W030454017

ACCOUNT NO. 813-7554-5

The Director of the Employment Development Department hereby releases and certifies that there has been released all property from any lien imposed thereon by the filing and recording of that certain Certificate or Notice of Amount of tax, interest, and penalty due under Section 1703 of the Unemployment Insurance Code or Section 7171 of the Government Code from

YREKA WESTERN RAILROAD COMPANY

in the amount of \$ 2,348.41 which was recorded on 02/25/03
in volume/page 03-0003079 of Official Records of the County of SISKIYOU



THE DIRECTOR OF THE EMPLOYMENT DEVELOPMENT
DEPARTMENT OF THE STATE OF CALIFORNIA HAS CAUSED
THIS RELEASE TO BE ISSUED BY THE DULY AUTHORIZED
REPRESENTATIVE

Dated 04/21/03
This document is produced on a laser printer.

DE 2184 Rev. 30 (5-02)

By

Johnson

Authorized Representative

This agency has adopted the use of a facsimile signature as affixed
above.

CU-PA029

EXHIBIT 2

Form 1

**NATIONAL RAILROAD ADJUSTMENT BOARD
FIRST DIVISION**

Award No. 27217
Docket No. 47335
10-1-NRAB-00001-090543

The First Division consisted of the regular members and in addition Referee Edwin H. Benn when award was rendered.

Brotherhood of Locomotive Engineers and Trainmen

PARTIES TO DISPUTE:

Union Pacific Railroad Company

STATEMENT OF CLAIM:

"Claim in behalf of Engineer M. L. Jones, hereinafter referred to as claimant EID XXXXXXXX, Union Pacific Railroad Northern Region, Council Bluffs Service Unit, that claimant be compensated for any and all time lost including time spent at the investigation, that claimant be removed from the Level 3 on the Union Pacific Upgrade Discipline Policy, that any and all EQMS Points taken from claimant's score for this incident be restored and that any and all reference to this incident be expunged from claimant's personal record when claimant was investigated on January 7, 2009 on the following charge:

'This notice serves the dual purpose of offering you 'Level 4' which is up to ten (10) days off work without pay or up to five (5) days training without pay and must pass necessary operating rules exam or equivalent in order to return to work. A Corrective Action Plan must be developed upon return to work under the Union Pacific Discipline Policy - Upgrade as outlined in the attached 'Council Bluffs Service Unit Discipline Calculation Worksheet.' If you choose not to waive your rights to a formal hearing, this is a notice to appear for an investigation.

Report to the Office of the MTO, 900 Story Street, Boone Iowa at 1300 hours, on December 23, 2008, for formal investigation to develop the facts and place responsibility, if any, in connection with the report that at approximately

0345 hours, on December 12, 2008, while employed as Engineer on Train MCBBO-12, you allegedly ran through a switch not lined for your intended movement, resulting in a run-through switch, near Milepost 201.4, Clinton Subdivision. Your actions indicate possible violation of Rule(s) 6.28, 8.15, 8.16, and 1.13, in the Revised System Special Instructions, effective November 17, 2008, among others of the General Code of Operating Rules as adopted and modified by Union Pacific.'

Claim premised on the 1996 BLET/UP System Discipline Agreement.'"

FINDINGS:

The First Division of the Adjustment Board, upon the whole record and all the evidence, finds that:

The carrier or carriers and the employee or employees involved in this dispute are respectively carrier and employee within the meaning of the Railway Labor Act, as approved June 21, 1934.

This Division of the Adjustment Board has jurisdiction over the dispute involved herein.

Parties to said dispute were given due notice of hearing thereon.

After an Investigation held on January 7, and by letter dated January 15, 2009, the Claimant, an employee with more than 34 years of service (15 as an Engineer) was given Level 3 discipline (5-day suspension) on charges that he ran through a switch on December 12, 2008.

