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October 5, 2012

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CONFIDENTIAL DOCUMENT TRANSMITTED BY HAND

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

RE: Proposed Voting Trust to Hold Voting Stock of Cape Rail, Inc.

Dear Ms. Brown:

I am writing on behalf of Iowa Pacific Holdings, LLC, and its wholly owned subsidiary, Permian Basin Railways (collectively “IPH”) in connection with a control transaction to be submitted to the Surface Transportation Board (“the Board”) for approval. IPH has been negotiating and expects to sign an agreement soon for the acquisition of 80% of the issued and outstanding shares of Cape Rail, Inc. (“Cape”), a short line railroad holding company based in Massachusetts. Cape presently controls two subsidiaries, the Massachusetts Coastal Railroad, LLC, a common carrier class III freight railroad subject to the Board’s jurisdiction, and Cape Cod Central Railroad, an excursion passenger carrier outside Board jurisdiction. Because IPH and Cape both control rail carriers subject to Board jurisdiction, Board approval (or exemption) of this transaction is necessary. Towards that end, IPH intends to file a verified notice of exemption for control of Cape, and through it, Massachusetts Coastal on or before October 12, 2012.

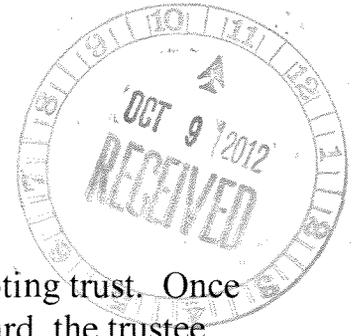
Assuming that the parties execute an agreement for IPH’s acquisition of a controlling interest in Cape, IPH will place shares of Cape owned by shareholders Christopher Podgurski and Andrew J. Reardon into a Board-approved voting trust

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pending the receipt of an informal Board opinion approving the voting trust. Once the subject control transaction is approved or exempted by the Board, the trustee will transfer ownership of the subject shares of Cape to IPH upon IPH's presentation of the voting trust certificates.

The purpose of this letter is to submit the voting trust agreement to the Board for its informal review pursuant to the provisions of 49 CFR § 1013.3(a). IPH seeks Board confirmation of its opinion that the voting trustee has sufficiently insulated himself from any unauthorized control of Cape Rail and its subsidiaries whose shares will be held in the voting trust. We request that the Board staff provide its views on the enclosed voting trust by or before October 12, 2012, so that any necessary changes can be made prior to the submission of the verified notice of exemption for acquisition of control.

IPH believes that the proposed terms of the voting trust agreement satisfy the criteria for independence as set forth in 49 CFR §§ 1013.1 and 1013.2. The voting trust will be irrevocable (§§ 1, 2), and will remain in effect until approval of the control transaction or otherwise as specified in § 13(b)). The voting trust requires the trustee to act independently of IPH and its affiliates (§ 7). The trustee is required to vote the trust stock in the trustee's unrestricted discretion except for limitation on the disposition of the stock or assets of Cape or its carriers, or where the registered holder of the trust certificates receives the prior approval of the Board to instruct the trustee in writing to vote the trust stock in a particular manner (§§ 7, 8, 13). The trustee will be an individual with no ties to IPH or its affiliates. The trustee may not exercise the voting powers of the trustee agreement in any way so as to create any dependence or intercorporate relationship between (i) IPH and its affiliates, including the rail carriers it controls, on the one hand, and (ii) Cape or any of its affiliates, including the rail carriers it controls, on the other hand (§ 7). In accordance with 49 CFR § 1013.1(e) the trustee may remit cash dividends or distributions paid by Cape to holders of trust certificates, but shall hold all non-cash dividends or distributions in the voting trust (§ 11). I should also add that the attached voting trust agreement was patterned after ones that have been informally approved in recent transactions.

