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BEFORE THE
SURFACE TRANSPORTATION BOARD

STB DOCKET NO. FD 35877

**GENESEE & WYOMING INC.
– ACQUISITION OF CONTROL EXEMPTION
(INCLUDING EXISTING INTERCHANGE COMMITMENT) –
ARKANSAS MIDLAND RAILROAD COMPANY, INC., THE PRESCOTT
AND NORTHWESTERN RAILROAD COMPANY, AND
WARREN & SALINE RIVER RAILROAD COMPANY**

NOTICE OF EXEMPTION

(contains color images)

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Dated: November 19, 2014

Attorneys for Genesee & Wyoming Inc.

201587055

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AND NORTHWESTERN RAILROAD COMPANY, AND
WARREN & SALINE RIVER RAILROAD COMPANY**

NOTICE OF EXEMPTION

Genesee & Wyoming Inc. (“GWI”), a publicly-traded non-carrier holding company, files this Notice of Exemption pursuant to 49 C.F.R. §1180.2(d)(2) to exempt from the provisions of 49 U.S.C. §11323, its acquisition of control of three Class III railroads: Arkansas Midland Railroad Company, Inc. (“AKMD”), The Prescott and Northwestern Railroad Company (“PNW”), and Warren & Saline River Railroad Company (“WSR”). GWI currently controls, through direct or indirect equity ownership, two Class II carriers and 102 Class III carriers operating in the United States.¹

GWI, an entity that controls through equity ownership a number of railroads, is filing this Notice to enable it to acquire all of the equity of AKMD, PNW and WSR (collectively, the “Acquired Railroads”). The Acquired Railroads are currently owned by and under the common control of Pinsly Railroad Company (“Pinsly”). The rail lines of the Acquired Railroads do not connect with any of the railroads in GWI’s corporate family, nor is the control of the Acquired

¹ Most recently, GWI was authorized to control Rapid City, Pierre & Eastern Railroad, Inc. in common with the other carriers in its corporate family. *Genesee & Wyoming Inc. – Continuance in Control Exemption – Rapid City, Pierre & Eastern Railroad, Inc.*, STB Docket No. FD 35800 (served March 27, 2014).

Railroads described herein part of a series of anticipated transactions that would connect the Acquired Railroads with the rail lines of any carriers in GWI's corporate family. The proposed transaction does not involve a Class I railroad. Accordingly, this transaction qualifies for the class exemption described in 49 C.F.R. §1180.2(d)(2).²

Required Information

In accordance with the provisions of 49 C.F.R. 1180.4(g), GWI provides the following information as required by 49 C.F.R. §1180.6(a)(1)(i)-(iii), (a)(5), (a)(6), and (a)(7)(ii):

1180.6(a)(1)

(i) The proposed transaction as described above involves the acquisition of control of the Acquired Railroads through GWI's purchase of all of the issued and outstanding stock of the Acquired Railroads from Pinsly. Because GWI is the owner of other carriers, its acquisition of ownership control of the Acquired Railroads requires authorization under 49 U.S.C. §11323(a)(5), or an exemption therefrom.

² In 2009, Pinsly, which already controlled AKMD, was granted exemptions to control PNW and WSR. *Pinsly Railroad Company – Control Exemption – The Prescott and Northwestern Railroad Company*, STB Finance Docket No. 35292 (served September 25, 2009) (granting notice of exemption); *Pinsly Railroad Company – Control Exemption – Warren & Saline River Railroad Company*, STB Finance Docket No. 35293 (served November 3, 2009) (granting petition for exemption necessary because AKMD and WSR connected with each other). The Board has previously confirmed the application of the notice of exemption under 49 CFR 1180.2(d)(2) in similar situations where the control of multiple railroads, including railroads that connect, has been previously approved. *See SteelRiver Infrastructure Partners LP, SteelRiver Infrastructure Associates LLC, SteelRiver Infrastructure Fund NorthAmerica LP and Patriot Funding LLC – Control Exemption – Patriot Rail Corp., et al*, STB Docket No. FD 35622 (served May 23, 2012); *Tennessee Southern Railroad Company, Patriot Rail, LLC, Patriot Rail Holdings LLC, and Patriot Rail Corp. - Continuance in Control Exemption - Columbia & Cowlitz Railway, LLC, DeQueen and Eastern Railroad, LLC, Golden Triangle Railroad, LLC, Mississippi & Skuna Valley Railroad, LLC, Patriot Woods Railroad, LLC, and Texas, Oklahoma & Eastern Railroad, LLC*, STB Docket No. FD 35425 (served November 12, 2010); and *Genesee & Wyoming Inc. - Control Exemption - Columbus and Greenville Railway Company, The Chattooga and Chickamauga Railway Company, and Luxapalila Valley Railroad, Inc.*, STB Finance Docket No. 35139 (served May 15, 2008).

The full name and address of the applicant is: Genesee & Wyoming Inc., 20 West Avenue, Darien, CT 06820.

The name, address and telephone number of GWI's counsel who should receive correspondence is: Eric M. Hocky, Esquire, Clark Hill PLC, One Commerce Square, 2005 Market Street, Suite 1000, Philadelphia, PA 19103; (215) 640-8500.

(ii) GWI expects to close on the acquisition of the equity of the Acquired Railroads after the effective date of this Notice (30 days after filing), and after the satisfaction of all other closing conditions. GWI currently anticipates that closing will take place on or about January 5, 2015.

(iii) The purpose of the transaction is to allow GWI, a non-carrier that directly or indirectly owns a number of rail carriers, to acquire ownership control of the Acquired Railroads. The acquisition of control will allow the Acquired Railroads to take advantage of the administrative, financial, marketing and operational support that GWI can provide, thus promoting the ability of the Acquired Railroads to provide safe and efficient service to their shippers. Although the Acquired Railroads do not connect with any of the railroads currently controlled by GWI, they will expand the presence of GWI affiliates in the State of Arkansas beyond the following six existing railroad subsidiaries: Arkansas Louisiana & Mississippi Railroad Company ("ALM"), Bauxite & Northern Railway Company ("BXN"), Fordyce & Princeton RR Co. ("FP"), Kiamichi Railroad Company, L.L.C. ("KRR"), Little Rock & Western Railway, L.P. ("LRWN"), and Missouri & Northern Arkansas Railroad Company, Inc. ("MNA").

1180.6(a)(5)

The Acquired Railroads own and operate rail lines solely in the State of Arkansas.

The railroads currently in the GWI corporate family, and the states in which each operates, are shown on Exhibit A. The GWI-controlled railroads operate in the following states:

Alabama	Maine	Oklahoma
Arizona	Maryland	Oregon
Arkansas	Massachusetts	Pennsylvania
California	Michigan	South Carolina
Colorado	Minnesota	South Dakota
Connecticut	Mississippi	Tennessee
Florida	Missouri	Texas
Georgia	Nebraska	Utah
Illinois	New Hampshire	Vermont
Indiana	New Mexico	Virginia
Kansas	New York	Washington
Kentucky	North Carolina	Wisconsin
Louisiana	Ohio	Wyoming

None of the railroads controlled by GWI will connect with the rail lines operated by the Acquired Railroads.³

1180.6(a)(6)

A map showing the rail lines operated by the Acquired Railroads is attached as Exhibit B. The map also shows the rail lines operated by ALM, BXN, FP, KRR, LWRN and MNA in the State of Arkansas. A map of the United States generally showing the locations of the GWI-controlled railroads, is attached as Exhibit C. Twenty extra copies of the maps are also included.

³ LWRN and AKMD (North Little Rock Branch) each interchange with Union Pacific Railroad Company in the same yard in Little Rock. However, neither LWRN nor AKMD have the right to use any UP facilities to connect with each other.

1180.6(a)(7)(ii)

A redacted copy of the Stock Purchase Agreement governing the transaction is attached hereto as Exhibit D. GWI is separately filing a motion for a protective order, and a confidential copy of the Stock Purchase Agreement is being submitted separately under seal in accordance with the proposed form of protective order.

Interchange Commitments

GWI does not believe that the Board's interchange disclosure requirements are intended to apply to equity control transactions such as this one in which no new interchange commitment is being imposed as part of the transaction. *See generally* 49 C.F.R. §1180.4(g)(4) "Transactions imposing interchange commitments." *See also Information Required in Notices and Petitions Containing Interchange Commitments*, STB Docket No. EP714 (served September 5, 2013), slip op. at 1 ("disclosure requirements for notices and petitions for exemption where *the underlying lease or line sale* includes an interchange commitment"), p.9 ("regulations adopted here will affect all railroads filing notices and petitions for exemption for *sales and leases* that contain interchange commitments") (emphasis added).

