

FILED

MAY 30 2003

JOHN D. HEFFNER, PLLC

1920 N St., N.W.

SUITE 800

WASHINGTON, D.C. 20036

(202) 263-4180

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j.heffner@verizon.net

FEE RECEIVED



BY HAND

MAY 30 2003

May 29, 2003

SURFACE

Hon. Vernon A. Williams : **TRANSPORTATION BOARD**
Secretary
Surface Transportation Board
1925 K Street
Washington, D.C. 20423-0001

RE: FD No. 34357, Eyal Shapira -- Continuance
in Control Exemption

FD No. 34358, New York And Eastern Railway LLC --
Lease, Operate, and Future Purchase Exemption --

ENTERED
Office of Proceedings

MAY 30 2003

Part of
Public Record

Dear Mr. Williams:

On behalf of Petitioners Eyal Shapira and New York And Eastern Railway LLC, I am filing an original and ten copies of:

(1) a verified notice of exemption under 49 CFR 1180.2(d) (2) for the continuance in control by Eyal Shapira of New York And Eastern Railway LLC, and Raritan Central Railway, L.L.C.

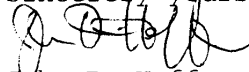
(2) a verified notice of exemption under 49 CFR 1150.31 for the lease, operation, and future purchase by New York And Eastern Railway LLC, of railroad property owned by New York Central Lines, LLC, and operated by CSX Transportation, Inc.

I am also enclosing one check payable to the Board for \$2,250 to cover the applicable filing fees and a computer disk formatted in WordPerfect 8.0 containing these filings.

Please date stamp and return one copy of this filing for our records.

Hon. Vernon A. Williams
May 29, 2003
Page Two

Sincerely yours,

A handwritten signature in dark ink, appearing to read "John D. Heffner", written over the typed name.

John D. Heffner

Enclosures

cc: Mr. Eyal Shapira

ORIGINAL

BEFORE THE
SURFACE TRANSPORTATION BOARD

FILED

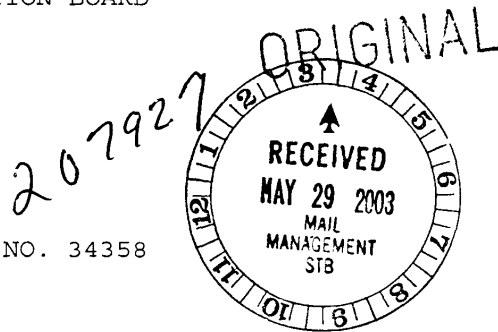
MAY 30 2003

Office of Proceedings

MAY 30 2003

Part of
Public Record

STB FINANCE DOCKET NO. 34358



NEW YORK AND EASTERN RAILWAY LLC
-- LEASE, OPERATION, AND FUTURE PURCHASE EXEMPTION --
NEW YORK CENTRAL LINES, LLC
AND CSX TRANSPORTATION, INC.

FEE RECEIVED

MAY 30 2003

SURFACE
TRANSPORTATION BOARD

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10901 and 49 CFR 1150.31

NOTICE OF OPERATION OF RAIL LINE
INFORMATION REQUIRED BY 49 CFR 1150.33

Submitted By:

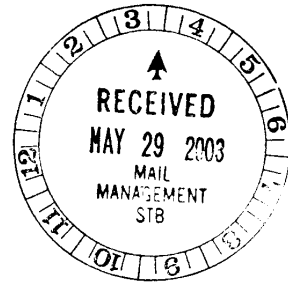
John D. Heffner
John D. Heffner, PLLC
1920 N Street, N.W.
Suite 800
Washington, D.C. 20036
(202) 263-4180

Counsel for Petitioner

Dated: May 29, 2003

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 34358



NEW YORK AND EASTERN RAILWAY LLC
-- LEASE, OPERATION, AND FUTURE PURCHASE EXEMPTION --
NEW YORK CENTRAL LINES, LLC
AND CSX TRANSPORTATION, INC.