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Based on the terms of the proposed voting trust agreement, and for the reasons explained above, IPH respectfully requests that the Board staff provide its informal opinion on the proposed terms of the voting trust pursuant to 49 CFR §1013.3. We would be happy to respond to any questions you have or to meet with you to discuss the draft voting trust at your convenience.

Sincerely yours,

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

John D. Heffner

Enclosure

VOTING TRUST AGREEMENT

THIS VOTING TRUST AGREEMENT (the "Voting Trust" or "Agreement") is made and entered into this __ day of October 2012, by and between Iowa Pacific Holdings, LLC, an Illinois company ("Settlor"), and Mark Cane (the "Trustee"), an individual residing in the State of Wisconsin. This Voting Trust is being entered into pursuant to the Guidelines for the Proper Use of Voting Trusts as set forth in 49 C.F.R. Part 1013.

WHEREAS, Settlor is a railroad holding company that directly or indirectly controls the common carriers by rail listed in the appendix hereto;

WHEREAS, Settlor plans to acquire majority control of Cape Rail, Inc. ("CAPE") pursuant to a Stock Purchase Agreement (the "Purchase Agreement") by and among Settlor, CAPE, and Iowa Pacific Holdings, LLC ("IPH") of even date herewith;

WHEREAS, upon the terms and conditions set forth in the Purchase Agreement, Settlor will purchase from CAPE's shareholders Christopher Podgurski and Andrew J. Reardon a total of 8,000 shares of common stock of CAPE, representing 80% of the issued and outstanding capital stock of CAPE;

WHEREAS, CAPE owns all of the issued and outstanding stock of Massachusetts Coastal Railroad, LLC, a railroad common carrier authorized by the Surface Transportation Board ("the Board") to operate several lines of railroad within the Commonwealth of Massachusetts;

WHEREAS, Settlor will file with the Surface Transportation Board (the "Board") a notice of exemption pursuant to 49 C.F.R. § 1180.2(d)(2) to control CAPE as the owner of a Class III rail carrier subject to Board jurisdiction;

WHEREAS, Settlor desires to isolate the control of CAPE from Settlor and any company controlled by or affiliated with Settlor by depositing the 8,000 shares of CAPE stock owned by Mr. Podgurski and Mr. Reardon into an independent irrevocable voting trust pursuant to the Board's regulations at 49 C.F.R. Part 1013, in order to avoid any allegation or assertion that Settlor is controlling or has the power to control CAPE prior to the effectiveness of a Board exemption for Settlor's acquisition of control of CAPE;

WHEREAS, the Trustee is willing to act as voting trustee pursuant to the terms of this Voting Trust; and

WHEREAS, capitalized used herein but not defined shall have the meanings ascribed to them in the Purchase Agreement.

NOW, THEREFORE, in consideration of the premises and mutual undertakings set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. Settlor hereby irrevocably appoints Mark Cane as Trustee hereunder, and Mark Cane hereby accepts said appointment and agrees to act as Trustee under this Voting Trust as provided herein.
2. This Voting Trust shall be irrevocable by Settlor and shall terminate only in accordance with the provisions of this Agreement.
3. This Voting Trust shall be executed simultaneously with the Purchase Agreement; however, this Voting Trust shall not become effective until, and is contingent upon, the consummation of the Contemplated Transactions ("Effective Time").
4. At the Effective Time, Settlor agrees that it will assign, transfer and deliver all of its right, title and interest in the issued and outstanding shares of capital stock of CAPE currently owned by Mr. Podgurski and Mr. Reardon to the Trustee. All such shares shall be duly endorsed or accompanied by proper instruments duly executed for transfer thereof to the Trustee, with all applicable transfer taxes and fees having been paid by Settlor, in exchange for (a) Trust Certificate(s) (as described in Paragraph 5 hereof). The delivery of Certificate(s) of such shares may be made at such other place as may be designated by the Trustee. All shares of CAPE deposited with the Trustee hereunder are hereinafter referred to as the "Trust Stock."
5. The Trustee shall hold in trust and shall dispose of, pursuant to the terms and conditions of this Voting Trust, all Trust Stock which is delivered by or for the account of the Settlor. In exchange for the Trust Stock, the Trustee shall cause to be issued and delivered to the Settlor voting trust Certificate(s) ("Trust Certificate(s)") substantially in the form attached hereto as Exhibit A, with the blanks therein appropriately filled.