This transaction is for the acquisition of equity, and is not a direct purchase or lease of a rail line. No interchange commitment is being imposed as part of the transaction. *See* Stock Purchase Agreement attached hereto as Exhibit D. However, as part of the transaction, GWI will be acquiring, *inter alia*, ownership of AKMD whose existing lease agreement, including supplements (the "UP Lease"), with Union Pacific Railroad Company provides for the operation by AKMD of the North Little Rock Branch in North Little Rock, the Warren Branch between Dermott and Warren, and the Cypress Bend Branch between McGehee and Cypress Bend

(collectively, the “UP Leased Lines”), and contains an existing interchange commitment.⁴ The discovery of agreements containing existing interchange commitments is provided for in 49 C.F.R. §1114.30(d).

Notwithstanding the foregoing, GWI does not wish to have the handling of this Notice of Exemption delayed. Accordingly, without waiving any future argument as to the applicability of the Board’s interchange commitment disclosure requirements to an equity control acquisition, GWI is providing the following additional information that would be required under 49 C.F.R. §1180.4(g)(4)(i):

(A) As noted above, the UP Lease contains an existing interchange commitment that affects interchange with carriers other than UP at the following interchange points: North Little Rock and McGehee, Arkansas. See the map attached as Exhibit B. The interchange commitment was negotiated as part of the overall economic package in the original lease transactions between AKMD and UP which were approved by the Board. See footnote 3 above.

(B) A complete version of the UP Lease is being submitted by GWI as part of the confidential appendix (the “Confidential Appendix”) that is being filed with the Board together with this Notice of Exemption.

(C) A list of the shippers who currently use or who have used the UP Leased Lines in the last two years, and whose traffic may be subject to the existing interchange commitment is attached hereto as Exhibit E.

⁴ See *Arkansas Midland Railroad Company—Lease and Operation Exemption—Union Pacific Railroad Company*, STB Finance Docket No. 33908 (served August 23, 2000); *Arkansas Midland Railroad Company, Inc.—Change in Operators Exemption—Line of Union Pacific Railroad Company*, STB Finance Docket No. 34567 (served November 17, 2004); and *Arkansas Midland Railroad Company, Inc.—Lease and Operation Exemption—Union Pacific Railroad Company*, STB Finance Docket No. 34714 (served August 30, 2005).

(D) The aggregate number of carloads originated or terminated within the last two years by the shippers identified in subparagraph (C) above is included as part of the Confidential Appendix.

(E) GWI hereby certifies, as set forth in the certificate of service, that it has provided notice of the proposed transaction and the existing interchange commitment by serving a copy of this Notice of Exemption on the shippers identified in subparagraph (C) above.

(F) BNSF connects with the UP Leased Lines at North Little Rock pursuant to a reciprocal switching arrangement with UP. North Louisiana & Arkansas Railroad connects with the UP Leased Lines at McGehee.

(G) GWI is acquiring control of AKMD through a stock purchase; there will be no effect on AKMD's operating rights under the UP Lease. As such, there was no negotiation of the acquisition with and without the interchange commitment. An estimate of the difference in purchase price is included in the Confidential Appendix.

(H) The caption of this proceeding reflects the existence of an existing interchange commitment.

Labor Protection

GWI recognizes that under 49 U.S.C. §10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. Because this transaction will involve the control of two Class II carriers⁵ and a number of Class III carriers, the labor protection requirements of 49 U.S.C. §11326(a), as set

⁵ GWI currently controls two Class II carriers, Buffalo & Pittsburgh Railroad, Inc. and Rapid City, Pierre & Eastern Railroad, Inc.
201587055

forth by the Interstate Commerce Commission in *New York Dock Railway—Control—Brooklyn Eastern District Terminal*, 360 I.C.C. 60 (1979), will apply to this control transaction.

Environmental and Historic Reports

The proposed acquisition of control involves only the acquisition of equity, and will not affect the level of operations on the rail lines to be operated by the Acquired Railroads or of any of the railroads in GWI's corporate family. As such, the proposed transaction should be exempt from the Board's environmental reporting requirements pursuant to 49 C.F.R. §1105.6(c)(2)(ii). Further, the proposed transaction is exempt from the historic preservation reporting requirements since the proposed acquisition of control will not substantially change the level of operations over, or maintenance of, the rail lines of either the Acquired Railroads or any of the railroads in GWI's corporate family. *See* 49 C.F.R. §1105.8(b)(3).

Conclusion

For the foregoing reasons, GWI requests that the Board issue a notice of exemption pursuant to 49 C.F.R. §1180.2(d)(2).

Respectfully submitted,


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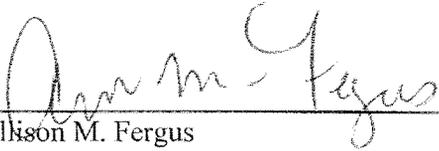
Dated: November 19, 2014

Attorneys for Genesee & Wyoming Inc.

VERIFICATION

I, Allison M. Fergus, General Counsel & Secretary of Genesee & Wyoming Inc., verify under penalty of perjury that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file the foregoing document.

Executed on November 19, 2014.



Allison M. Fergus

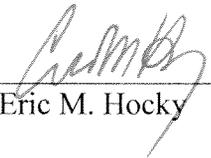
CERTIFICATE OF SERVICE

I hereby certify that on this date a copy of the foregoing document was served by email

on counsel for the Acquired Railroads:

William C. Sippel
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, IL 60606-2832
wsippel@fletcher-sippel.com

and by U.S. first class mail, postage pre-paid, on the shippers shown on the attached list.


Eric M. Hocky

Dated: November 19, 2014

All American Poly
309 Phillips Rd
North Little Rock, AR 72117

Cedar Creek Lumber
1501 E. 5th Street
North Little Rock, AR 72117

Cone Solvents
2228 Central Airport Rd
North Little Rock, AR 72117

JP Energy Partners LP
2207 Central Airport Rd
North Little Rock, AR 72117

Peeples Brothers
3851 River Park Rd
North Little Rock, AR 72114

Quality Petroleum
Quality Wholesale Lumber
11701 Kinard
North Little Rock, AR 72117

Universal Lubricants
1302 E. 8th St.
North Little Rock, AR 72114

Ashcraft Lumber
501 S Martin St.
Warren, AR 71671

Maxwell Hardwood
190 Wilson Mill Rd
Monticello, AR 71655

Potlatch
810 W Pine St.
PO Box 390
Warren, AR 71671

Ash Grove Cement
301 S. Buckeye Street
North Little Rock, AR 72114

Commercial Lumber
102 N. Oakley Drive
North Little Rock, AR 72114

FCC Environmental
14420 Union Street
Little Rock, AR 72206

Metro Scrap Metals
6915 Hwy 70 East
North Little Rock, AR 72117

Polytec
701 Dixie St
North Little Rock, AR 72117

Railroad Distribution Services
314 Reynolds Road
Malvern, AR 72104

The Price Companies
218 Midway Route
Monticello, AR 71655-8606

Fulghum Fibres
728 HWY 189 Bypass
Warren, AR 71671

Oasis Trading LLC
P.O. Box 450 822 Fullerton Street
Warren, AR 71671

R.M. Courson (Pine Bluff Sand & Gravel)
330 State School Rd
Monticello, AR 71655

Clearwater Paper
PO Box 727
McGehee, AR 71654-0727

EXHIBIT A

LIST OF GWI RAILROADS

GWV CONTROLLED RAILROADS⁶

Class II Carriers

Buffalo & Pittsburgh Railroad, Inc. [New York, Pennsylvania]
Rapid City, Pierre & Eastern Railroad, Inc. [Minnesota, Nebraska, South Dakota, Wyoming]

Class III Carriers

Alabama & Gulf Coast Railway LLC [Alabama, Florida, Mississippi]
Aliquippa & Ohio River Railroad Co., The [Pennsylvania]
Allegheny & Eastern Railroad, LLC [Pennsylvania]
AN Railway, L.L.C. [Florida]
Arizona & California Railroad Company [Arizona, California]
Arizona Eastern Railway Company [Arizona, New Mexico]
Arkansas Louisiana & Mississippi Railroad Company [Arkansas, Louisiana]
Atlantic and Western Railway, Limited Partnership [North Carolina]
Bauxite & Northern Railway Company [Arkansas]
Bay Line Railroad, L.L.C., The [Alabama, Florida]
California Northern Railroad Company [California]
Carolina Piedmont Railroad [South Carolina]
Cascade and Columbia River Railroad Company [Washington]
Central Oregon & Pacific Railroad, Inc. [California, Oregon]
Central Railroad Company of Indiana, The [Indiana, Ohio]
Central Railroad Company of Indianapolis [Illinois, Indiana, Ohio]
Chattahoochee Bay Railroad, Inc. [Alabama, Georgia]
Chattahoochee Industrial Railroad [Georgia]
Chattooga & Chickamauga Railway Co. [Georgia, Tennessee]
Chesapeake & Albemarle Railroad [North Carolina, Virginia]
Chicago, Ft. Wayne & Eastern Railroad [Indiana and Ohio]
Columbus & Chattahoochee Railroad, Inc. [Alabama]
Columbus and Greenville Railway Company [Mississippi]
Columbus & Ohio River Rail Road Company, The [Ohio]
Commonwealth Railway, Incorporated [Virginia]
Conecuh Valley Railway, L.L.C. [Alabama]
Connecticut Southern Railroad, Inc. [Connecticut, Massachusetts]
Corpus Christi Terminal Railroad, Inc. [Texas]

