

Before the
SURFACE TRANSPORTATION BOARD

Docket No. FD 35316

**ALLIED ERECTING AND DISMANTLING, INC.
AND ALLIED INDUSTRIAL DEVELOPMENT CORPORATION
- PETITION FOR DECLARATORY ORDER -
RAIL EASEMENTS IN MAHONING COUNTY, OHIO**

REPLY OF RESPONDENTS

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Dated: February 22, 2011

REPLY OF RESPONDENTS

This declaratory order proceeding was commenced pursuant to a referral by the Court of Common Pleas for Mahoning County, Ohio in *Allied Erecting & Dismantling, Inc. v. Ohio Central Railroad, Inc.*, No. 2006 CV 00181 (the “State Action”). The State Action named six individual railroad members of the Ohio Central Railroad System as defendants.¹ In its Petition for Declaratory Order, the plaintiffs in the State Action, Allied Erecting and Dismantling, Inc. and Allied Industrial Development Corporation (collectively “Allied”), named the six railroad defendants in the State Action as respondents and added their direct and indirect corporate parents Summit View, Inc. (“Summit View”) and Genesee & Wyoming, Inc. (“GWI”) as respondents as well. Pursuant to the Board’s schedule, as modified, Allied filed its Opening Statement (“Opening Stmt.”) on January 10, 2010. This Reply is filed on behalf of all named Respondents. However, the issues in this proceeding truly relate to the common carrier rights and operations of only two of the Respondents MVRY and OHPA. To aid in the Board’s analysis, this Reply will identify the specific Respondent that is being discussed.²

I. Questions Presented

The State Court referred the following questions to the Board for its guidance and advice (as restated by the Board):

¹ “Ohio Central Railroad System” is a trade name used for limited business purposes by 11 commonly controlled railroads. These 11 railroads include the following six railroads named as Defendants in the State Action: Ohio & Pennsylvania Railroad Company (“OHPA”), Mahoning Valley Railway Company (“MVRY”), Ohio Central Railroad, Inc., Warren & Trumbull Railroad Company, Youngstown & Austintown Railroad, Inc. and Youngstown Belt Railroad Company.

² Allied prefers to lump all of the Respondents together as “Ohio Central” to create the illusion that all of the Respondents might be liable or responsible for its claims. As discussed more fully in Section III.A below, Allied has not demonstrated that railroad operations of any of the Respondents other than MVRY or OHPA are involved in this proceeding or in any of the claims in the State Action, and accordingly all of the Respondents other than MVRY and OHPA should be dismissed from this proceeding, and ultimately from the State Action.

1. Whether Ohio Central's stopping and storing of railcars on the tracks associated with the easements, in alleged violation of the easement agreements, falls within the jurisdiction of the STB.
2. Whether the easement agreements allow Ohio Central to store or stage railcars on the tracks associated with the easements.
3. What damages are available to Allied if Ohio Central has violated the easement agreements.

STB Decision served June 23, 2010 ("June 23 Decision"), slip op. at 2. In order to respond to these questions, the Board went on to indicate that it needed additional information from the parties to determine:

- (1) if use of the disputed easements falls within the meaning of "transportation by rail carrier" under the Interstate Commerce Commission Termination Act of 1995 (ICCTA), thus preempting state and local law; and
- (2) if ICCTA preemption applies, whether Ohio Central's use of the easements is permissible and what relief Allied is entitled to if Ohio Central's use is impermissible.

June 23 Decision, slip op. at 3.

The facts and argument set forth below will lead the Board to conclude that MVRV and OHPA are common carriers subject to the jurisdiction of the Board, that they had authority from the Board to operate the rail lines located on the easements in question as common carriers, and that their use of the rail lines (including stopping, staging and storing of rail cars) constitutes "transportation." Accordingly, attempts by Allied to regulate the use of the rail lines by MVRV and OHPA, or to interfere with their respective operations are preempted under the ICC Termination Act of 1995 ("ICCTA"), as are all damage claims related to such use.

II. Factual Background

The proceeding involves two railroad easements. Each easement was established in connection with the sale of property to Allied, with the seller being granted back an easement for the railroad lines on the property. They are referred to herein by the name of seller (and the

grantee of the easement) – the LTV Easement, and the P&LE Easement. MVRV uses and operates over the LTV easement. OHPA, at various times, used and operated over the P&LE Easement. Intervenor Youngstown & Southeastern Railroad Company, Inc. (“YSRR”) is the current operator over the P&LE Easement.