6. The Trust Certificate(s) issued by the Trustee may be transferred on the books of the Trustee by the registered holder or holders of the Trust Certificate(s) (each, a "Holder," together, the "Holders") upon the surrender thereof, properly endorsed by the Holder, in person or by an authorized attorney of the Holder, according to rules from time to time established for that purpose by the Trustee. Title to the Trust Certificate(s), when endorsed, shall, to the extent permitted by law, be transferable with the same effect as in the case of negotiable instruments. Delivery of the Trust Certificate(s), endorsed in blank by a Holder, shall vest title to and all rights under the Trust Certificate(s) in the transferee thereof to the same extent and for all purposes as would delivery under like circumstances of negotiable instruments payable to bearer; *provided, however*, that the Trustee may treat the Holder of record, or, when presented endorsed in blank, the bearers, as the owners for all purposes whatsoever, and shall not be affected by any notice to the contrary; provided further, however, that the Trustee shall not be required to deliver any Trust Stock without the surrender and cancellation of the corresponding Trust Certificate(s). Except to the extent provided otherwise in Paragraph 13 hereof, every transferee of a Trust Certificate shall, upon the receipt of such properly endorsed Trust Certificate, become a party to this Voting Trust as though an original party, and shall assume all attendant rights and obligations under this Voting Trust. In connection with, and as a condition of, making or permitting any transfer or delivery of any Trust Stock or Trust Certificate under any provision of this Voting Trust, the Trustee may require the payment of a sum sufficient to pay or reimburse the Trustee for any stamp tax or other governmental charge in connection with the transaction.
7. From the Effective Time, and until such time as this Voting Trust shall terminate in accordance with the provisions in this Agreement, the Trustee, subject to the limitations contained in this Agreement, shall have the full right to vote and to execute consents with respect to the Trust Stock, and shall be duly bound to exercise such voting rights, either in person or by proxy, at all meetings of the shareholders of CAPE for any purpose, and shall possess in respect of any and all the Trust Stock, and shall be entitled to exercise, all the powers of absolute owners of the Trust Stock and all rights of every nature in respect of such Trust Stock, including the right to vote and to execute consents for every purpose and to receive distributions thereon, unless otherwise directed by a court of competent jurisdiction. The Trustee shall not exercise the voting powers of the Trust in any way so as to

cause any dependence or intercorporate relationship between Settlor or companies controlled by or affiliated with Settlor (not including CAPE), on the one hand, and CAPE or companies controlled by or affiliated with CAPE, on the other hand, other than such dealings as permitted pursuant to Paragraph 8 hereof. (The term "affiliate" or "affiliates" wherever used in this Voting Trust shall have the meaning specified in 49 U.S.C. § 11323(c)). The Trustee may not vote the Trust Stock for any transaction that would result in a violation of 49 U.S.C. § 11323. Notwithstanding any other provision of this Paragraph 8, the Trustee may not, without the consent of the Holder(s), vote with respect to the following:

- (a) the sale, lease or exchange of all or substantially all of the property and assets or of the capital stock of CAPE to any company other than a company controlled by or affiliated with Settlor, or the dissolution of CAPE; or
- (b) the consolidation or merger of CAPE with or into any company other than a company controlled by or affiliated with Settlor.