⁶ Allegheny & Eastern Railroad, LLC and Pittsburg & Shawmut Railroad, LLC are non-operating carriers that own rail lines operated by Buffalo & Pittsburgh Railroad, Inc. Maryland and Pennsylvania Railroad, LLC and Yorkrail, LLC are non-operating carriers that own rail lines operated by York Railway Company. Western Kentucky Railway, LLC has obtained authority to abandon all of its remaining rail lines. See, *Western Kentucky Railway, LLC – Abandonment Exemption – In Webster, Union, Caldwell and Crittenden Counties, KY*, Docket No. AB-449 (Sub-No. 3X) (Served January 20, 2011).

Dallas, Garland & Northeastern Railroad, Inc. [Texas]
Dansville and Mount Morris Railroad Company, The [New York]
Delphos Terminal Company, Inc. [Ohio]
Eastern Alabama Railway, LLC [Alabama]
East Tennessee Railway, L.P. [Tennessee]
First Coast Railroad Inc. [Florida, Georgia]
Fordyce & Princeton RR Co. [Arkansas]
Galveston Railroad, L.P. [Texas]
Genesee and Wyoming Railroad Company [New York]
Georgia Central Railway, L.P. [Georgia]
Georgia Southwestern Railroad, Inc. [Alabama, Georgia]
Golden Isles Terminal Railroad, Inc. [Georgia]
Grand Rapids Eastern Railroad [Michigan]
Hilton & Albany Railroad, Inc. [Georgia]
Huron & Eastern Railway Company, Inc. [Michigan]
Illinois & Midland Railroad, Inc. [Illinois]
Indiana & Ohio Railway Company [Indiana, Michigan, Ohio]
Indiana Southern Railroad, LLC [Indiana]
Kiamichi Railroad Company L.L.C. [Arkansas, Oklahoma, Kansas]
KWT Railway, Inc. [Kentucky, Tennessee]
Kyle Railroad Company [Colorado, Kansas]
Little Rock & Western Railway, L.P. [Arkansas]
Louisiana & Delta Railroad, Inc. [Louisiana]
Luxapalila Valley Railroad, Inc. [Alabama, Mississippi]
Mahoning Valley Railway Company, The [Ohio]
Marquette Rail, LLC [Michigan]
Maryland and Pennsylvania Railroad, LLC [Pennsylvania]
Maryland Midland Railway, Inc. [Maryland]
Massena Terminal Railroad Company, The [New York]
Meridian & Bigbee Railroad, L.L.C. [Alabama, Mississippi]
Michigan Shore Railroad [Michigan]
Mid-Michigan Railroad, Inc. [Michigan]
Missouri & Northern Arkansas Railroad Company, Inc. [Arkansas, Kansas, Missouri]
New England Central Railroad, Inc. [Connecticut, Massachusetts, New Hampshire, Vermont]
North Carolina & Virginia Railroad Company, LLC [North Carolina, Virginia]
Ohio and Pennsylvania Railroad Company [Ohio]
Ohio Central Railroad, Inc. [Ohio]
Ohio Southern Railroad, Inc. [Ohio]
Otter Tail Valley Railroad Company, Inc. [Minnesota, South Dakota]
Pittsburg & Shawmut Railroad, LLC [Pennsylvania]
Pittsburgh & Ohio Central Railroad Company, The [Pennsylvania]
Point Comfort & Northern Railway Company [Texas]
Portland & Western Railroad, Inc. [Oregon]
Puget Sound & Pacific Railroad [Washington]
Riceboro Southern Railway, LLC [Georgia]

Rochester & Southern Railroad, Inc. [New York]
Rockdale, Sandow & Southern Railroad Company [Texas]
Salt Lake City Southern Railroad Company, Inc. [Utah]
San Diego & Imperial Valley Railroad Company, Inc. [California]
San Joaquin Valley Railroad Co. [California]
Savannah Port Terminal Railroad, Inc. [Georgia]
South Buffalo Railway Company [New York]
South Carolina Central Railroad Company, LLC [South Carolina]
St. Lawrence & Atlantic Railroad Company [Maine, New Hampshire, Vermont]
St. Lawrence & Atlantic Railroad (Quebec) Inc. [Vermont]
Talleyrand Terminal Railroad Company, Inc. [Florida]
Tazewell & Peoria Railroad, Inc. [Illinois]
Texas Northeastern Railroad [Texas]
Three Notch Railway, L.L.C. [Alabama]
Toledo, Peoria & Western Railway Corp. [Illinois, Indiana]
Tomahawk Railway, Limited Partnership [Wisconsin]
Utah Railway Company [Colorado, Utah]
Valdosta Railway, L.P. [Georgia]
Ventura County Railroad Company [California]
Warren & Trumbull Railroad Company, The [Ohio]
Wellsboro & Corning Railroad, LLC [Pennsylvania, New York]
Western Kentucky Railway, L.L.C. [Kentucky]
Willamette & Pacific Railroad, Inc. [Oregon]
Wilmington Terminal Railroad, Limited Partnership [North Carolina]
Wiregrass Central Railway, L.L.C. [Alabama]
Yorkrail, LLC [Pennsylvania]
York Railway Company [Pennsylvania]
Youngstown & Austintown Railroad, Inc. [Ohio]
Youngstown Belt Railroad Company, The [Ohio]

EXHIBIT B

MAP OF ACQUIRED RAILROADS

Pinsly Railroad Company

Arkansas Operations

AKMD Arkansas Midland Railroad Company

PNW Prescott and Northwestern Railroad Company

WSR Warren & Saline River Railroad Company

Genesee & Wyoming Inc.

Arkansas Operations

ALM Arkansas Louisiana & Mississippi Railroad Company

BXN Bauxite & Northern Railway Company

FP Fordyce and Princeton R.R. Co.

KRR Kiamichi Railroad Company L.L.C.

LRWN Little Rock & Western Railway, L.P.

MNA Missouri & Northern Arkansas Railroad Company, Inc.

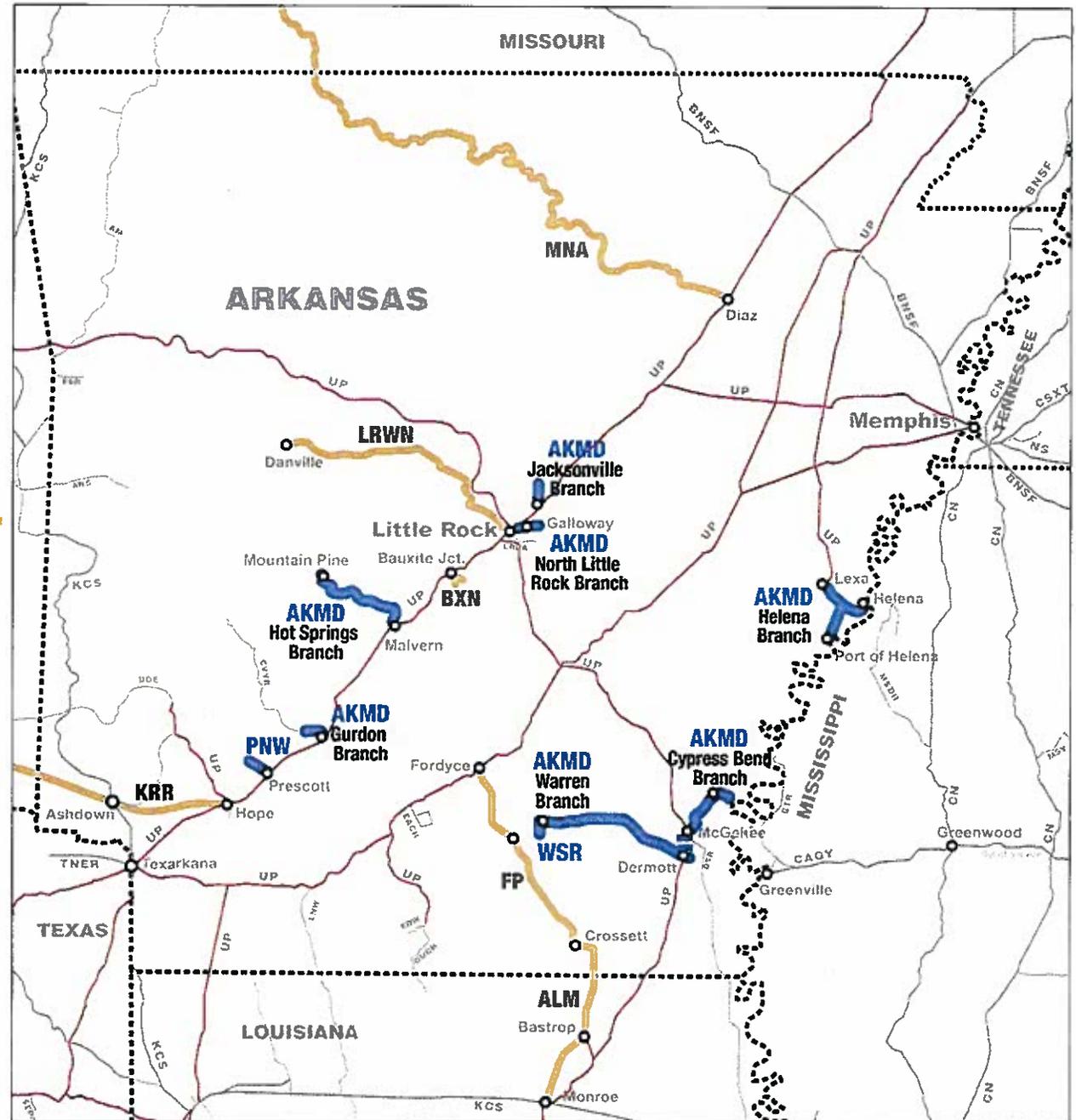


EXHIBIT C

MAP OF LOCATIONS OF GWI-CONTROLLED RAILROADS

Genesee & Wyoming Inc. 2014

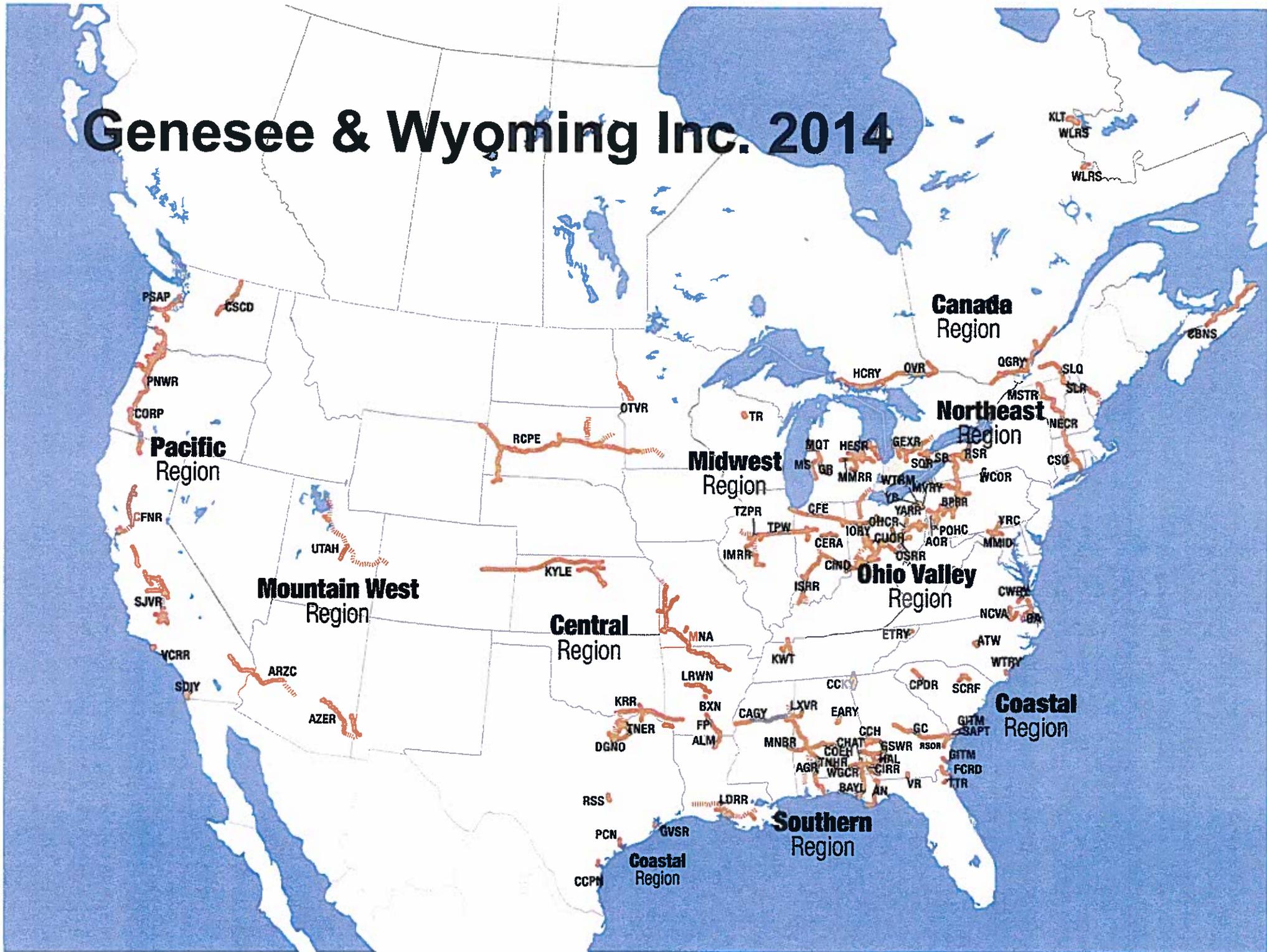


EXHIBIT D

REDACTED STOCK PURCHASE AGREEMENT

STOCK PURCHASE AGREEMENT

by and between

PINSLY RAILROAD COMPANY

and

GENESEE & WYOMING INC.

Dated as of November 17, 2014

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Schedule A

Disclosure Schedule



STOCK PURCHASE AGREEMENT

STOCK PURCHASE AGREEMENT, dated as of November 17, 2014 (this "Agreement"), by and between Pinsky Railroad Company, a Delaware corporation (the "Seller"), and Genesee & Wyoming Inc., a Delaware corporation (the "Buyer").

WITNESSETH:

WHEREAS, Arkansas Midland Railroad Company, Inc., a Delaware corporation ("AKMD"), The Prescott and Northwestern Railroad Company, an Arkansas corporation ("PNW"), Warren & Saline River Railroad Company, an Arkansas corporation ("WSR"), and Railroad Distribution Services, Inc., an Arkansas corporation ("RDS" and, together with AKMD, PNW and WSR, the "Acquired Entities") are engaged in the business of operating short line railroads and, solely with respect to RDS, distribution and transportation services (the "Business");

WHEREAS, the Seller owns, beneficially and of record, all of the issued and outstanding shares of the Acquired Entities Stock;

WHEREAS, the Buyer desires to purchase from the Seller, and the Seller desires to sell to the Buyer (or its designee), all of the issued and outstanding shares of Acquired Entities Stock, all in accordance with and subject to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the respective covenants and agreements hereinafter contained, the parties hereby agree as follows:

ARTICLE 1. DEFINITIONS.