On December 12, 2008, at 3:30 P.M., Manager Train Operations G. A. Evenson received a call from Utilityman B. Leslie reporting that the switch on the east end of Track 7 in Boone Yard had been run through. MTO Evenson went to the location, verified the run through and called a section gang to lock the switch for the lead.

MTO Evenson then reconstructed which trains may have operated over the Track 7 switch. Information received by Evenson showed that three trains were in the yard from 6:00 P.M. on December 11, until the time the run through switch had been discovered at 3:30 P.M. on December 12, 2008. Those three trains were MPREA-11, MBOBO-12 and MCBBO-12. The Claimant's train was MCBBO-12.

It was determined by the Carrier that MPREA-11 was working at the west end of Boone Yard and never came across the east switch on Track 7. Further, it was determined by the Carrier that MBOBO-12 also had not come in contact with that switch. There was a local switch engine crew that worked in the area where the switch was located. However, because that crew worked Sunday through Thursday and the Carrier determined the incident occurred on Friday (an off day for that crew and a day on which they were not called back for duty) the Carrier eliminated the switch engine crew as the cause of the run through switch.

The Carrier examined the Claimant's work on that date on MCBBO-12. The Carrier determined that the Claimant operated the switch at approximately 3:45 A.M. and, until the time the run through switch was discovered at 3:30 P.M., the only train that operated over that switch was MCBBO-12.

The Claimant testified that he properly lined all switches while yarding his train — including the Track 7 switch — and noticed nothing wrong with those switches.

The first question is whether substantial evidence supports the Carrier's determination that the Claimant engaged in the charged misconduct? In this case, we find that question must be answered in the negative.

There is no question but that at 3:30 P.M. on December 12, 2008, the Carrier discovered a run through switch. There is also no question that approximately 12 hours earlier, the Claimant operated his train over that switch. But as the Organization points out, the record shows that Boone Yard is a busy yard with approximately 50 trains passing through in a 24-hour period. And it may be that even though the traffic is high through Boone Yard, not many engines worked in that portion of the yard where the run through switch was located on the date of the incident, as MTO Evenson testified. The problem with the Carrier's position is that its conclusion that the Claimant ran through the switch is based entirely on circumstantial evidence based upon its reconstruction of the traffic through Boone

Yard, concluding that only the Claimant's train could have run through the switch. While circumstantial evidence is often sufficient to meet a burden in discipline cases, the burden remains on the Carrier to demonstrate substantial evidence that the Claimant's train was the train which ran through the switch. Balanced against the Carrier's reconstruction of the events, is the fact that the discovery of the run through switch was not made until 12 hours after the Claimant operated over that switch and the testimony of the Claimant that he properly lined the switch. In the end, the Carrier's determination that the Claimant was culpable is conjecture - good conjecture, perhaps - but nevertheless conjecture. Under the circumstances of this case and particularly given the lapse of time of 12 hours until the run through switch was discovered and the Claimant's testimony that he properly lined the switch, we find the circumstantial evidence relied upon by the Carrier insufficient to meet its burden of substantial evidence for the Board to conclude that the Claimant engaged in the charged misconduct.

The claim has merit and shall be sustained. The Claimant shall be made whole and his record cleared.

AWARD

Claim sustained.

ORDER

This Board, after consideration of the dispute identified above, hereby orders that an award favorable to the Claimant(s) be made. The Carrier is ordered to make the Award effective on or before 30 days following the postmark date the Award is transmitted to the parties.

NATIONAL RAILROAD ADJUSTMENT BOARD
By Order of First Division

Dated at Chicago, Illinois, this 18th day of October 2010.

EXHIBIT 3

UTU FILE NO. 82689/1373
CSXT FILE NO. 148535

PUBLIC LAW BOARD NO. 6059

PARTIES TO DISPUTE:

UNITED TRANSPORTATION UNION

VS

NMB CASE NO. 540
AWARD NO. 540

CSX TRANSPORTATION, INC.