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10901 and 49 CFR 1150.31

NOTICE OF OPERATION OF RAIL LINE
INFORMATION REQUIRED BY 49 CFR 1150.33

Name and Address of Applicant **49 CFR 1150.33(a)**

New York and Eastern Railway LLC
c/o Corporate Logistics
One Gateway Plaza
Suite 501B
Newton, MA 02458

Applicant's Representative **49 CFR 1150.33(b)**

John D. Heffner
John D. Heffner, PLLC
1920 N Street, N.W.
Suite 800
Washington, D.C. 20036
(202) 263-4180

Statement of Agreement(s) **49 CFR 1150.33(c)**

New York and Eastern Railway LLC ("NY&E") has executed
an agreement with New York Central Lines, LLC ("NYC"), as

owner/lessor and CSX Transportation, Inc. ("CSXT") as operator/lessee, effective July 15, 2003, for NY&E to lease and operate as a common carrier a line of railroad presently owned by NYC and operated by CSXT. This agreement also gives NY&E an option to purchase the subject rail property and NY&E anticipates exercising that option within several months after instituting operations under the lease.

The trackage to be lease, operated, and eventually acquired consists of approximately 4.7 miles of right of way and associated property from MP QCO 0.0 (approximately V.S. 60+80), to milepost QCO 3.2 (approximately V.S. 113+10) and MP QCK 29.5 (approximately V.S. 2331+25) to MP QCK 31.0 (approximately V.S. 2266+00) totalling approximately 44.91 acres, located in the Town and City of Poughkeepsie, Dutchess County, NY.

The railroad plans to commence operations on or about July 15, 2003.

Operator of the Property

49 CFR 1150.33(d)

In all cases anticipated by this Notice, and as described in the transaction summary provided below, NY&E will hold itself out to provide common carrier rail freight service over the subject rail facilities.

Brief Summary of Transaction

49 CFR 1150.33(e)

The NY&E is a newly established class III short line

railroad which will be leasing and restoring to regular operation a line of railroad originally acquired by NYC as part of its acquisition and assumption of operations from the former Consolidated Rail Corporation. NY&E will rehabilitate this property and will provide regular service upon consummation. NY&E plans to work actively with CSXT's marketing department to persuade industries located along the line to resume shipping or receiving product by rail and hopes to attract new customers to the line. Within several months after consummating this transaction, NY&E anticipates exercising its option to acquire the property.

NY&E is presently a noncarrier and will, once this exemption becomes effective, hold itself out to customers as a class III short line carrier. Concurrently with this filing, NY&E's owner, Eyal Shapira, is submitting a notice of exemption allowing him to continue in control of NY&E and Raritan Central Railway, L.L.C., an existing class III short line railroad.

This transaction qualifies for a class exemption under 49 CFR 1150.31 et seq., because it involves the common carrier operation by a newly established class III short line rail carrier.

Map

49 CFR 1150.33(f)

A series of Maps depicting the area to be served are

attached as Exhibit A.

Certificate of Carrier Classification **49 CFR 1150.33(g)**

The Railroad hereby certifies that the projected annual revenues will be less than \$5,000,000, within the Board's ceiling for classification as a class III railroad. A certificate complying with the provisions of 49 CFR 1150.33(g) is attached as Exhibit B to this notice.

Labor Protection

Under 49 U.S.C. 10901 labor protective conditions do not apply and will not be imposed. In any event, no employees will be adversely affected.

Caption Summary **49 CFR 1150.34**

A caption summary in the prescribed form is attached as Exhibit C to this Notice.

Environmental and Historic Preservation Data **49 CFR 1105**

Pursuant to 49 CFR 1105.6(c)(2), the proposed transaction is exempt from environmental review under 49 CFR 1105(c)(2)(i), because the actions proposed herein will not cause any operating changes that exceed the thresholds established in 1105.7(e)(4) or (5).

In addition, this transaction is exempt from historic review under 1105.8(b)(1). Under this section, a sale, lease or

transfer of a rail line is exempt if rail operations will continue. Further Board approval is required for the parties to abandon service, and there are no plans to dispose of or alter the properties subject to Board jurisdiction.