As used in this Agreement, the following terms shall have the following meanings:

"AAR" shall mean the Association of American Railroads;

"Acquired Entities" — See Recitals hereto;

"Acquired Entities Stock" shall mean, collectively, (i) the authorized capital stock of AKMD, [REDACTED] (ii) the authorized capital stock of RDS, [REDACTED], (iii) the authorized capital stock of PNW, [REDACTED] and (iv) the authorized capital stock of WSR, [REDACTED]
[REDACTED]

"Acquired Entities [REDACTED] NWC" shall mean [REDACTED]
[REDACTED]
[REDACTED]

"Action" shall mean any claim, action, suit, proceeding, labor dispute, investigation or audit by or before any court, tribunal or other Governmental Entity or arbitral body;

"Adjustment Amount" – See Section 2.3(d);

"Affiliate" shall mean any Person that directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with another Person with the term "control" meaning, for this purpose, the power to direct the management and policies of a Person, directly or indirectly, whether through the ownership of voting securities or partnership, membership or other ownership interests, or by contract or otherwise;

"Agreement" – See Preamble hereto;

"AKMD" – See Preamble hereto;

"Allocation" – See Section 2.1(f);

"Balance Sheet" shall mean [REDACTED]

"Bonus Payments" shall mean [REDACTED]

"Business" — See Recitals hereto;

"Business Day" shall mean any day other than a Saturday, a Sunday or a day on which banks in New York, New York, are closed generally;

"Buyer" — See Preamble hereto;

"Buyer Indemnitees" — See Section 7.2(a);

"Closing" — See Section 2.2;

"Closing Date" — See Section 2.2;

"Closing Date Net Working Capital" means [REDACTED]

"Closing Payment Amount" — See Section 2.1(c);

"Closing Receivables" — See Section 5.6(d);

"Closing Working Capital Report" — See Section 2.3(c);

"Closing Working Capital Statement" — See Section 2.3(b);

"COBRA" — See Section 3.18(h);

"Code" shall mean the Internal Revenue Code of 1986, as amended;

"Confidential Information" shall include

[REDACTED]

"Contracts" shall mean any written or oral legally binding contract, agreement, subcontract, lease, license or purchase order;

"De Minimis Claims" – See Section 7.2(d);

"Deficit Amount" – See Section 2.3(e);

"Determination Date" – See Section 2.3(c);

"Employees" shall mean

[REDACTED]

"Environmental Claim" means any claim, action, demand, or notice by or on behalf of, any Governmental Entity or Person alleging liability or potential liability under, or a violation of, any Environmental Law, or liability or potential liability arising out of the Release or presence of or exposure to any Materials of Environmental Concern;

"Environmental Laws" shall mean any and all Laws regulating, relating to or imposing liability or standards of conduct concerning protection of the environment or of human health, or natural resource damages, including Laws relating to the use, handling, generation, transportation, presence or Release of, or exposure to, any harmful or deleterious substance;

"Environmental Permits" shall mean any and all Licenses and Permits pursuant to or required under any Environmental Law;

"Environmental Report" shall mean any report, study, assessment, audit or other similar document that addresses any environmental or health issue, including any issue of actual or potential noncompliance with, actual or potential liability under or cost arising out of, or actual or potential impact on business in connection with, any Environmental Law or any proposed or anticipated change in or addition to Environmental Law or relating to Materials of Environmental Concern, that may affect any of the Acquired Entities;

"Equipment and Machinery" shall mean all the equipment, machinery, furniture, fixtures and improvements, tooling, spare parts, supplies and vehicles (including all locomotives, cars, tractors, trailers, vans and all other transportation rolling stock) owned, leased or used (except third-party locomotives and rolling stock used pursuant to AAR interchange rules) by the Acquired Entities;

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations promulgated thereunder;

"ERISA Affiliate" — See Section 3.18(b);

"Escrow Agent" shall mean [REDACTED]

"Escrow Agreement" shall mean [REDACTED]

"Escrow Funds" — See Section 2.1(d);

"Estimated Closing Date Net Working Capital" – See Section 2.3(a);

"Estimated Closing Working Capital Statement" – See Section 2.3(a);

"Estimated Net Working Capital Adjustment Amount" [REDACTED]

"Excluded Liabilities" — See Section 2.5;

"Existing Policies" — See Section 3.19;

"FCC" – See Section 5.15;

"FELA Claims" shall mean [REDACTED]

"Financial Statements" — See Section 3.7;

"Former Employee" — See Section 6.2(a);

"FRA" shall mean the U.S. Federal Railroad Administration;

"GAAP" shall mean U.S. generally accepted accounting principles as in effect from time to time;

"Governmental Entity" shall mean any national, federal, state, provincial, local or international governmental or public body, court, agency or regulatory authority or commission, or other governmental authority or instrumentality;

"Governmental Order" shall mean any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Governmental Entity;

"Increase Amount" – See Section 2.3(e);

"Indebtedness" shall mean,

[REDACTED]

"Indemnification Escrow Amount" — See Section 2.1(d);

"Indemnified Party" — See Section 7.1;

"Indemnifying Party" — See Section 7.1;

"Indemnity Amount" — See Section 7.2(b);

"Independent Accounting Firm" — See Section 2.3(c);

"Initial Release Date" — See Section 7.5(c);

"Intellectual Property" shall mean all of the following owned or licensed by the Acquired Entities, as licensee or licensor, or used in the Business: (i) registered and material unregistered trademarks and service marks and trade names, and all goodwill associated therewith; (ii) patents, patentable inventions and computer programs (including password unprotected interpretive code or source code); (iii) trade secrets; (iv) registered and material unregistered copyrights in all works, including software programs; (v) domain names; (vi) all rights in mask works; and (vii) all computer software;

"IP Agreements" shall mean (a) licenses of Intellectual Property by any Acquired Entity to any third-party, (b) licenses of Intellectual Property by any third-party to any Acquired Entity, (c) agreements between any Acquired Entity and any third-party relating to the ownership, development or use of Intellectual Property, the development or transmission of data, or the use, modification, framing, linking, advertisement, or other practices with respect to Internet web sites, and (d) consents, settlements, decrees, orders, injunctions, judgments or rulings governing the use, validity or enforceability of the Intellectual Property;

"Jacksonville Interchange Agreement" means [REDACTED]

"Law" shall mean any law, statute, ordinance, rule (including common law), regulation, order, writ, judgment, injunction, settlement agreement, guideline, code, decree or other legally enforceable requirement of any Governmental Entity, and includes rules and regulations of any regulatory or self-regulatory authority;

"Lease" and "Leases" — See Section 3.12(a);

"Leased Real Property" — See Section 3.12(a);

"Licenses and Permits" — See Section 3.14;

"Lien" shall mean any mortgage, pledge, security interest, adverse ownership claim, encumbrance, lien (statutory or other), deed of trust, conditional sale agreement, claim, charge, lease, license, easement, restrictive covenant, limitation, restriction, assessment or defect in title;

"Listed Intellectual Property" — See Section 3.13(a);

"Loss" or "Losses" — See Section 7.2(a);

"Material Adverse Effect" shall mean, [REDACTED]

[REDACTED]

"Material Contracts" — See Section 3.17(a);

"Material Customers" — See Section 3.24;

"Materials of Environmental Concern" shall mean any: (i) gasoline or petroleum (including crude oil or any fraction thereof) or petroleum products; (ii) hazardous or toxic substances, polychlorinated biphenyls, urea-formaldehyde insulation, asbestos, molds, pollutants, contaminants or radioactivity; and (iii) other materials, substances or wastes, regulated pursuant to, or that could give rise to liability under, any Environmental Law;

"Multiemployer Plans" — See Section 3.18(a);

"Net Working Capital" — See Section 2.4;

"Options" — See Section 3.12(d);

"Owned Real Property" — See Section 3.11(a);

"Pension Plan" — See Section 3.18(c);

"Permitted Liens" shall mean [REDACTED]

"Person" shall mean any individual, corporation, partnership, joint venture, association, joint-stock company, trust, limited liability company, unincorporated organization or Governmental Entity;

"Personal Property" means [REDACTED]

"Pinsly" means, [REDACTED]

"Plans" — See Section 3.18(a);

"PNW" – See Preamble hereto;

"Post-Signing Returns" — See Section 5.1(b);

"Pre-Closing Tax Period" shall mean any taxable period (or portion of a taxable period) ending on or before the Closing Date;

"Purchase Price" — See Section 2.1(b);

"QSSS" — See Section 3.9(r);

"Rail Facilities" — See Section 3.26;

"Railroad Assets" shall mean [REDACTED]

"RDS" — See Preamble hereto;

"Real Property" — See Section 3.12(e);

"Regulations" shall mean the Treasury Regulations (including Temporary Regulations) promulgated by the United States Department of Treasury with respect to the Code or other federal tax statutes;

"Release" shall mean disposing, discharging, injecting, spilling, leaking, leaching, dumping, emitting, escaping, emptying, seeping, placing and the like into or upon any land or water or air or otherwise entering into the environment;

"Releasing Person" — See Section 5.14;

"S Corporation" — See Section 3.9(q);

"Securities Act" shall mean the United States Securities Act of 1933, as amended, and all rules and regulations of the United States Securities and Exchange Commission promulgated thereunder;

"Seller" — See Preamble hereto;

"Seller Indemnitees" — See Section 7.3;

"Severance Funds" — See Section 6.2(b);

"Severance Payment" — See Section 6.2(b);

"Severance Payment Notice" — See Section 6.2(b);

"Shares" — See Section 2.1(a);

"STB" shall mean the United States Surface Transportation Board;

"Stock Sale" — See Section 2.1(a);

"Subsidiary" shall mean, with respect to any Person, any other Person (i) of which the first Person owns directly or indirectly 50% or more of the equity interest in the other Person; (ii) of which the first Person or any other Subsidiary of the first Person is a general partner or (iii) of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions with respect to the other Person are at the time owned by the first Person and/or one or more of the first Person's Subsidiaries;

"Tax Asset" — See Section 11.7;

"Tax Claim" — See Section 11.3(a);

"Tax Return" shall mean any report, return, declaration, statement, information return, filing, election, claim for refund or other information, including any schedules or attachments thereto, and any amendments to any of the foregoing required to be supplied in connection with Taxes;

"Taxes" shall mean all United States federal, state, local and foreign taxes, including net income, gross income, gross receipts, production, excise, employment, sales, use, transfer, ad valorem, profits, license, capital stock, capital gains, franchise, severance, stamp, withholding, Social Security, railroad retirement, employment, unemployment, disability, worker's compensation, payroll, utility, windfall profits, personal property, real property, intangible property, registration, alternative or add-on minimum, estimated and other taxes, customs, duties, governmental fees or like charges of any kind whatsoever, including any interest, penalties, fines, related liabilities or additions thereto, and "Tax" shall mean any one of them;

"Third-Party Claim" — See Section 7.4(a);

"Threshold Amount" — See Section 7.2(a);

"Transaction Expenses" — See Section 12.4;

"Transferred IP" — See Section 5.5(b);

"Transition Services Agreement" shall mean [REDACTED]

[REDACTED]

"Westfield Bank Credit Agreement" shall mean, [REDACTED]

[REDACTED]

[REDACTED]

"Written Response" – See Section 2.1(f); and

"WSR" – See Preamble hereto.

ARTICLE 2. PURCHASE AND SALE OF SHARES OF THE ACQUIRED ENTITIES.

SECTION 2.1 Purchase Price. Subject to the terms and conditions set forth in this Agreement and in reliance upon the representations and warranties of the Seller set forth below, at the Closing:

(a) The Buyer shall purchase from the Seller, and the Seller shall sell, transfer, convey and deliver to the Buyer (or the Buyer's designee), all of the issued and outstanding shares of the Acquired Entities Stock (the "Shares"), free and clear of all Liens (such transaction, the "Stock Sale");

(b) The aggregate purchase price for the Shares shall be [REDACTED]

[REDACTED]

(the "Purchase Price");

(c) [REDACTED]

[REDACTED]

[REDACTED]

(d) [REDACTED]

(e) The Buyer shall be entitled to deduct and withhold from any amounts otherwise payable pursuant to this Agreement such amount as the Buyer is required to deduct and withhold with respect to the making of such payment under the Code or any other applicable Tax Law. To the extent that amounts are so withheld, such withheld amounts shall be treated for purposes of this Agreement as having been paid to the applicable Person in respect of which such deduction or withholding was made; and

(f) [REDACTED]

[REDACTED]

SECTION 2.2 Closing.

[REDACTED]

SECTION 2.3 Purchase Price Adjustment. (a)

[REDACTED]

(b)

[REDACTED]

(c)

[REDACTED]

[REDACTED]

(d) [REDACTED]

[REDACTED]

(e)

[REDACTED]

SECTION 2.4 Net Working Capital. For purposes of this Article 2, "Net Working Capital" as of any date means [REDACTED]

[REDACTED]

SECTION 2.5 Excluded Liabilities. [REDACTED]

[REDACTED]

ARTICLE 3. REPRESENTATIONS AND WARRANTIES OF THE SELLER.

The Seller hereby represents and warrants to the Buyer, as of the date hereof and as of the Closing Date or, if a representation or warranty is made as of a specific date, as of such date, subject to such information as is disclosed in the corresponding section of the Disclosure Schedule, as follows:

SECTION 3.1 The Seller.

(a) Authority of the Seller. The Seller has all requisite power and authority to enter into and deliver this Agreement, to consummate the transactions contemplated hereby and

to carry out its obligations hereunder. The execution and delivery by the Seller of this Agreement and the performance by the Seller of its obligations hereunder have been duly authorized by all necessary corporate action by the board of directors of the Seller, and no other corporate proceedings on the part of the Seller are necessary to authorize such execution, delivery and performance. This Agreement has been duly executed and delivered by the Seller and, assuming the due authorization, execution and delivery of this Agreement by the Buyer, this Agreement constitutes the valid and binding obligation of the Seller, enforceable against the Seller in accordance with its terms.

(b) Ownership of Shares.

[REDACTED]

SECTION 3.2 Corporate Organization, Authority and Qualification of the Acquired Entities.

(a) Each of the Acquired Entities is a corporation, duly organized, validly existing and in good standing under the Laws of the state of its incorporation and has all requisite power and authority to own, operate or lease the assets, rights or properties now owned, licensed or leased by it, and to conduct its business as now conducted, and is duly licensed or qualified to do business as a foreign entity and is in good standing in each jurisdiction in which the character of the properties, rights and assets owned, licensed or leased by it or the nature of the business conducted by it makes such licensing or qualification necessary or desirable, except that the failure to be so licensed or qualified and in good standing would not reasonably be expected to have a Material Adverse Effect. All corporate actions taken by the Acquired Entities have been duly authorized, and none of the Acquired Entities has taken any action that in any respect conflicts with, constitutes a default under, or results in a violation of, any provision of its Certificate of Incorporation and By-Laws (or similar organizational documents).

(b) [REDACTED]

(c) [REDACTED]

SECTION 3.3 No Conflict or Violation; Authority and Validity. (a) [REDACTED]

(b) [REDACTED]

SECTION 3.4 Consents and Approvals. [REDACTED]

SECTION 3.5 [Reserved].

SECTION 3.6 Indebtedness. [REDACTED]

SECTION 3.7 Financial Statements. [REDACTED]

[REDACTED]

SECTION 3.8 Conduct in the Ordinary Course; Absence of Certain Changes, Events and Conditions.

(a) [REDACTED]

(b) [REDACTED]

SECTION 3.9 Tax Matters. [REDACTED]

[REDACTED]

(a) [REDACTED]

(b) [REDACTED]

(c) [Redacted]

(d) [Redacted]

(e) [Redacted]

(f) [Redacted]

(g) [Redacted]

(h) [Redacted]

(i) [Redacted]

(j) [Redacted]

(k) [Redacted]

(l) [Redacted]

(m) [Redacted]

(n) [REDACTED]

(o) [REDACTED]

(p) [REDACTED]

(q) [REDACTED]

(r) [REDACTED]

(s) [REDACTED]

(t) [REDACTED]

(u) [REDACTED]

SECTION 3.10 Absence of Undisclosed Liabilities. [REDACTED]

[REDACTED]

SECTION 3.11 Owned Real Property.

(a) [REDACTED]

(b) [REDACTED]

(c) [REDACTED]

(d) [REDACTED]

(e) [REDACTED]

[REDACTED]

SECTION 3.12 Leased Real Properties; Sufficiency.

(a) [REDACTED]

(b) [REDACTED]

(c) [REDACTED]

(d) [REDACTED]

(e) [REDACTED]

SECTION 3.13 Intellectual Property. [REDACTED]

[REDACTED]

[REDACTED]

SECTION 3.14 Licenses and Permits. [REDACTED]

[REDACTED]

SECTION 3.15 Compliance with Law. [REDACTED]

[REDACTED]

SECTION 3.16 Litigation. [REDACTED]

[REDACTED]

SECTION 3.17 Contracts.

(a) [REDACTED]

(i) [REDACTED]

(ii) [REDACTED]

(iii) [REDACTED]

(iv) [REDACTED]

(v) [REDACTED]

(vi) [REDACTED]

(vii) [REDACTED]

(viii) [REDACTED]

(ix) [REDACTED]

(x) [REDACTED]

(xi) [REDACTED]

(xii) [REDACTED]

(xiii) [REDACTED]

[REDACTED]

(xiv) [REDACTED]

(xv) [REDACTED]

(xvi) [REDACTED]

(xvii) [REDACTED]

(xviii) [REDACTED]

(xix) [REDACTED]

(b) [REDACTED]

SECTION 3.18 Employee Plans.

(a) [REDACTED]

[REDACTED]

(b) [REDACTED]

(c) [REDACTED]

(d) [REDACTED]

(e) [REDACTED]

(f) [REDACTED]

[REDACTED]

(g)

[REDACTED]

(h)

[REDACTED]

(i)

[REDACTED]

(j)

[REDACTED]

SECTION 3.19

Insurance.

[REDACTED]

[REDACTED]

SECTION 3.20 Transactions with Directors, Officers and Affiliates.

[REDACTED]

SECTION 3.21 Labor Matters.

(a) [REDACTED]

(b) [REDACTED]

SECTION 3.22 Environmental Matters.

(a) [REDACTED]

(i) [REDACTED]

(ii) [REDACTED]

(iii) [REDACTED]

(iv) [REDACTED]

(v) [REDACTED]

(vi) [REDACTED]

[REDACTED]

(vii) [REDACTED]

[REDACTED]

(b) [REDACTED]

[REDACTED]

SECTION 3.23 Railroad Assets.

(a) [REDACTED]

[REDACTED]

(b) [REDACTED]

[REDACTED]

(c)

[REDACTED]

SECTION 3.24 Relations with Principal Customers.

[REDACTED]

SECTION 3.25 Brokers. No broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Seller or the Acquired Entities other than [REDACTED]

SECTION 3.26 Rail Facilities and Related Contracts.

[REDACTED]

SECTION 3.27 Condition of Lines; Personal Property. (a)

[REDACTED]

[REDACTED]

(b) [REDACTED]

SECTION 3.28 Certain Business Practices. [REDACTED]

[REDACTED]

SECTION 3.29 Interchange Commitments. [REDACTED]

[REDACTED]

ARTICLE 4. REPRESENTATIONS AND WARRANTIES OF THE BUYER.

The Buyer hereby represents and warrants to the Seller as follows:

SECTION 4.1 Corporate Organization. The Buyer is a corporation duly organized, validly existing and in good standing under the Laws of the state of its incorporation and has all requisite corporate power and authority to own its properties, rights and assets and to

conduct its business as now conducted and is duly licensed or qualified to do business as a foreign corporation and is in good standing in each jurisdiction in which the character of the properties, rights and assets owned, licensed or leased by it or the nature of the business conducted by it makes such licensing or qualification necessary or desirable, except where the failure to be so licensed or qualified and in good standing would not, individually or in the aggregate, materially impair the ability of the Buyer to perform any of its obligations under this Agreement.

SECTION 4.2 Authorization and Validity. The Buyer has the necessary power and authority to enter into and deliver this Agreement and any other agreements related thereto to which the Buyer is a party, to carry out its obligations hereunder and thereunder and to consummate the transactions contemplated hereby. The execution and delivery by the Buyer of this Agreement and the performance by the Buyer of its obligations hereunder have been duly authorized by all necessary corporate action by the board of directors of the Buyer, and no other corporate proceedings on the part of the Buyer are necessary to authorize such execution, delivery and performance. This Agreement has been duly executed and delivered by the Buyer and, assuming the due authorization, execution and delivery of this Agreement by the Seller, this Agreement constitutes the Buyer's valid and binding obligation enforceable against the Buyer in accordance with its terms.

SECTION 4.3 No Conflict or Violation.

[REDACTED]

SECTION 4.4 Consents and Approvals.

[REDACTED]

SECTION 4.5 Brokers. No broker, investment banker, financial advisor or other Person is entitled to any broker's, finder's, financial advisor's or other similar fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Buyer for which the Seller would be liable.

SECTION 4.6 Financial Ability. The Buyer has, and will have at the Closing, sufficient cash, available lines of credit under its existing credit facility or other sources

of immediately available funds necessary to enable it to pay the Purchase Price as and when it becomes due.

SECTION 4.7 Investment Representation. [REDACTED]

[REDACTED]

ARTICLE 5. COVENANTS OF THE SELLER.

The Seller hereby covenants as follows:

SECTION 5.1 Conduct of Business Before the Closing Date. (a) [REDACTED]

[REDACTED]

(i) [REDACTED]

[REDACTED]

(ii) [REDACTED]

[REDACTED]

(iii) [REDACTED]

[REDACTED]

(iv) [REDACTED]

[REDACTED]

[REDACTED]

(v) [REDACTED]

(vi) [REDACTED]

(vii) [REDACTED]

(viii) acquire [REDACTED]

(ix) [REDACTED]

(x) [REDACTED]

(xi) [REDACTED]

(xii) [REDACTED]

(xiii) [REDACTED]

(xiv) [REDACTED]

(xv) [REDACTED]

(xvi) [REDACTED]

(xvii) settle, [REDACTED]

(xviii) [REDACTED]

(xix) [REDACTED]

(xx) [REDACTED]

(xxi) [REDACTED]

(xxii) [REDACTED]

(xxiii) [REDACTED]

[REDACTED]

(xxiv) [REDACTED]

[REDACTED]

(xxv) [REDACTED]

(xxvi) [REDACTED]

[REDACTED]

(xxvii) [REDACTED]

[REDACTED]

(xxviii) [REDACTED]

[REDACTED]

(xxix) [REDACTED]

[REDACTED]

(xxx) [REDACTED]

[REDACTED]

(b) [REDACTED]

[REDACTED]

SECTION 5.2 Consents and Approvals. (a) [REDACTED]

[REDACTED]

[REDACTED]

(b) [REDACTED]

(c) [REDACTED]

(d) [REDACTED]

SECTION 5.3 Access to Properties and Records. [REDACTED]

[REDACTED]

SECTION 5.4 Commercially Reasonable Efforts. [REDACTED]

[REDACTED]

SECTION 5.5 Intellectual Property. (a) [REDACTED]

[REDACTED]

(b) [REDACTED]

[REDACTED]

[REDACTED]

SECTION 5.6 Intercompany Arrangements; Wrong Pocket. (a) [REDACTED]

[REDACTED]

(b) [REDACTED]

[REDACTED]

(c) [REDACTED]

[REDACTED]

(d) [REDACTED]

[REDACTED]

SECTION 5.7 Insurance. [REDACTED]

[REDACTED]

SECTION 5.8 Risk of Loss. [REDACTED]

[REDACTED]

[REDACTED]

SECTION 5.9 Resignation of Officers and Directors. [REDACTED]

[REDACTED]

SECTION 5.10 Non-Competition. (a) [REDACTED]

[REDACTED]

(b) The parties hereto recognize that the laws and public policies of the various states of the United States may differ as to the validity and enforceability of covenants similar to those set forth in this Section 5.10. It is the intention of the parties that the provisions of this Section 5.10 be enforced to the fullest extent permissible under the laws and policies of each jurisdiction in which enforcement may be sought, and that the unenforceability (or the modification to conform to such laws or policies) of any provisions of this Section 5.10 shall not render unenforceable, or impair, the remainder of the provisions of this Section 5.10. Accordingly, if any provision of this Section 5.10 shall be determined to be invalid or unenforceable, such invalidity or unenforceability shall be deemed to apply only with respect to the operation of such provision in the particular jurisdiction in which such determination is made and not with respect to any other provision or jurisdiction.

(c) The parties to this Agreement acknowledge and agree that any remedy at law for any breach of the provisions of this Section 5.10 would be inadequate, and the Seller hereby consents to, without intending to limit any additional remedies that may be available, the

[REDACTED]

ARTICLE 6. COVENANTS OF THE BUYER.

The Buyer hereby covenants as follows:

SECTION 6.1 Consents and Approvals. (a) [REDACTED]

[REDACTED]

(b) [REDACTED]

[REDACTED]

SECTION 6.2 Employees and Employee Benefits. (a) [REDACTED]

[REDACTED]

(b) [REDACTED]

[REDACTED]

[REDACTED]

(c) [REDACTED]

SECTION 6.3 Commercially Reasonable Efforts. [REDACTED]

[REDACTED]

SECTION 6.4 No Benefit to Third-Party. [REDACTED]

[REDACTED]

ARTICLE 7. INDEMNIFICATION.

SECTION 7.1 Survival. [REDACTED]

[REDACTED]

[REDACTED]

SECTION 7.2 Indemnification by the Seller.

(a) [REDACTED]

(i) [REDACTED]

(ii) [REDACTED]

(iii) [REDACTED]

[REDACTED]

(iv) [REDACTED]

(v) [REDACTED]

[REDACTED]

[REDACTED]

(b) [REDACTED]

[REDACTED]

(c) [REDACTED]

[REDACTED]

(i) [REDACTED]

[REDACTED]

(ii) [REDACTED]

[REDACTED]

(d) [REDACTED]

[REDACTED]

[REDACTED]

(e) [REDACTED]

SECTION 7.3 Indemnification by the Buyer. [REDACTED]

[REDACTED]

(a) [REDACTED]

(b) [REDACTED]

[REDACTED]

[REDACTED]

SECTION 7.4 Procedures Relating to Third-Party Claims (other than Tax Claims). (a) [REDACTED]

[REDACTED]

[REDACTED]

(b)

[REDACTED]

[REDACTED]

[REDACTED]

SECTION 7.5 Distributions from Escrow Funds. (a) [REDACTED]

[REDACTED]

(b) [REDACTED]

[REDACTED]

(c) [REDACTED]

[REDACTED]

SECTION 7.6 Exclusive Remedy. [REDACTED]

[REDACTED]

[REDACTED]

ARTICLE 8. CONDITIONS PRECEDENT TO PERFORMANCE BY THE SELLER.