STATEMENT OF CLAIM:

On behalf of Conductor Kevin Sweeney (790453), the United Transportation Union Local 1373 Committee of Adjustment appeals the decision of CSX Baltimore Division Manager Gary Williams to assess Brother Sweeney a fifteen day actual suspension (April 14, 2008 - April 28, 2008). This Committee requests pay for all lost wages (times suspended, & time lost attending investigation), and removal of any unfavorable remarks in his employee history surrounding his alleged violation of the CSX Operating Rule 104©.

FINDINGS AND OPINION

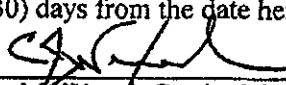
The Carrier and the Employees involved in this dispute are respectively Carrier and Employees within the meaning of the Railway Labor Act, as amended. This Board has jurisdiction of the dispute here involved.

Claimant was summoned to a formal investigation on a charge that on February 15, 2008, at approximately 0015 hours, while working C75914 at or near South Philadelphia 1 Running Crossover Switch/Broad, he failed to ascertain that the route was lined for his movement, resulting in the derailment of SP 33, and all circumstances relating thereto. Following the investigation Carrier found claimant guilty of the charge against him and assessed a fifteen (15) day actual suspension from service as discipline.

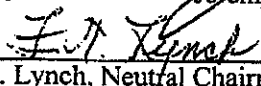
This Board has had the opportunity to review the transcript of investigation, together with all other documents submitted by the parties, and it is our finding that Carrier has failed in its burden to produce substantial evidence to justify its finding that claimant was guilty of the charge against him.

AWARD

Claim sustained. Carrier is instructed to comply with this award within thirty (30) days from the date hereof.


Carl J. Wexel, Carrier Member


Jeremy R. Ferguson, Employee Member


F. T. Lynch, Neutral Chairman

Award date 10-8-09

EXHIBIT 4



Small Business
Solutions

Comprehensive Insight Plus Report for
**ADRIAN & BLISSFIELD RAIL ROAD
COMPANY**
Report Printed: February 22, 2011

D-U-N-S #: 62-394-3859

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To save this report to your PC: Select File and then Save As from the browser menu bar. Click on the Save in: drop-down menu and select a location for your file. Enter a file name and save the report as a .html or .txt file.

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[Company Snapshot](#) [Creditworthiness](#) [Payment History & Trends](#) [Public Filings](#) [History & Operations](#) [Banking & Finance](#)

Company Snapshot

Business Summary

Profile
ADRIAN & BLISSFIELD RAIL ROAD COMPANY
708 E Michigan St
Adrian, MI 49221

Mailing address:
PO Box 95
Blissfield, MI 49228

Tel: 517 265-3626
Fax: 517 263-2511

www.murdermysterytrain.com
D-U-N-S #: 62-394-3859
OLD ROAD DINNER TRAIN
D&B Rating: 1R3

Company Stats
Year started 1991
Employees 24 (UNDETERMINED here)
Financing SECURED
Chief Executive Mark W Dobronski , President
S.I.C. 4011
4111

Industry
Railroad line-haul operator, local/suburban transportation

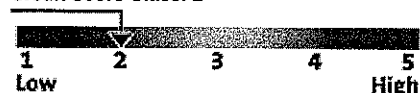
This is a **headquarters** location.
Branch(es) or division(s) exist.

The Net worth amount in this section may have been adjusted by D&B to reflect typical deductions, such as certain intangible assets.

Likelihood this company will not pay on time over the next 12 months

LOW ☒

Credit Score Class: 2



Likelihood this company will experience financial stress in the next 12 months

AVERAGE

Financial Stress Class: 3



Timeliness of historical payments for this company**

PROMPT ☒

D&B PAYDEX®: 80



Industry benchmark: Prompt

**Based on 20 trade experiences on file with D&B

Payment performance trend over the past 90 days

UNCHANGED

D&B offers guidance on credit limits for this company based on its profile as well as profiles of other companies similar in size, industry, and credit usage

[Get details](#)

Evidence of bankruptcy, fraud, or criminal proceedings in the history of this business or its management

NO ☒

Noteworthy special events in this company's file

YES

Total number of suits, liens and judgments in this company's file

0 ☒

Value of open suits, liens and judgments for this company

\$0 ☒

Value of open records refers only to 10 most recent filings for each record type.