Respectfully submitted,

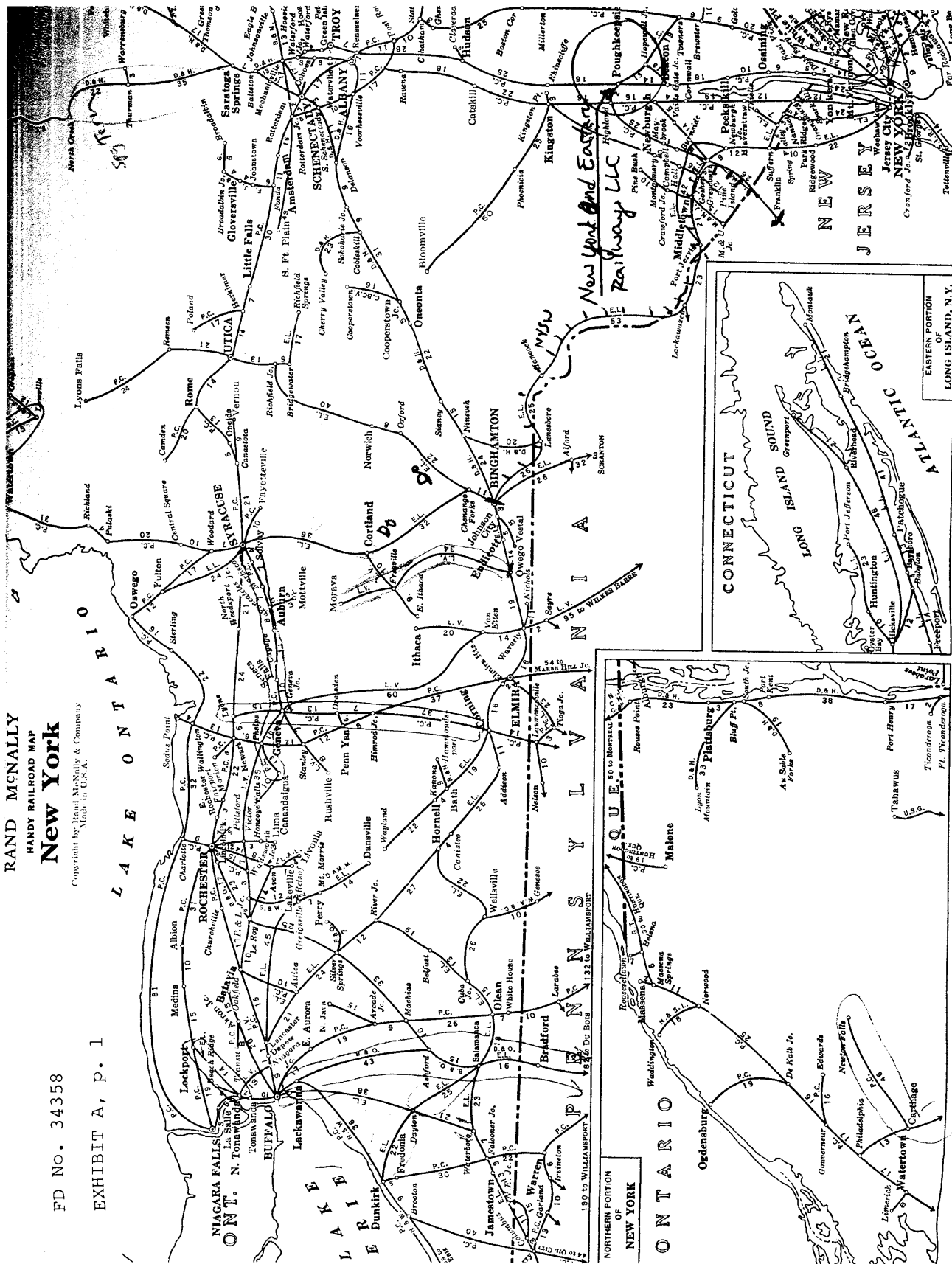
A handwritten signature in black ink, appearing to read "John D. Heffner", with a stylized flourish extending to the right.

