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VIA ELECTRONIC MAIL

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Re: DSRR Responses to LPPC's Second Set of Requests for Additional Documents and Clarifications, FD No. 36447

Dear Counsel for LPPC:

DSRR is providing the below responses to your March 18, 2024 letter (the "March 18 Letter") and April 5, 2024 letter (the "April 5 Letter") from your client, the Lake Providence Port Commission ("LPPC"), regarding DSRR's productions to-date.

By way of background, DSRR substantially completed its production of all materials that were in electronic form on February 23, 2024. Despite being a small Class III railroad, that brought DSRR's productions to over 11,000 pages of material responsive to a wide array of valuation elements. On March 7, 2024, DSRR provided its last production from a review of thousands of documents stored in hardcopy and identified after an extensive and costly on-site search by DSRR's attorneys. In response to this final production, LPPC sent DSRR requests for additional documents and clarifications on March 8, 2024 (the "March 8 Letter"). DSRR provided responses to LPPC's March 8 Letter on March 22, 2024 as well as a seventh formal production containing documents responsive to certain LPPC requests. DSRR once again reiterates that the financial documents provided to LPPC in previous productions contain the most relevant material for valuation purposes.

We provide the questions from the March 18 Letter below, with our responses.

Attachment No. 1 identifies three (3) categories of DSRR responses. First are the LPPC INTs and RFPs that DSRR objected to and provided no data. Second are the LPPC INTs and RFPs that DSRR objected to but stated that they would provide data in due course. Third are the LPPC INTs and RFPs that DSRR did not object to but provided no data. Does DSRR plan to provide any data responsive to the INT/RFPs identified on Attachment No. 1? If yes, when will

LPPC receive this data?

Response: Subpart A of Attachment No. 1 of LPPC's March 18 Letter lists the LPPC INTs and RFPs which DSRR objected to and as such provided no data. DSRR maintains its objections listed for those INTs and RFPs listed in subpart A and again reiterates to LPPC that the previously provided financial documentation, along with the estimated revenues and expenses of the Lake Providence Line Segment from 2022-2024, at DSRR_03114, in DSRR's upcoming eighth formal production, contain the most relevant material for valuation purposes.

Subpart B of Attachment No. 1 misunderstands DSRR's initial responses to the RFPs listed within this subsection. Along with listing its objections to the RFPs in subpart B, DSRR referred LPPC to cost-related information that DSRR would provide in due course. DSRR has provided substantial financial information and again reiterates that the previously provided financial documentation includes the cost related information requested by LPPC.

DSRR has not found any responsive information related to RFP 35 or RFP 54 as listed in subpart C.

Attachment No. 2 identifies the LPPC INTs and RFPs where DSRR's responses claimed to respond to LPPC's requests but the provided data was not responsive to the request, e.g., the data was not for the issue Line Segment. Will DSRR provide the requested data? If yes, when will LPPC receive this data?

Response: Regarding INT 4 on Attachment No. 2, DSRR provided DSRR_00061 in its first formal production, which provides expense categories and corresponding data from 2017 – 2021 for the Lake Providence Branch Line Segment. As stated in DSRR's responses to LPPC's March 8 Letter, DSRR does not, in the usual course of business, break down revenue and expense by branch. However, DSRR has done so in the past as shown in the document provided at DSRR_00061. DSRR is supplementing its response to INT 2 and providing estimated revenue and expense data for the Lake Providence Line Segment for 2022, 2023, and 2024, which can be found at DSRR_03114 in DSRR's upcoming eighth formal production.

For INT 10 and RFPs 24, 25, and 31, DSRR again reiterates its objections and points LPPC to the previously provided financial documentation which encompasses the information related to conducting a valuation.

Attachment No. 3 identifies the LPPC INTs and RFPs for which LPPC did not receive the requested data. Will DSRR provide the requested data? If yes, when will LPPC receive this data?

Response: DSRR is responding to each INT and RFP listed in Attachment No. 3 individually. For INT 2, as previously mentioned, DSRR will provide estimates of income and operating results by branch for 2022, 2023, and 2024 in an upcoming supplemental response to INT No. 2. Branch specific income and operating results for 2021 were provided in DSRR_00061, which was produced in DSRR's first formal production. Regarding INT 7, RFP 12, RFP 13, RFP 14, RFP 15, RFP 18, RFP 19, RFP 22 and RFP 31; DSRR_03073 and DSRR_03115 in DSRR's upcoming eighth formal production contain potentially responsive information. For RFPs 24, and 25, DSRR

repeats its initial objections and points to the documents previously produced, which are potentially responsive to the aforementioned RFPs. Regarding RFP 27, in its seventh formal production, DSRR provided DSRR_03033, which is a track chart for the Line Segment. DSRR has also located another track chart, which will be produced in DSRR's upcoming eighth formal production at DSRR_03333. For RFPs 36, 39 and 46, DSRR restates its initial objections.

Separate Update: In its March 8 Letter, LPPC highlighted an entry titled "11/21/17...AKR NLV PROP 11-20-17" ("NLV PROP Report") contained within DSRR_01048 and requested that DSRR conduct an additional search for the referenced NLV Prop Report and supporting workpapers. After conducting a reasonable search, DSRR was able to locate additional documentation regarding the NLV Prop Report. DSRR_03161, located within DSRR's upcoming eighth formal production, shows that the NLV Prop Report was conducted by Railroad Industries Incorporated at the request of Continental Rail Corporation, which was the former corporate entity that owned DSRR, to perform an evaluation of five short line railroad operations owned by A&K Railroad Materials ("AKR"), through its subsidiary V&S Railways. As such, the NLV entry within DSRR_01048 is unrelated to DSRR's Line Segment.

Additionally, in the course of conducting diligence to respond to LPPC's requests related to the NLV Prop Report, DSRR located DSRR_03073 and DSRR_03115 which are produced in DSRR's upcoming eighth formal production and are responsive to several of LPPC's Interrogatories and Requests, as shown in the updated production log. Moreover, in conducting diligence to respond to LPPC's April 5 Letter, DSRR located DSRR_03167, which is also produced in DSRR's upcoming eighth formal production and contains the stock purchase agreement between DSRR and Patriot Rail.

Regards,

/s/ Jasdeep S. Khaira

Jasdeep S. Khaira

cc: John Scheib, Esq.
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