[Company Snapshot](#) [Creditworthiness](#) [Payment History & Trends](#) [Public Filings](#) [History & Operations](#) [Banking & Finance](#)

Creditworthiness

Historical Payment Trends: PAYDEX®

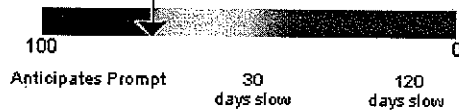
Average payment performance trend when weighted by dollar amount

Last 3 months: Trend is unchanged



Last 12 months: Generally within terms
Industry benchmark: Prompt

D&B PAYDEX® : 80



Based on payments collected over last 12 months.

Indications of slowness can be the result of dispute over merchandise, skipped invoices, etc. Accounts are sometimes placed for collection even though the existence or amount of the debt is disputed.

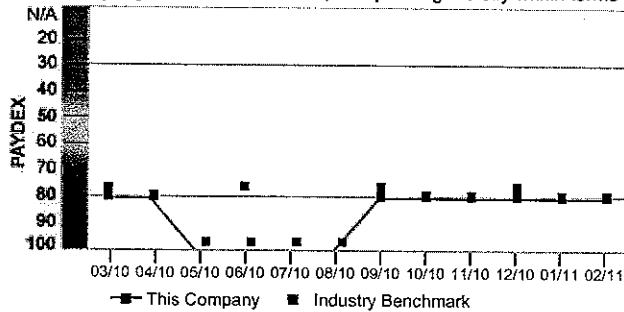
Historical Payment Trends: PAYDEX® Comparison to Industry

Company's payment performance over the past 12 months compared with its peers

AHEAD ☒

This company's 12-month high: 100, or equal to 30 days sooner than terms

This company's 12-month low: 80, or equal to generally within terms



Shows PAYDEX scores of this Business compared to the Primary Industry from each of the last four quarters. The Primary Industry is Railroad line-haul operator, local/suburban transportation, based on SIC code 4011.



Small Business
Solutions

Comprehensive Insight Plus Report for
**NORFOLK SOUTHERN RAILWAY
COMPANY**
Report Printed: February 22, 2011

D-U-N-S #: 00-692-0417

[Print this report](#)

To save this report to your PC: Select File and then Save As from the browser menu bar. Click on the Save in: drop-down menu and select a location for your file. Enter a file name and save the report as a .html or .txt file.

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[Company Snapshot](#) [Creditworthiness](#) [Payment History & Trends](#) [Public Filings](#) [History & Operations](#) [Banking & Finance](#)

Company Snapshot

Business Summary

Profile

NORFOLK SOUTHERN RAILWAY COMPANY
3 Commercial PI Ste 1a
Norfolk, VA 23510

Tel: 757 629-2680

www.nscorp.com

D-U-N-S #: 00-692-0417

(SUBSIDIARY OF NORFOLK SOUTHERN CORPORATION,
NORFOLK, VA)
NORFOLK SOUTHERN
D&B Rating: 5A2

Company Stats

Year incorporated	1894
Year started	1894
Employees	28,057 (300 here)
Financial statement date	Dec 31, 2009
Net worth F	\$12,991,395,000
Sales F	\$2,009,642,000
Chief Executive	David R Goode , Pres- ceo
S.I.C.	4011

Industry

Railroad line-haul operator

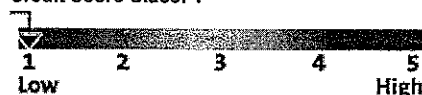
This is a **headquarters (subsidiary)** location.
Branch(es) or division(s) exist.