John D. Heffner
John D. Heffner, PLLC
1920 N Street, N.W.
Suite 800
Washington, D.C. 20036
(202) 263-4180

Counsel for Petitioner

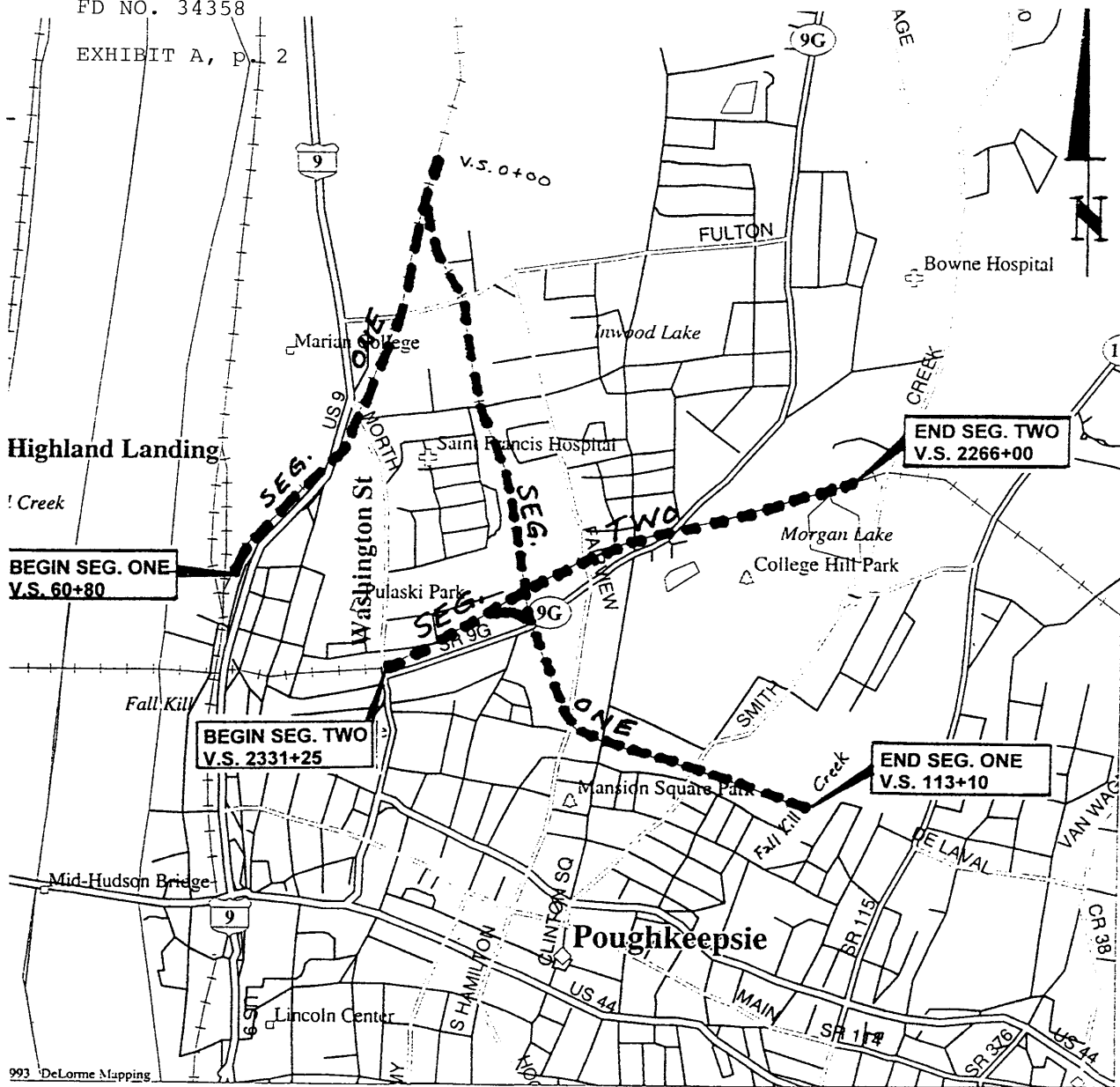
Dated: May 29, 2003

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FD NO. 34358

EXHIBIT A, p. 2



END

LEASE AREA = 44.91 ACRES +/-

Val. Maps: V. 80.83 (1 to 3 & 37 to 39)
GIS: 72363 thru 72368

Scale 1:21,875 (at center)

2000 Feet

500 Meters

Mag 14.00

Mon Dec 09 08:43:00 2002

EXHIBIT A

CSX REAL PROPERTY, INC.