In the case of any such sale, lease, exchange, consolidation, merger or dissolution so made with the consent of the Holder(s), the Trustee shall have the power to sell, exchange, surrender or otherwise dispose of all or any part of the ownership interest of CAPE at the time held in trust, pursuant to the terms of or in order to carry into effect such sale, lease, exchange, consolidation, merger or dissolution. Subject to the provisions, and until termination, of this Voting Trust, the Trustee may vote or consent, or issue proxies to vote or consent at shareholders' meetings of CAPE and otherwise, as the Trustee shall determine in his uncontrolled discretion, and no voting or other right or power with respect to the Trust Stock and other securities held in trust shall pass to any Holder or to others by or under the Trust Certificate(s), or by or under this Voting Trust, or by or under any other agreement.

8. Neither the Trustee, nor the director, officer, or shareholder of any company controlled by or affiliated with the Trustee, may serve as an officer or member of the board of directors of Settlor or any company controlled by or affiliated with Settlor, or have any direct or indirect business arrangements or dealings, financial or otherwise, with Settlor or any company controlled by or affiliated with Settlor (other than this Voting Trust), that could be construed as creating an indicium of control by Settlor over the Trustee. The

Trustee has the responsibility to manage CAPE through casting his votes for CAPE's Board of Directors and to exercise the voting rights and execute consents as provided in Paragraph 7 hereof. The Trustee's duties are therefore not merely custodial in nature. Nothing in this Voting Trust shall restrict the ability of any company controlled by or affiliated with Settlor to enter into or continue commercial dealings with CAPE in the ordinary course of business, based on arm's-length bargaining, during the term of this Voting Trust, including without limitation the leasing by CAPE of rolling stock or other equipment or assets or services from any company controlled by or affiliated with Settlor. Nothing in this Voting Trust shall preclude CAPE from providing such documents and information as Settlor may reasonably request in connection with presenting its position regarding control of CAPE to the Board or a court of competent jurisdiction.

9. In voting or giving directions for voting the Trust Stock, the Trustee will exercise his best judgment to elect suitable directors in the best interest of the affairs of CAPE. The Trustee, however, assumes no responsibility with respect to acts or omissions of the directors of CAPE (other than the gross negligence or willful misconduct of the Trustee himself).
10. The Trustee shall be entitled to receive reasonable and customary compensation for all services rendered by Trustee under the terms of this Agreement and shall be entitled to indemnity from Settlor against any and all expenses, claims and liabilities incurred in connection with or with respect to the performance of Trustee's duties under this Voting Trust; provided, that the indemnification of the Trustee by the Settlor shall not extend to expenses, claims or liabilities resulting from or in connection with the willful misconduct or gross negligence of the Trustee. The Trustee shall submit to Settlor quarterly invoices for services with appropriate documentation, and Settlor shall pay such statements within thirty (30) days after receipt thereof.
11. From and after the deposit of the Trust Stock with Trustee, and until the termination of this Voting Trust pursuant to the terms hereof, a Holder shall be entitled to receive, from time to time, payment of any cash distributions collected by the Trustee upon the ownership interests in CAPE represented by the Trust Certificate(s). Immediately following receipt of any such cash distribution, the Trustee shall pay the same over to or as directed by the transferee or Holder thereunder as then known to the Trustee.