The Net worth amount in this section may have been adjusted by D&B to reflect typical deductions, such as certain intangible assets.

Likelihood this company will not pay on time over the next 12 months

LOW ☒

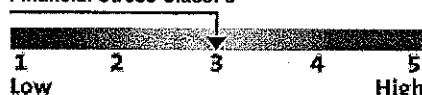
Credit Score Class: 1



Likelihood this company will experience financial stress in the next 12 months

AVERAGE

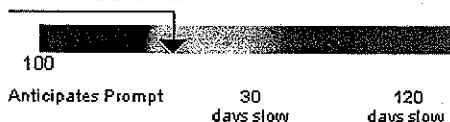
Financial Stress Class: 3



Timeliness of historical payments for this company**

SLOW

D&B PAYDEX®: 72



Industry benchmark: Slow

**Based on 589 trade experiences on file with D&B

Payment performance trend over the past 90 days

UNCHANGED

D&B offers guidance on credit limits for this company based on its profile as well as profiles of other companies similar in size, industry, and credit usage

[Get details](#)

Evidence of bankruptcy, fraud, or criminal proceedings in the history of this business or its management

NO ☒

Noteworthy special events in this company's file

NO ☒

Total number of suits, liens and judgments in this company's file

162

Value of open suits, liens and judgments for this company

\$503,993

Value of open records refers only to 10 most recent filings for each record type. There may be additional suits, liens, judgments, or UCC filings in D&B's file on this company available by contacting 1-866-472-7362.

[Company Snapshot](#) [Creditworthiness](#) [Payment History & Trends](#) [Public Filings](#) [History & Operations](#) [Banking & Finance](#)

Creditworthiness

Historical Payment Trends: PAYDEX®

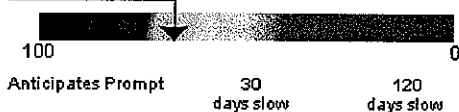
Average payment performance trend when weighted by dollar amount

Last 3 months: Trend is unchanged



Last 12 months: 12 days beyond terms
Industry benchmark: Slow

D&B PAYDEX® : 72



Based on payments collected over last 12 months.

Indications of slowness can be the result of dispute over merchandise, skipped invoices, etc. Accounts are sometimes placed for collection even though the existence or amount of the debt is disputed.

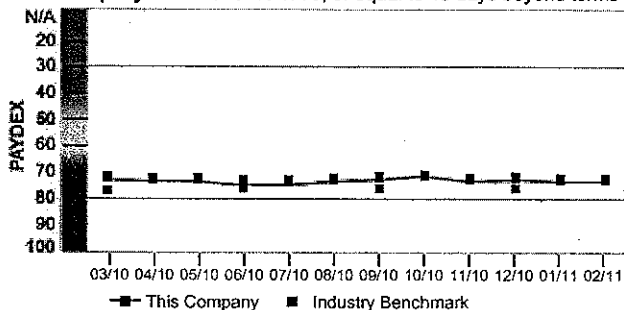
Historical Payment Trends: PAYDEX® Comparison to Industry

Company's payment performance over the past
12 months compared with its peers

SLOW ▲

This company's 12-month high: 73, or equal to 11 days beyond terms

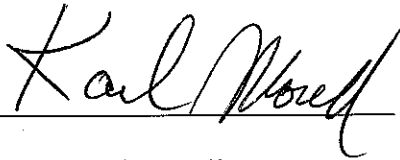
This company's 12-month low: 70, or equal to 15 days beyond terms



Shows PAYDEX scores of this Business compared to the Primary Industry from each of the last four quarters. The Primary Industry is Railroad line-haul operator, based on SIC code 4011.

CERTIFICATE OF SERVICE

I hereby certify that on this 25th day of February, 2011, I have caused a copy of the foregoing Reply to be served on all parties of record.

A handwritten signature in cursive script, reading "Karl Morell", is written over a horizontal line.

Karl Morell