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859.887.1200
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ENTERED
Office of Proceedings
November 25, 2015
Part of
Public Record

JEREMY J. SYLVESTER
jsylvester@mimfirm.com

DIRECT DIAL
859.724.4109

November 24, 2015

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

Re: Finance Docket No. 35978, R. J. Corman Railroad Company/Carolina Lines, LLC --
Acquisition and Operation Exemption -- The Baltimore and Annapolis Railroad Company
D.B.A. Carolina Southern Railroad Company

Dear Ms. Brown:

Enclosed for filing in the above-captioned proceeding are an original and ten copies of the Verified Notice of Exemption of R. J. Corman Railroad Company/Carolina Lines, LLC, pursuant to 49 C.F.R. § 1150.41, dated November 24, 2015. A check in the amount of \$1900.00, representing the appropriate fee for this filing, and a CD-Rom containing the text of the Notice and the Caption Summary are also enclosed.

Please date-stamp and return in the provided envelope the enclosed extra copy of the Notice of Exemption and this letter.

Please feel free to contact me if you have any questions. Thank you for your assistance on this matter.

Sincerely,



Jeremy J. Sylvester

Enclosures

FEE RECEIVED
November 25, 2015
SURFACE
TRANSPORTATION BOARD

FILED
November 25, 2015
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 35978

R. J. CORMAN RAILROAD COMPANY/CAROLINA LINES, LLC
– ACQUISITION AND OPERATION EXEMPTION –
THE BALTIMORE AND ANNAPOLIS RAILROAD COMPANY D.B.A. CAROLINA
SOUTHERN RAILROAD COMPANY

**VERIFIED NOTICE OF EXEMPTION
OF
R. J. CORMAN RAILROAD COMPANY/CAROLINA LINES, LLC
PURSUANT TO 49 C.F.R. § 1150.41, *ET. SEQ.***

David R. Irvin
Jeremy J. Sylvester
Moynahan, Irvin & Mooney, PSC
110 North Main Street
Nicholasville, KY 40356
(859) 887-1200

ATTORNEYS FOR R. J. CORMAN
RAILROAD COMPANY/CAROLINA
LINES, LLC

BEFORE THE
SURFACE TRANSPORTATION BOARD

STB FINANCE DOCKET NO. 35978

R. J. CORMAN RAILROAD COMPANY/CAROLINA LINES, LLC
– ACQUISITION AND OPERATION EXEMPTION –
THE BALTIMORE AND ANNAPOLIS RAILROAD COMPANY D.B.A. CAROLINA
SOUTHERN RAILROAD COMPANY

**VERIFIED NOTICE OF EXEMPTION
OF
R. J. CORMAN RAILROAD COMPANY/CAROLINA LINES, LLC
PURSUANT TO 49 C.F.R. § 1150.41**

Pursuant to 49 C.F.R. § 1150.41, *et seq.*, R. J. Corman Railroad Company/Carolina Lines, LLC (“RJCS”),¹ a Class III rail carrier, hereby files this Verified Notice of Exemption for after-the-fact approval of its acquisition of one-mile of railroad at or near Whiteville, North Carolina, as shown on Exhibit 1 attached hereto (the “Whiteville Mile”), which was formerly owned by The Baltimore and Annapolis Railroad Company D.B.A. Carolina Southern Railroad Company (“CALA”), and approval to become the operator of that line. Based upon projected revenues, RJCS expects to remain a Class III rail carrier after gaining authority to operate the Whiteville Mile.

¹ R. J. Corman Railroad Company/Carolina Lines, LLC has reserved the mark “RJCS” with the AAR, and became a Class III rail carrier after filing a Verified Notice of Exemption, pursuant to 49 CFR 1150.31, *et seq.* See Verified Notice of Exemption filed in Finance Docket No. 35897, R. J. Corman Railroad Company/Carolina Lines, LLC – Acquisition and Operation Exemption – The Baltimore and Annapolis Railroad Company d.b.a. Carolina Southern Railroad Company.

In accordance with the requirements of 49 C.F.R. § 1150.41, RJCS submits the following information:

Name and Address of Applicant: 49 C.F.R. § 1150.43(a)

The full name and address of the rail carrier applicant herein is as follows:

R. J. Corman Railroad Company/Carolina Lines, LLC
101 R. J. Corman Drive
P.O. Box 788
Nicholasville, KY 40340

Applicant's Representative: 49 C.F.R. § 1150.43(b)

RJCS's representative to whom correspondence regarding this transaction should be sent is as follows:

David R. Irvin
Jeremy J. Sylvester
Moynahan, Irvin & Mooney, PSC
110 North Main Street
Nicholasville, KY 40356
(859) 887-1200

Statement Concerning Agreement: 49 C.F.R. § 1150.43(c)

An agreement was reached between RJCS and CALA on June 19, 2015, by which RJCS acquired ownership of all of CALA's Lines, including the Whiteville Mile.

Operator: 49 C.F.R. § 1150.43(d)

RJCS will operate, maintain and provide all rail common carrier service on the Whiteville Mile.

Summary of the Transaction: 49 C.F.R. § 1150.43(e)

The name and address of the railroad that transferred the Whiteville Mile to RJCS is as follows:

The Baltimore and Annapolis Railroad Company
d.b.a Carolina Southern Railroad Company

C/O Ken Pippin
1 E. Chase Street
Suite 1003
Baltimore, Maryland 21202

CALA and a consortium of Counties (the “Counties”) through which the CALA’s rail lines traversed entered into a contract setting the terms and conditions pursuant to which CALA would sell its rail lines to the Counties. The Counties in turn assigned their rights and interest under that agreement to RJCS. Under the terms of the assigned agreement, RJCS expected to acquire two interconnected rail lines, the first extending from milepost AL 326.0 at Mullins, South Carolina to milepost AC 290.0 at Whiteville, North Carolina (the “Mullins-Whiteville Segment”), and the second extending from milepost ACH 297.2 at Chadbourn (at a point of connection with the Mullins-Whiteville Segment) to milepost ACH 336.18 at Conway, South Carolina (the “Chadbourn-Conway Segment”).² CALA was to retain ownership of the Whiteville Mile, which is one mile of track at end of the Mullins-Whiteville Segment extending from milepost 290.0 to milepost 289.0 at or near Whiteville, North Carolina, but would grant to RJCS incidental local trackage rights over the same.

A dispute arose between RJCS and CALA concerning the agreement that had been assigned by the Counties to RJCS, which was resolved by subsequent mediation agreement consummated on June 19, 2015 and pursuant to which RJCS became the owner of the Whiteville Mile in addition to Mullins-Whiteville Segment and Chadbourn-Conway Segment. RJCS hereby puts the Surface Transportation Board on notice of its acquisition of the Whiteville Mile under the June 19th mediation agreement and seeks its

² This proposed transaction was approved upon by R. J. Corman Railroad Company/Carolina Lines, LLC – Acquisition and Operation Exemption – The Baltimore and Annapolis Railroad Company D/B/A Carolina Southern Railroad Company, Finance Docket No. 35897.

approval to operate the same. The tracks ultimately acquired from CALA, including the subject Whitesville Mile, are indicated on the Map attached hereto as Exhibit 1.

As stated above, the transaction resulting in RJCS's acquisition of the Whitesville Mile is already completed. RJCS will commence rail operations once this Exemption becomes effective and after it completes required rehabilitation of all the rail lines that it acquired from CALA.

Map: 49 C.F.R. § 1150.43(f)

A map that clearly indicates the area served by the Whitesville Mile is attached as Exhibit 1 to this Notice.

Certification of Class III Status: 49 C.F.R. § 1150.43(g)

A certificate complying with the provisions of 49 C.F.R. § 1150.43(g) is attached as Exhibit 2 to this Notice. Based on projected revenues for the Whitesville Mile, RJCS will remain a Class III rail carrier after consummation of the transaction proposed herein.

Advance Notice: 49 C.F. R. § 1150.32(e)

The projected annual revenue from the Whitesville Mile, together with RJCS's projected annual revenue, will not exceed \$5 million. Accordingly, the requirements of 49 C.F.R. § 1150.32(e) do not apply to this transaction.

Environmental and Historic Preservation Data: 49 C.F.R. § 1105

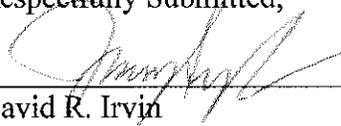
Under 49 C.F.R. § 1105.6(c)(2)(i), the acquisition of the Whitesville Mile by RJCS is exempt from environmental reporting requirements because it will not result in significant changes in carrier operations (i.e. changes which exceed the thresholds established in 49 C.F.R. § 1105.7(e)(4) or (5)).

Under 49 C.F.R. § 1105.8(b)(1), the proposed acquisition of the Whitesville Mile by RJCS also is exempt from historic preservation reporting requirements. RJCS's acquisition of the Whitesville Mile is for the purpose of continued rail operations. Further Surface Transportation Board approval is required to abandon any service, and there are no plans to dispose of or alter properties subject to Board jurisdiction that are fifty years old or older.

Caption Summary: 49 C.F.R. § 1150.44

A caption summary in the appropriate form is attached as Exhibit 3 to this Notice.

Respectfully Submitted,



David R. Irvin
Jeremy J. Sylvester
Moynahan, Irvin & Mooney, PSC
110 North Main Street
Nicholasville, KY 40356
(859) 887-1200

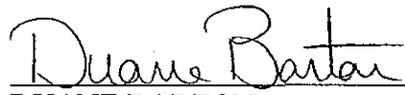
ATTORNEYS FOR R. J. CORMAN
RAILROAD COMPANY/CAROLINA
LINES, LLC

Dated: November 24, 2015

VERIFICATION

I, Duane Barton, declare under penalty of perjury that I am the President of R. J. Corman Railroad Company, LLC, the sole member and Manager of R.J. Corman Railroad Company/Carolina Lines, LLC, and that the foregoing is true and correct to the best of my knowledge, information and belief. Further, I certify that I am qualified and authorized to make this statement.

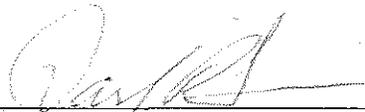
Executed on November 23, 2015.



DUANE BARTON

STATE OF KENTUCKY)
COUNTY OF JESSAMINE)

The foregoing was subscribed and sworn to before me by Duane Barton, acting for and on behalf of R. J. Corman Railroad Company/Carolina Lines, LLC on this the 23rd day of November, 2015.

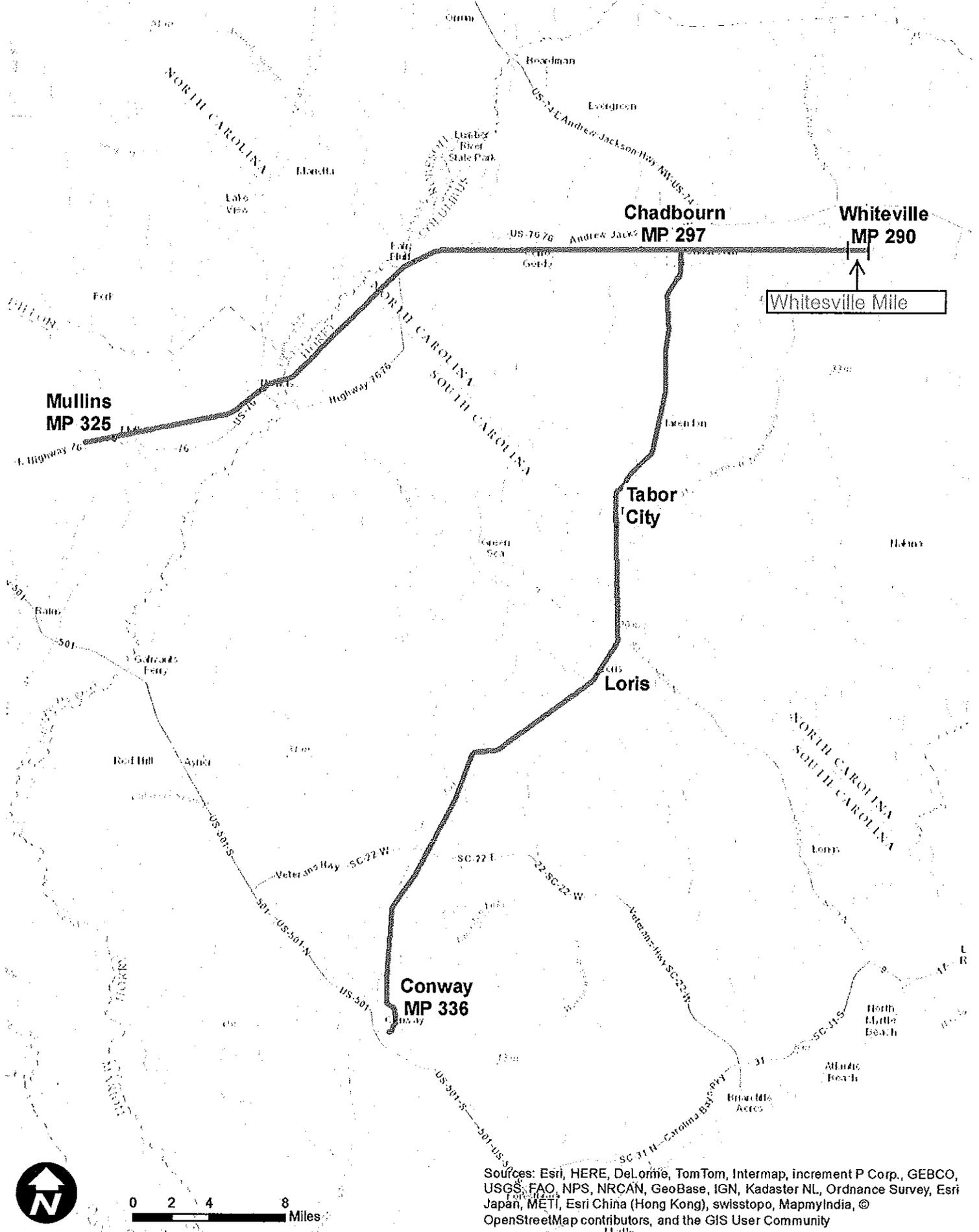


NOTARY PUBLIC, KY. STATE AT
LARGE

My commission expires: Jan 19, 2019

Notary Id. No.: 525446

Exhibit 1 RJ Corman Railroad Company / Carolina Line Overview



Sources: Esri, HERE, DeLorme, TomTom, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community

EXHIBIT 2

CERTIFICATION

Duane Barton, being duly sworn, certifies that the projected revenues of R. J. Corman Railroad Company/Carolina Lines, LLC, upon consummation of the proposed transaction, will not result in the creation of a Class I or Class II rail carrier under the provisions of 49 C.F.R. § 1201.1-1.

**R. J. Corman Railroad Company/Carolina
Lines, LLC
BY: R. J. Corman Railroad Company, LLC,
Sole Member and Manager**

By: Duane Barton
Duane Barton, President

STATE OF KENTUCKY)
COUNTY OF JESSAMINE)

The foregoing was subscribed and sworn to before me by Duane Barton, acting for and on behalf of R. J. Corman Railroad Company/Carolina Lines, LLC on this the 23rd day of November, 2015.

[Signature]
NOTARY PUBLIC, KY. STATE AT
LARGE

My commission expires: JANUARY 19, 2015

Notary Id. No.: 575446

EXHIBIT 3

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

STB FINANCE DOCKET NO. 35978

R. J. CORMAN RAILROAD COMPANY/CAROLINA LINES, LLC
– ACQUISITION AND OPERATION EXEMPTION –
THE BALTIMORE AND ANNAPOLIS RAILROAD COMPANY D.B.A. CAROLINA
SOUTHERN RAILROAD COMPANY

R. J. Corman Railroad Company/Carolina Lines, LLC (“RJCS”), a Class III rail carrier, has filed a Verified Notice of Exemption to obtain approval to operate one route mile of railroad that it acquired from The Baltimore and Annapolis Railroad Company d.b.a. Carolina Southern Railroad Company (“CALA”). RJCS already obtained approval to acquire and operate two interconnected rail lines previously owned by CALA, the first extending from milepost AL 326.0 at Mullins, South Carolina to milepost AC 290.0 at Whiteville, North Carolina (the “Mullins-Whiteville Segment”), and the second extending from milepost ACH 297.2 at Chadbourn (at a point of connection with the Mullins-Whiteville Segment) to milepost ACH 336.18 at Conway, South Carolina (the “Chadbourn-Conway Segment”).³ After said approval was obtained, RJCS and CALA entered into a formal agreement by which RJCS also acquired from CALA one mile of track at the end of the Mullins-Whiteville Segment extending from milepost 290.0 to milepost 289.0 at or near Whiteville, North Carolina (“Whitesville Mile”).

³ This proposed transaction was approved upon by R. J. Corman Railroad Company/Carolina Lines, LLC – Acquisition and Operation Exemption – The Baltimore and Annapolis Railroad Company D/B/A Carolina Southern Railroad Company, Finance Docket No. 35897.

RJCS has already acquired the Whitesville Mile and plans to commence operations after performing necessary rehabilitation of the lines that it acquired from CALA, which RJCS expects to complete by January of 2016.

Comments must be filed with the Board and served on: David R. Irvin or Jeremy J. Sylvester, Moynahan, Irvin & Mooney, PSC, 110 North Main Street, Nicholasville, KY 40356, (859) 887-1200.

This notice is filed under 49 C.F.R. § 1150.41. If the notice contains false or misleading information, the exemption is void *ab initio*. The filing of a petition to revoke will not automatically stay the transaction.