12. In the event that any distribution other than cash is received by the Trustee, such distribution shall be held by the Trustee in accordance with the terms of this Voting Trust as though it is Trust Stock that was initially deposited with the Trustee by Settlor under this Voting Trust. With respect to such distribution, the Trustee shall issue new or additional Trust Certificate(s) to the Holders entitled to receive any such distribution.
13. (a) This Voting Trust is accepted by Trustee subject to the rights hereby reserved to the Holder(s) at any time to sell or make any other disposition, in whole or in part, of its Trust Stock, whether or not an event described in subparagraph (b) below has occurred. The Trustee will at any time upon receipt of written instructions from a Holder, designating the person or entity to whom the Holder has sold or otherwise disposed of the whole or any part of such Holder's Trust Stock, and certifying in writing that such person or entity is not a shareholder, officer or director of Settlor, or a company controlled by or affiliated with Settlor, or a shareholder, officer or director of a company controlled by or affiliated with Settlor (upon which written certification the Trustee shall be entitled to rely), immediately transfer to such person or entity therein named all of the Trustee's right, title and interest in such amount of the Trust Stock as may be set forth in such instructions and shall cooperate with such person or entity in having such Trust Stock reissued in the name of such person or entity. If such instructions result in the transfer of all of the Trust Stock subject to this Voting Trust as of the date of such instructions, then upon transfer of the Trustee's right, title and interest therein, and in the event of a sale thereof, upon delivery of the proceeds of such sale, this Voting Trust shall cease and come to an end. If such instructions relate to only a part of the Trust Stock, then this Voting Trust shall cease as to such part upon such transfer, and the receipt of proceeds in the event of sale, but shall remain in full force and effect as to the remainder of the Trust Stock. In the event of a sale of Trust Stock by a Holder, the net proceeds of such sale shall be made payable to the Trustee and upon receipt thereof the Trustee shall promptly pay or cause to be paid such net proceeds to that Holder. It is the intention of this subparagraph that no violations of 49 U.S.C. § 11323 will result from a termination of this Voting Trust.
- (b) In the event that (i) Title 49 of the United States Code or other controlling law is amended to allow Settlor to acquire control of

CAPE without obtaining Board or other governmental approval or exemption, (ii) a verified notice of exemption filed at the Board by the Settlor to control CAPE becomes effective; or (iii) the Board by final order otherwise approves or exempts the control of CAPE. by Settlor; then immediately upon the delivery of a copy of such order of the Board or effective exemption with respect thereto, or an opinion of independent counsel selected by the Trustee that no order of the Board or other governmental authority or exemption is required, the Trustee shall transfer to the Holder(s) or transfer upon the order of the Holder(s) as then known to the Trustee, Trustee's right, title and interest in and to all of the Trust Stock or such part as may then be held by Trustee (as provided in subparagraph (a) hereof), and upon such transfer this Voting Trust shall cease and come to an end.

- (c) In the event that (i) the Board or a court of competent jurisdiction denies Settlor authority to control CAPE and that order becomes final after judicial review or failure to appeal, (ii) the Board or a court of competent jurisdiction orders the Trustee to divest himself of the Trust Stock, and that order becomes final after judicial review or failure to appeal, or (iii) the Holder(s) determine in light of any other final order that the Trust Stock should be sold, the Trustee shall use best efforts to dispose of the Trust Stock under the terms of the Board or court order and in accordance with any instructions of Holder(s) not inconsistent with the requirement of the terms of any Board or court order. To the extent that registration is required under the Securities Act of 1933 or any other applicable securities laws in respect of any distribution of Trust Stock as contemplated in this Agreement, the Holder(s) shall reimburse the Trustee for any expenses incurred by Trustee. The proceeds of the sale shall be distributed, on a pro rata basis, to or upon the order of the Holder(s) hereunder as then known to the Trustee. The Trustee may, in his reasonable discretion, require the surrender to Trustee of the Trust Certificate(s) hereunder before paying to the Holder such Holder's share of the proceeds.
- (d) Unless sooner terminated pursuant to any other provision herein contained, this Voting Trust shall terminate one (1) year after the day and year first written above, so long as no violation of 49 U.S.C. § 11323 will result from such termination, and provided that this Voting Trust may be extended by mutual agreement of the parties hereto pursuant to applicable state law, until such time as the ICC

Termination Act of 1995 and the regulations promulgated thereunder by the Board as presently in effect shall no longer require that the Trust Stock be held in a voting trust. All Trust Stock and any other property held by the Trustee hereunder upon such termination shall be distributed to or upon the order of the Holder(s) hereunder as then known to the Trustee. The Trustee may, in his reasonable discretion, require surrender to the Trustee of the Trust Certificate(s) hereunder before the release or transfer of the Trust Stock evidenced thereby. Upon termination of this Voting Trust, the Holder(s)' respective rights, titles and interests in and to the Trust Stock then held by the Trustee shall be transferred to such Holder(s) in accordance with the terms and conditions of this Voting Trust and upon such transfer, this Voting Trust shall cease and come to an end.

(e) The Trustee shall promptly inform the Board of any transfer or disposition of the Trust Stock pursuant to this Paragraph 13.

14. The Trustee shall not, by reason of this Voting Trust, or by the exercise of any powers or duties pursuant to this Voting Trust, incur any responsibility as shareholder, manager, trustee or otherwise by reason of any error of judgment, or mistake of law or fact, or of any omission of any agent or attorney, or of any misconstruction of this Voting Trust, or for any action of any sort taken or omitted or believed by the Trustee to be in accordance with the terms of this Voting Trust or otherwise, except for the willful misconduct or gross negligence of the Trustee. The Trustee shall not be responsible for the sufficiency or accuracy of the form, execution, validity or genuineness of the Trust Stock or of any endorsement thereof, or for any lack of endorsement thereof, or for any description therein, nor shall the Trustee be responsible or liable in any respect on account of the identity, authority or rights of the persons executing or delivering or purporting to execute or deliver any such Trust Stock or endorsement of the Trust Stock, except for the execution and delivery of this Voting Trust by the Trustee. Settlor agrees that it will at all times protect, indemnify and save harmless the Trustee from any loss, cost, or expense of any kind or character whatsoever in connection with this Voting Trust except those, if any, arising from or in connection with the gross negligence or willful misconduct of the Trustee, and, except for such costs and expenses arising from or in connection with the gross negligence or willful misconduct of the Trustee, (i) Settlor will at all times undertake, assume full responsibility for, and pay all costs and expenses of any suit or litigation of any character, with respect to the Trust

Stock or this Voting Trust, and (ii) if the Trustee shall be made a party thereto, Settlor will pay all costs and expenses, including reasonable attorneys' fees, to which the Trustee may be subject by reason thereof. The Trustee may consult with counsel, and the opinion of such counsel shall constitute full and complete authorization and protection in respect of any action taken or omitted or suffered by the Trustee hereunder in good faith and in accordance with such opinion. Notwithstanding any provision herein to the contrary, and without limiting the foregoing, Settlor shall indemnify and save harmless Trustee from and against any and all liability, losses and expenses (including without limitation reasonable attorneys' fees) arising out of or in connection with claims asserted against CAPE or Settlor, or related to the ownership or operation of CAPE's properties, under the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601 *et seq.*), the Hazardous Materials Transportation Act (49 U.S.C. § 5105 *et seq.*), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 *et seq.*), the Federal Water Pollution Control Act (33 U.S.C. § 1251 *et seq.*), the Clean Air Act (42 U.S.C. § 7401 *et seq.*), and the Toxic Substances Control Act (15 U.S.C. § 2601 *et seq.*), each as may be amended from time to time, and analogous state or local laws (and regulations and orders issued thereunder); *provided*, that this indemnity shall not apply to the extent that such liability, loss or expense arises out of or in connection with the gross negligence or willful misconduct of the Trustee.

15. The Trustee may at any time or from time to time appoint an agent or agents and may delegate to such agent or agents the performance of any administrative duty of the Trustee. The Trustee may at any time remove any agent so appointed by the Trustee and appoint a new agent to carry out the purposes herein.
16. The Trustee may at any time resign by delivering to Settlor his resignation in writing, such resignation to take effect the earlier of thirty (30) days after the date that such notice is sent, or the date of the appointment of a successor trustee. The Trustee shall cease to act as Trustee hereunder effective upon the appointment of a successor trustee as hereinafter provided. Upon receiving notice of resignation, Settlor shall within fifteen (15) days appoint a successor trustee, who shall satisfy the requirements of Paragraph 8 hereof. If no successor trustee shall have been appointed and shall have accepted the appointment within twenty (20) days after such notice of resignation, the resigning Trustee may petition any federal court for the appointment of a successor trustee consistent with the terms and conditions of this Agreement.

In the event of the Trustee's death or his inability to perform his duties under this Agreement, the Settlor shall, within fifteen (15) days after such death or inability to perform, appoint a successor trustee who shall satisfy the requirements of Paragraph 8 hereof. Upon written assumption by the successor trustee of the Trustee's powers and duties hereunder, Settlor shall be notified of such assumption, whereupon the Trustee shall be discharged of his powers and duties hereunder and the successor trustee shall become vested therewith. In the event of any material violation of the terms and conditions of this Voting Trust by the Trustee, the Trustee shall become disqualified from acting as Trustee hereunder as soon as a successor trustee hereunder shall have been selected in the manner provided by this paragraph.

17. Except as provided in this Agreement, the Trustee herein appointed, or any successor trustee, shall not, in the Trustee's individual capacity or otherwise, buy, sell or deal in the shares of CAPE, or the shares or membership or partnership interests, as applicable, of any company affiliated with or controlled by Settlor.
18. The Trustee accepts the powers and duties under this Voting Trust subject to all the terms, conditions and reservations contained in this Agreement and agrees to exercise the powers and perform the duties of Trustee as set forth in this Agreement; *provided*, however, that nothing contained herein shall be construed to prevent the Trustee from resigning as Trustee pursuant to Paragraph 16 hereof.
19. All notices, demands, requests or other communications that may be or are required to be given, served or sent to the Trustee or Settlor pursuant to this Voting Trust shall be in writing and shall be deemed to have been properly given or sent by mailing by registered or certified mail, return receipt required, or by a national overnight delivery service, appropriately addressed to the Trustee or Settlor, as applicable, as follows:

If to the Trustee:

Mr. Mark Cane
W304N2954 Hawksnest Ct.
Pewaukee, WI 53072-4279

If to Settlor:

Iowa Pacific Holdings, LLC
118 South Clinton Street,
Suite 400
Chicago, IL 60661
Attn: General Counsel

Each notice, demand, request or communication which shall be mailed by registered or certified mail, or sent by national overnight delivery service, in the manner aforesaid shall be deemed sufficiently given, served or sent for all purposes at the time such notice, demand, request or communication shall be either received by the addressee or refused by the addressee upon presentation. Upon Trustee's receipt of a notice to a Holder other than Settlor, or in the event the Trustee is required to send notice to a Holder other than Settlor, the Trustee shall forward or send such notice to the Holder of record at the last known address of such Holder listed on the books maintained by the Trustee.

20. Copies of this Voting Trust shall be on file in the office of the Trustee and shall be open to any officer of Settlor or any other Holder daily during normal business hours.
21. In order to permit Trustee to perform the duties and obligations of this Voting Trust, Settlor shall provide Trustee with all corporate records and Board orders concerning the Trust Stock promptly upon Settlor's receipt or creation of such documents.
22. If, at any time, the Trustee is of the opinion that any tax or governmental charge is payable with respect to any Trust Stock held by the Trustee or in respect of any distributions or other rights arising from the subject matter of this Voting Trust, the Trustee may, but shall not be required to, pay such tax or governmental charge. The Trustee shall have a first lien, in the sum of any amount so paid, along with interest at a rate of six percent (6%) per annum, against the Trust Stock held by the Trustee and/or against any distributions or other rights arising from the subject matter of this Voting Trust, and may be satisfied therefrom.
23. If any term or provision of this Voting Trust is illegal, invalid or unenforceable under or inconsistent with present or future law, including,

but not limited to, the ICC Termination Act of 1995 and regulations promulgated thereunder by the Board, as may be in effect at that time, then it is the intention of the parties hereto that the remainder of this Voting Trust shall not be affected thereby and shall be valid and shall be enforced to the fullest extent permitted by law. In the event that the Board shall at any time hereafter by final order find that compliance with law requires any other or different action by the Trustee than is provided herein, the Trustee shall, upon receipt of such final order, act in accordance with such final order instead of the provisions of this Voting Trust.