PROPOSED LEASE TO
NEW YORK AND EASTERN RAILWAY, INC

City: Poughkeepsie
County: Dutchess
State: NY
Pin: 36027-0001
Site ID: NY-027-0996802

VAL: See Legend
GIS:
Scale:
Date: 12-08-2002
Drawn By: JLS

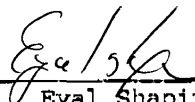
Rev. 4-30-03

EXHIBIT B

CERTIFICATION

City of Newton)
State of Massachusetts) ss.

I, Eyal Shapira, president of the New York and Eastern Railway LLC ("NY&E") hereby certify under penalty of perjury that the projected annual revenues of NY&E in the aggregate, will not exceed \$5,000,000.00, and that NY&E will be a Class III rail carrier as set forth at 49 CFR 1201 (1-1) (a). Further, I certify that I am qualified and authorized to make this certification on behalf of NY&E.



Eyal Shapira

EXHIBIT C

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34358

NEW YORK AND EASTERN RAILWAY LLC.
-- LEASE, OPERATION, AND FUTURE PURCHASE EXEMPTION --
NEW YORK CENTRAL LINES, LLC
AND CSX TRANSPORTATION, INC.

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 U.S.C. 10901 and 49 CFR 1150.31

NOTICE OF OPERATION OF RAIL LINE
INFORMATION REQUIRED BY 49 CFR 1150.31

New York and Eastern Railway, LLC ("NY&E"), a newly-created class III short line railroad, has filed a Verified Notice of Exemption under 49 CFR 1150.31 to lease, operate, and eventually purchase the following rail line currently owned by New York Central Lines, LLC., and operated by CSX Transportation, Inc.

The trackage to be leased and operated (with a right to purchase eventually) consists of approximately 4.7 miles of right of way and associated property from MP QCO 0.0 (approximately V.S. 60+80), to milepost QCO 3.2 (approximately V.S. 113+10) and MP QCK 29.5 (approximately V.S. 2331+25) to MP QCK 31.0 (approximately V.S. 2266+00) totaling approximately 44.91 acres, located in the Town and City of Poughkeepsie, Dutchess County, NY. NY&E certifies that its proposed annual revenues will not exceed those that would

qualify it as a Class III rail carrier and that its annual revenues are not projected to exceed \$5 million.

The parties propose to consummate this transaction on or about July 15, 2003.

This transaction is related to another transaction docketed as FD No. 34357, Eyal Shapira - Continuance in Control Exemption for which a notice of exemption under 49 CFR 1180.2(d)(2) is being filed contemporaneously with this notice.

This notice is filed under 49 C.F.R. 1150.31. If the notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34358, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Branch, 1925 K Street, N.W., Washington, D.C. 20423-0001. In addition, a copy of each pleading must be served on:

John D. Heffner, Esq.
John D. Heffner, PLLC
1920 N Street, N.W.,
Suite 800
Washington, D.C., 20036
Telephone: (202) 263-4180

(seal)

Vernon A. Williams
Secretary

VERIFICATION

STATE OF MA)
)
CITY OF Newton) SS

Eyal Shapira, being duly sworn according to law,
hereby deposes and states that he is authorized to make the
Verification, has read the foregoing document, and knows the
facts asserted therein are true and accurate as stated, to the
best of his knowledge, information and belief.

[Signature]

Subscribed and sworn to before me, a Notary Public, in and for
the City of Newton in the State of MA, this 22 day of
May 2003

[Signature]
Notary Public

My Commission expires:

