

LAW OFFICES OF
LOUIS E. GITOMER

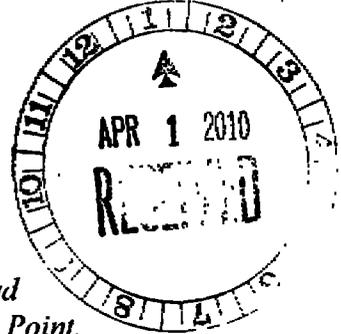
LOUIS E. GITOMER
LOU_GITOMER@VERIZON.NET

THE ADAMS BUILDING, SUITE 301
600 BALTIMORE AVENUE
TOWSON, MARYLAND 21204-4022
(202) 466-6532
FAX (410) 332-0885

April 1, 2010

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

226745



Re: Finance Docket No. 35338, *Winston-Salem Southbound Railroad Company – Corporate Family Consolidation Exemption – High Point, Thomasville & Denton Railroad Company*

Dear Ms. Brown:

Enclosed are the original and twelve copies of the Notice of Exemption (“Notice”) of Winston-Salem Southbound Railroad Company and High Point, Thomasville & Denton Railroad Company filed pursuant to 49 C.F.R. §1180.2(d)(3) for an exemption from the prior approval requirements governing a proposed transaction within a corporate family. Also enclosed is a diskette containing a WORD and pdf version of the Notice and a check in the amount of \$1,700 is enclosed to cover the filing fee for the Notice.

Please time and date stamp the two extra copies of the filing and return them with our messenger. Thank you for your assistance. If you have any questions, please contact me.

ENTERED
Office of Proceedings

APR 1 2010

Part of
Public Record

Sincerely,

A handwritten signature in black ink, appearing to be 'L. E. Gitomer', written over the typed name.

Louis E. Gitomer

Enclosures

FILED

APR 01 2010

SURFACE
TRANSPORTATION BOARD

FEE RECEIVED

APR 01 2010

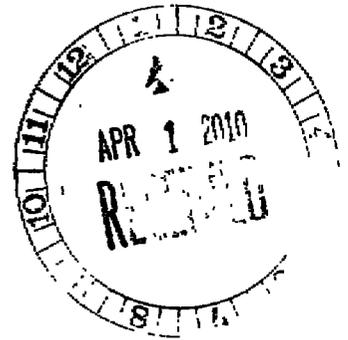
SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 35338

WINSTON-SALEM SOUTHBOUND RAILWAY COMPANY
-CORPORATE FAMILY CONSOLIDATION EXEMPTION-
HIGH POINT, THOMASVILLE & DENTON RAILROAD COMPANY

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 CFR SECTION 1180.2(d)(3)



Louis E. Gitomer
Law Offices of Louis E. Gitomer, LLC
600 Baltimore Avenue, Suite 301
Towson, MD 21204
410-296-2250
Lou_Gitomer@verizon.net

John V. Edwards
Senior General Attorney
Norfolk Southern Corporation
Three Commercial Place
Norfolk, VA 23510
Telephone: 757-629-2838
Facsimile: 757-533-4872

April 1, 2010

Attorneys for: Winston-Salem Southbound
Railway Company and High Point,
Thomasville & Denton Railroad Company

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 35338

WINSTON-SALEM SOUTHBOUND RAILWAY COMPANY
-CORPORATE FAMILY CONSOLIDATION EXEMPTION-
HIGH POINT, THOMASVILLE & DENTON RAILROAD COMPANY

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 CFR SECTION 1180.2(d)(3)

Winston-Salem Southbound Railway Company (“WSSB”) and High Point, Thomasville & Denton Railroad Company (“HPTD”, and, together with WSSB, the “Parties”) hereby submit this verified notice of exemption pursuant to 49 CFR §1180.2(d)(3) (the “Notice”) for an exemption from the prior approval and authorization requirements of the Surface Transportation Board (“STB” or “Board”) with respect to the merger of HPTD into WSSB, with WSSB being the surviving corporate entity.

1. 49 C.F.R. 1180.6(a)(1)(i) - Description of the Transaction and Parties.

a. Description of the Transaction and the Parties.

Both WSSB and HPTD are Class III switching carriers. Each of Norfolk Southern Railway Company (“NSRC”) and CSX Transportation, Inc. (“CSXT”) owns a 50% interest in WSSB. WSSB owns 100% of the stock of HPTD and controls the HPTD.

WSSB owns 88 miles of main track from Winston-Salem to Wadesboro, NC. It connects with: (a) NSRC at Winston-Salem, Whitney and Lexington; (b) CSXT at

Wadesboro; (c) HPTD at High Rock; and (d) the Aberdeen, Carolina & Western Railway (“ACWR”) at Norwood.

HPTD owns 34 miles of main line track from High Point to High Rock, NC. It connects with: (a) WSSB at High Rock; and (b) NSRC at High Point. WSSB supplies all of the rail equipment and crews for the operation of HPTD.

Traveling from the south at Wadesboro, WSSB passes through Norwood, Albemarle, Badin, High Rock, Lexington, and then to Winston-Salem. At High Rock, WSSB follows a western route. Also traveling from the south, the HPTD begins at High Rock and takes a route to the east. There are no shippers located where the WSSB and HPTD meet. No shippers are served by both WSSB and HPTD, although it would not create a competitive issue since WSSB already controls HPTD.

The proposed transaction involves a simple corporate family restructuring whereby HPTD will merge into WSSB. WSSB will be the surviving entity, and WSSB will continue to be incorporated in North Carolina. As a result of the proposed transaction, WSSB will own all of the assets of HPTD, and be responsible for all of HPTD’s debts, liabilities and obligations. The consolidated entity will be operated as one railroad, and given that WSSB supplies all of the rail equipment and crews for the operation of HPTD, it is expected that the consolidated operation will not differ from what exists today. Since WSSB controls HPTD today, there also would be no change in the competitive relationship between the two carriers and no reduction in competition for the shippers served.

Both WSSB and HPTD are operated as switching carriers for the owners of WSSB – NSRC and CSXT – and this status will not be altered. The proposed transaction

will not affect the connection with the ACWR, since only the surviving entity, the WSSB connects with ACWR today. As a result, the competitive balance with carriers outside the WSSB corporate family will remain unchanged. HPTD has no current employees.

As proposed, the transaction will not result in adverse changes in service levels, significant operational changes, or a change in the competitive balance with carriers outside the corporate family.

b. Names, addresses and phone numbers of the Parties.

Winston-Salem Southbound
Railway Company
4550 Overdale Road
Winston-Salem, NC 27107
336 788-9407

High Point, Thomasville & Denton
Railway Company
4550 Overdale Road
Winston-Salem, NC 27107
336 788-9407

c. Names, addresses and phone numbers of Counsel.

Louis E. Gitomer
Law Offices of Louis E. Gitomer, LLC
600 Baltimore Avenue, Suite 301
Towson, MD 21204
410-296-2250
Lou_Gitomer@verizon.net

John V. Edwards
Senior General Attorney
Norfolk Southern Corporation
Three Commercial Place
Norfolk, VA 23510
757-629-2838

2. 49 C.F.R. 1180.6(a)(1)(ii) – Consummation Schedule.

The Parties plan to consummate the transaction on May 1, 2010, 30 days after the filing of the Notice.

3. 49 C.F.R. 1180.6(a)(1)(iii) – Purpose of the Transaction.

The purpose of the transaction is to simplify the corporate structure, and thereby reduce costs.

4. 49 C.F.R. 1180.6(a)(5) – States in which the Parties' Property are Located.

The property of the Parties is entirely located within the state of North Carolina.

5. **49 C.F.R. 1180.6(a)(6) - Map.**

A map showing the lines of the Parties, as well as those of other carriers in the region, is attached as Exhibit 1.

6. **49 C.F.R. 1180.6(a)(7)(ii) - Agreements.**

Attached as Exhibit 2 are the Plan of Merger and the Articles of Merger.

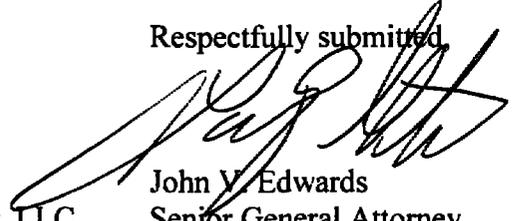
7. **49 C.F.R. 1180.4(g)(1)(i) – Level of Labor Protection.**

Pursuant to 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. Section 11326(c), however, does not provide for labor protection for transactions under Section 11324 and 11325 that involve only Class III rail carriers. The proposed transaction covered by this Notice involves only Class III rail carriers; therefore the Board may not impose labor protection. In any event, HPTD does not have any employees. Further, the Parties do not anticipate that the proposed transaction will have any impact on the employees of WSSB, who currently perform the rail operations for both WSSB and HPTD.

8. 49 C.F.R. 1105.6 – 49 C.F.R. 1105.8 – Environmental and Historic Report.

Because the proposed transaction anticipates only a corporate restructuring, with no significant changes in operations that do not exceed the thresholds established in 49 CFR §1105.7(e) (4) or (5), the proposed transaction is exempt from the requirement to provide environmental documentation pursuant to 49 C.F.R. §1105.6(c)(2). Further, pursuant to 49 C.F.R. §1105.8(b)(2), the proposed transaction is exempt from the requirement to provide a Historic Report pursuant to 49 C.F.R. §1105.8. Moreover, before WSSB could remove any historic structures on the lines of the merged company, it would have to obtain abandonment authorization from the Board.

Respectfully submitted,



Louis E. Gitomer
Law Offices of Louis E. Gitomer, LLC
600 Baltimore Avenue, Suite 301
Towson, MD 21204
410-296-2250
Lou_Gitomer@verizon.net

John V. Edwards
Senior General Attorney
Norfolk Southern Corporation
Three Commercial Place
Norfolk, VA 23510
Telephone: 757-629-2838
Facsimile: 757-533-4872

April 1, 2010

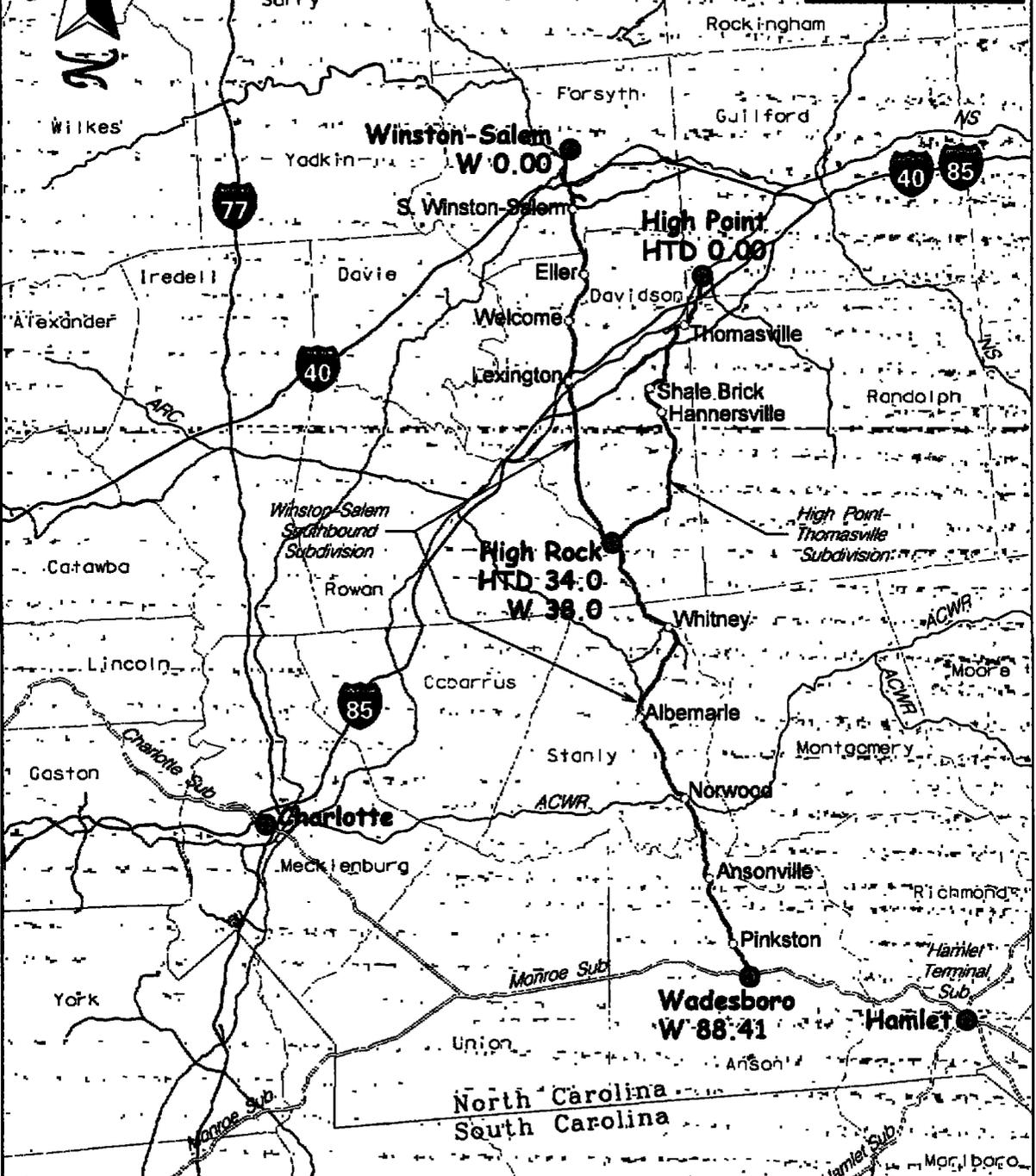
Attorneys for: Winston-Salem Southbound
Railway Company and High Point,
Thomasville & Denton Railroad Company

EXHIBIT 1 – MAP

Allegheny



CSX
 TRANSPORTATION
 GIS Mapping Services
 10000 W. HARRIS BLVD
 CHARLOTTE, NC 28226
 EMAIL: GIS@CSX.COM



LEGEND

- CSXT Operating Corridor
- WSSB & HPT Subs
- Shortline Corridor
- NS Corridor
- US Interstates

Total Distance = 122.41 Miles +/-

SOUTHERN REGION
 FLORENCE DIVISION
 WINSTON SALEM SOUTHBOUND
 SUBDIVISION - (WD):
 W 0.00 - W 88.41
 HIGH POINT THOMASVILLE
 SUBDIVISION - (HD):
 HTD 0.00 - HTD 34.00

THE INFORMATION CONTAINED ON THIS MAP IS PRIVILEGED AND CONFIDENTIAL.

CSX TRANSPORTATION

**Winston Salem Southbound
 &
 High Point Thomasville Subdivisions**

CSX SCALE: 1" = 10 Miles
 Revised: March 2, 2010
 Drawn By: L. Fawcett

EXHIBIT 2 – AGREEMENT

**State of North Carolina
Department of the Secretary of State**

ARTICLES OF MERGER

Pursuant to North Carolina General Statute Sections 55-11-05(a), 55A-11-09(d), 55A-11-04, 57C-9A-22(a), 59-73.32(a) and 59-1072(a), as applicable, the undersigned entity does hereby submit the following Articles of Merger as the surviving business entity in a merger between two or more business entities.

1. The name of the surviving entity is Winston-Salem Southbound Railway Company, a corporation organized under the laws of the State of North Carolina.

2. The address of the surviving entity is:

4550 Overdale Road
Winston-Salem, NC 27107
County: Forsythe

3. The name of the merged entity is High Point, Thomasville & Denton Railroad Company, a corporation organized under the laws of the State of North Carolina.

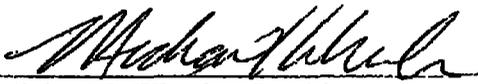
4. The Articles of Incorporation and Bylaws of Winston-Salem Southbound Railway Company as of the effective date of the merger shall be the Articles of Incorporation and Bylaws of the surviving entity until the same shall be altered or amended in accordance with the provisions thereof.

5. A Plan of Merger has been duly approved in the manner required by law by each of the business entities participating in the merger.

6. These Articles of Merger will be effective upon filing with the State of North Carolina Department of the Secretary of State.

DATED this the 21st day of December, 2009.

**WINSTON-SALEM SOUTHBOUND
RAILWAY COMPANY**

By: 
Michael J. Wheeler, President

PLAN OF MERGER

High Point, Thomasville & Denton Railroad Company
with and into
Winston-Salem Southbound Railway Company

This Plan of Merger is made and entered into this 21st day of December, 2009 by and between High Point, Thomasville & Denton Railroad Company, a North Carolina corporation ("HPTD"), and Winston-Salem Southbound Railway Company, a North Carolina corporation ("WSSB" or the "Surviving Corporation").

RECITALS

A. HPTD is a corporation organized and existing under the laws of the State of North Carolina and has authorized capital stock consisting of 10,000 shares of common stock with \$100 par value, of which 2,187.75 shares are issued and outstanding, and held by WSSB.

B. WSSB is a corporation organized and existing under the laws of the State of North Carolina and has authorized capital stock consisting of 12,450 shares of common stock with \$100 per share par value, of which 12,450 shares are issued and outstanding.

C. The Board of Directors of WSSB deems it advisable for HPTD to merge with and into WSSB.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, HPTD and WSSB hereby agree to the following Plan of Merger:

1. Names of Constituent Corporations. HPTD will merge with and into WSSB. WSSB will be the Surviving Corporation.

2. Terms and Conditions of Merger. The effective date of merger shall be upon filing the Articles of Merger with the Department of the Secretary of State of the State of North Carolina. Upon the effective date of the merger: the separate corporate existence of HPTD shall cease; title to all real estate and other property owned by HPTD or WSSB shall be vested in WSSB without reversion or impairment; and the Surviving Corporation shall have all liabilities of HPTD and WSSB. Any proceeding pending by or against HPTD or WSSB may be continued as if such merger did not occur, or the Surviving Corporation may be substituted in the proceeding for HPTD.

3. Governing Law. The laws of the State of North Carolina shall govern the Surviving Corporation.

4. Name. The name of the Surviving Corporation shall be Winston-Salem Southbound Railway Company.

5. Registered Office. The address of the registered office of the Surviving Corporation shall be 110 Oakwood Drive, Suite 300 Winston-Salem, North Carolina 27103.

6. Accounting. The assets and liabilities of HPTD and WSSB (collectively the "Constituent Corporations") as of the effective date of the merger shall be taken up on the books of the Surviving Corporation at the amounts at which they are carried at that time on the respective books of the Constituent Corporations.

7. The Articles of Incorporation and Bylaws. The Articles of Incorporation and Bylaws of WSSB as of the effective date of the merger shall be the Articles of Incorporation and Bylaws of the Surviving Corporation until the same shall be altered or amended in accordance with the provisions thereof.

8. Directors. The directors of WSSB as of the effective date of the merger shall be the directors of the Surviving Corporation until their respective successors are duly elected and qualified.

9. Manner and Basis of Converting Shares. WSSB owns one hundred percent (100%) of the issued and outstanding shares of the common stock of HPTD. There is no other class of stock authorized. On the effective date of the merger, all of the issued and outstanding shares of common stock in HPTD shall be cancelled. All of the issued and outstanding shares of stock of WSSB shall remain unaffected; no additional shares thereof shall be issued as a result of this merger.

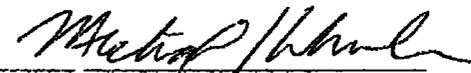
10. Termination of Merger. This merger may be abandoned at any time prior to the filing of Articles of Merger with the Department of the Secretary of State of the State of North Carolina, upon a vote of a majority of the Board of Directors of WSSB. If the merger is terminated, there shall be no liability on the part of either Constituent Corporation, their respective Boards of Directors, or shareholders.

IN WITNESS WHEREOF, this Plan of Merger has been adopted by the undersigned on behalf of, and pursuant to the authorization of the directors of each of WSSB and HPTD.

**WINSTON-SALEM SOUTHBOUND
RAILWAY COMPANY**

By: 
Michael J. Wheeler, President

**HIGH POINT, THOMASVILLE & DENTON
RAILROAD COMPANY**

By: 
Michael J. Wheeler, President

VERIFICATION

State of Florida)
)ss
County of Duval)

I, Fredrik Eliasson, being duly sworn, depose and state that I am
an officer of Winston-Salem Southbound Railway Company, that I
am authorized to make this verification, and that I have read the foregoing Notice of
Exemption, and know the facts asserted therein are true and accurate to the best of my
knowledge, information and belief.

Fredrik Eliasson
3/31-2010

Subscribed and sworn to before me this ___ day of March 2010.

Wanda L. Haynes
Notary Public

My Commission expires: _____