The obligations of the Seller to consummate the transactions contemplated by this Agreement are subject to the fulfillment, at or before the Closing Date, of the following conditions, any one or more of which (other than Section 8.3) may be waived (in writing) in whole or in part by the Seller in its sole discretion at or prior to the Closing Date:

SECTION 8.1

[REDACTED]

SECTION 8.2

[REDACTED]

SECTION 8.3

[REDACTED]

SECTION 8.4 Closing Deliveries by the Buyer. (a)

[REDACTED]

(i)

[REDACTED]

(ii)

[REDACTED]

(iii)

[REDACTED]

(iv)

[REDACTED]

(b)

[REDACTED]

[REDACTED]

ARTICLE 9. CONDITIONS PRECEDENT TO PERFORMANCE BY THE BUYER.

The obligations of the Buyer to consummate the transactions contemplated by this Agreement are subject to the fulfillment, at or before the Closing Date, of the following conditions, any one or more of which may be waived (in writing) in whole or in part by the Buyer in its sole discretion at or prior to the Closing Date:

SECTION 9.1

[REDACTED]

SECTION 9.2

[REDACTED]

SECTION 9.3

[REDACTED]

SECTION 9.4

[REDACTED]

[REDACTED]

SECTION 9.5

[REDACTED]

SECTION 9.6

[REDACTED]

SECTION 9.7

[REDACTED]

SECTION 9.8

[REDACTED]

SECTION 9.9 Closing Deliveries by the Seller. At the Closing, the Seller shall have delivered or caused to be delivered to the Buyer:

(a) [REDACTED]

(b) [REDACTED]

(c) [REDACTED]

(d) [REDACTED]

(e) [REDACTED]

(f) [REDACTED]

(g) [REDACTED]

(h) [REDACTED]

(i) [REDACTED]

(j) [REDACTED]

ARTICLE 10. TERMINATION.

SECTION 10.1 Conditions of Termination. Notwithstanding anything to the contrary contained herein, this Agreement may be terminated by written notice at any time before the Closing:

(a) by mutual consent of the Seller and the Buyer;

(b) [REDACTED]

(c) [REDACTED]

(d) [REDACTED]

[REDACTED]

(e) [REDACTED]

(f) [REDACTED]

SECTION 10.2 Effect of Termination. [REDACTED]

[REDACTED]

ARTICLE 11. TAX MATTERS.

The following provisions shall govern the allocation of responsibility between the Buyer and the Seller for certain tax matters following the Closing Date:

SECTION 11.1 Tax Returns. (a) [REDACTED]

[REDACTED]

(b) [REDACTED]

[REDACTED]

SECTION 11.2 Tax Cooperation. [REDACTED]

[REDACTED]

SECTION 11.3 Procedures Relating to Indemnification of Tax Claims.

(a) [REDACTED]

(b) [REDACTED]

[REDACTED]

SECTION 11.4 Transfer Taxes. [REDACTED]

[REDACTED]

SECTION 11.5 Tax Sharing Agreement. [REDACTED]

[REDACTED]

SECTION 11.6 Waiver of Invalid S Corporation or QSSS Election. [REDACTED]

[REDACTED]

SECTION 11.7 Tax Assets. [REDACTED]

[REDACTED]

SECTION 11.8 Tax Treatment. [REDACTED]

[REDACTED]

SECTION 11.9 Coordination with Article 7. [REDACTED]

[REDACTED]

[REDACTED]

ARTICLE 12. MISCELLANEOUS.

SECTION 12.1 Successors and Assigns. [REDACTED]

[REDACTED]

SECTION 12.2 Governing Law; Jurisdiction. [REDACTED]

[REDACTED]

SECTION 12.3 WAIVER OF JURY TRIAL. [REDACTED]

[REDACTED]

[REDACTED]

SECTION 12.4 Expenses. [REDACTED]

[REDACTED]

SECTION 12.5 Severability. In the event that any part of this Agreement is declared by any court or other judicial or administrative body to be null, void or unenforceable, said provision shall survive to the extent it is not so declared, and all of the other provisions of this Agreement shall remain in full force and effect.

SECTION 12.6 Notices. All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed to have been duly given (i) on the date of service if served personally on the party to whom notice is to be given, (ii) on the day of transmission if sent via facsimile transmission to the facsimile number given below, and confirmation of delivery is generated after completion of transmission, (iii) on the day after delivery to Federal Express or similar overnight courier or the Express Mail service maintained by the United States Postal Service or (iv) on the fifth day after mailing, if mailed to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid and properly addressed, to the party as follows:

If to the Seller:

Pinsly Railroad Company

[REDACTED]

If to the Buyer:

Genesee & Wyoming Inc.

[REDACTED]

With a copy to:

[REDACTED]

With a copy to:

[REDACTED]

[REDACTED]

Any party may change its address for the purpose of this Section by giving the other party written notice of its new address in the manner set forth above.

SECTION 12.7 Amendments; Waivers. This Agreement may be amended or modified, and any of the terms, covenants, representations, warranties or conditions hereof may be waived, only by a written instrument executed by the parties hereto, or in the case of a waiver, by the party waiving compliance. Any waiver by any party of any condition, or of the breach of any provision, term, covenant, representation or warranty contained in this Agreement, in any one or more instances, shall not be deemed to be nor construed as a further or continuing waiver of any such condition, or of the breach of any other provision, term, covenant, representation or warranty of this Agreement.

SECTION 12.8 Public Announcements. [REDACTED]

SECTION 12.9 Entire Agreement. This Agreement (including the Disclosure Schedule and the other Schedules attached hereto) contains the entire agreement and understanding among the parties hereto with respect to the transactions contemplated hereby and supersedes and replaces all prior agreements and understandings, oral or written with regard to such transactions. All Schedules hereto and any documents and instruments delivered pursuant to any provision hereof are expressly made a part of this Agreement as fully as though completely set forth herein.

SECTION 12.10 Parties in Interest. Nothing in this Agreement is intended to confer any rights or remedies under or by reason of this Agreement on any Person other than the parties hereto and their respective successors and permitted assigns and any Person entitled to indemnity under Article 7. Nothing in this Agreement is intended to relieve or discharge the obligations or liability of any third Person to the Seller or the Buyer. No provision of this Agreement shall give any third parties any right of subrogation or action over or against the Seller or the Buyer.

SECTION 12.11 Scheduled Disclosures. [REDACTED]

SECTION 12.12 Section and Paragraph Headings: Neutral Construction.

(a) The Section and paragraph headings in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of this Agreement.

(b) The parties have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

(c) Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation".

SECTION 12.13 Knowledge. [REDACTED]

[REDACTED]

SECTION 12.14 Confidentiality. [REDACTED]

[REDACTED]

SECTION 12.15 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which shall constitute the same instrument.

SECTION 12.16 Specific Performance. The parties hereto agree that if any of the provisions of this Agreement were not performed in accordance with their specific terms

or were otherwise breached, irreparable damage would occur, no adequate remedy at law would exist and damages would be difficult to determine, and that the parties shall be entitled to specific performance of the terms hereof, in addition to any other remedy at law or equity.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.

PINSLY RAILROAD COMPANY

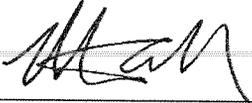
By: _____

Name: _____

Title: _____


J. P. LEWIS
PRESIDENT

GENESEE & WYOMING INC.

By: 
Name: Matthew O. Walsh
Title: Senior Vice President, Corporate
Development

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

EXHIBIT E

SHIPPERS SUBJECT TO EXISTING INTERCHANGE COMMITMENT

Clearwater Paper
All American Poly
Ash Grove Cement
Cedar Creek Lumber
Commercial Lumber
Cone Solvents
FCC Environmental
JP Energy Partners LP
Metro Scrap Metals
Peeples Brothers
Polytec
Quality Petroleum / Quality Wholesale Lumber
Railroad Distribution Services
Universal Lubricants
Ashcraft Lumber
Fulghum Fibres
Maxwell Hardwood
Oasis Trading LLC
Potlatch
R.M. Courson (Pine Bluff Sand & Gravel)
The Price Companies