24. This Voting Trust may be executed in counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same instrument.
25. This Voting Trust shall be governed and construed in accordance with the laws of the State of Illinois.
26. This Voting Trust may from time to time be modified or amended by agreement executed by the Trustee and Settlor:
 - (a) Pursuant to an order of the Board;
 - (b) With prior approval of the Board; or
 - (c) Upon receipt of an opinion of counsel satisfactory to Trustee and Settlor that an order of the Board approving such modification or amendment is not required and that such modification or amendment is consistent with the Board's regulations governing voting trusts as set forth in 49 C.F.R. Part 1013 or any successor provision.
27. This Voting Trust shall be binding upon the successors and assigns of the parties hereto.
28. Once the Settlor has caused the Trust Stock to be deposited with the Trustee, all references to "Settlor" in this Agreement shall be deemed to include any subsequent Holders.
29. Settlor shall cause an executed copy of this Voting Trust to be filed with the Board in accordance with the requirements of 49 C.F.R. § 1013.3(b).

IN WITNESS WHEREOF, the parties hereto have executed this Voting Trust as of the date first written above.

TRUSTEE:

SETTLOR:



IOWA PACIFIC HOLDINGS, LLC

By: Edwin E. Ellis
Its: President



APPENDIX

Common carriers by rail owned by Iowa Pacific Holdings, LLC, and subject to the jurisdiction of the Surface Transportation Board:

Chicago Terminal Railroad

Mount Hood Railroad

Rusk, Palestine & Pacific Railroad

San Luis & Rio Grande Railroad

Santa Cruz and Monterey Bay Railway Company

Saratoga & North Creek Railway

Texas-New Mexico Railroad

West Texas & Lubbock Railway

EXHIBIT A

No. 1

8,000 Shares

VOTING TRUST CERTIFICATE

FOR

COMMON STOCK,

WITHOUT PAR VALUE

OF

CAPE RAIL, INC.

THIS IS TO CERTIFY that Iowa Pacific Holdings, LLC, will be entitled, on the surrender of this Certificate, to receive on the termination of the Voting Trust Agreement hereinafter referred to, or otherwise as provided in Paragraph 13 of the Voting Trust Agreement, all right, title and interest in a certificate or certificates for 8,000 shares of common stock, without par value, of Cape Rail, Inc., a Massachusetts corporation ("CAPE"). This Certificate is issued pursuant to, and the rights of the holder hereof are subject to and limited by, the terms of the Voting Trust Agreement dated as of October __, 2012 by and between Iowa Pacific Holdings, LLC, an Illinois limited liability company ("Settlor"), and Mark Cane ("Trustee"). A copy of the Voting Trust Agreement is on file in the office of the Trustee, and open to inspection by the holder hereof during normal business hours. The Voting Trust Agreement, unless earlier terminated or extended pursuant to the terms thereof, will terminate one year from the date on which it was made, as shown above, so long as no violation of 49 U.S.C. § 11323 will result from such termination.

The holder of this Certificate shall be entitled to the benefits of the Voting Trust Agreement, including the right to payments equal to the cash distributions, if any, paid by CAPE on a pro rata basis with respect to the shares represented by this Certificate.

This Certificate shall be transferable only on the books of the undersigned Trustee or any successor, to be kept by such Trustee or successor, upon surrender hereof by the registered holder in person or by an attorney duly authorized in accordance with the provisions of the Voting Trust Agreement, and until so transferred, the Trustee may treat the registered holder as the owner of this Certificate for all purposes whatsoever, unaffected by any notice to the contrary.

By accepting this Certificate, the holder hereof assents to all provisions of, and becomes a party to, the Voting Trust Agreement.

IN WITNESS WHEREOF, the Trustee has signed this Certificate.

TRUSTEE

Signature: 

Printed Name: MARK CANE