Because the history of railroad operations over the LTV and P&LE Easements are distinct, they will be addressed separately herein. Responses to the Board’s requests for specific information relating to each of the Easements (June 23 Decision at 3-4), are set forth in Appendix A (LTV Easement) and Appendix B (PLE Easement), and relating to additional information in Appendix C (Additional Information).³

A. MVRV / LTV Easement

MVRV was formed in 1981 as a subsidiary of The Cayuhga Valley Railway Company, in turn a subsidiary of Jones & Laughlin (“J&L”) (a predecessor of LTV). MVRV leased the tracks from J&L specifically to provide common carrier service both to J&L and to other customers. MVRV obtained authority from the Interstate Commerce Commission (“ICC”) to be a common carrier. *See* Appendix A. The Map⁴ shows that the MVRV operations included, *inter alia*, various tracks and facilities, including a locomotive shop, on the south side of the Mahoning River, creating a system running from an interchange with CSX Transportation, Inc. (“CSXT”) on the Tail Track at the west end to interchanges with Conrail (now Norfolk Southern Railway (“NS”)) at Haselton Yard, and with the Pittsburgh & Lake Erie Railroad (“P&LE”) / Lake Erie

³ Appendices A-C are being filed electronically as separate documents. Documents submitted by Respondents are attached as exhibits to the respective Appendices and are referenced by the Appendix letter and exhibit number. References to documents submitted with the Allied Opening Statement will be referenced as “Allied App. Ex. ___.”

⁴ References to “the Map” are to the full size colored Google Earth drawing submitted by Allied as revised Allied App. E, and which has been used by both parties in discovery in the State Action and other litigation.

and Eastern Railroad ("LE&E"), at the east end. Respondents have not located a lease from 1981, but have located a lease with J&L from 1983, and a lease with LTV from 1990. Ex. A-10; Ex. A-11. The 1990 lease contains a detailed description of the lines leased to MVRV, which include the lines at issue in this proceeding.⁵

In June of 1992, LTV agreed to sell property east of the Center Street Bridge to Allied. The sale closed in May 1993. As part of the transaction, LTV reserved an easement the "LTV Easement." In relevant part the LTV Easement provides:

2. An easement to operate, use, maintain, repair, restore, replace and abandon (at LTV's sole cost and expense) the railroad tracks and related equipment located on the property that the Mahoning Valley Railway Company leases from LTV located along the north property line of Parcel "A", along the south shore of the Mahoning River, that extend from the west property line of Parcel "A", easterly to Conrail's Hazelton Yards. These track are know as the No. 2 and No. 3 Mains.
3. An easement to operate, use, maintain, repair, restore, replace and abandon (at LTV's sole cost and expense) the railroad tracks and related equipment located on the property that the Mahoning Valley Railway Company leases from LTV located along the south property line of Parcel "A", from the west property line of Parcel "A" easterly, and then northeasterly to Conrail's Hazelton Yards. the tracks numbered 220, 239, 240 and No. 4 Main, then continue in a southeasterly direction on Conrail's property until they enter upon the easternmost portion of Parcel "B", and continue on Parcel "B" for approximately seven hundred feet (700) to the east property line. the tracks on Parcel "B" are the No. 1 Main and the Heckett track.

The easement granted in numbered paragraphs 2 and 3 above are shown on the drawing attached hereto as Exhibit A and numbered 2 and 3.

⁵ Contrary to the unsupported allegations of Allied, Opening Stmt. at 3, MVRV has not acted solely as an internal plant railroad, nor are the tracks it operates simply internal plant lines of LTV or its predecessors. (The Board has jurisdiction over plant tracks, yard tracks, etc. if they if they comprise the full system being operated by the carrier. Cf. *Effingham Railroad Company – Petition for Declaratory Order – Construction at Effingham, IL*, STB Docket No. 41986, 2 STB 606 (1997).)

Of importance here, the LTV Easement permits the operation and use of the tracks MVRVY was leasing from LTV at the time as described in the Easement.⁶ There is nothing in the Easement to indicate that it was reserved solely for the purpose of preserving rail service for LTV. There is no restriction on MVRVY's continued use or operations of the tracks or easement property as a common carrier, and no common carrier obligations were transferred as part of the property sale or retained easement.⁷

By bill of sale dated November 30, 2000, LTV transferred certain equipment including its interests in the tracks on the LTV Easement property being leased by MVRVY, to MVRVY (Ex. A-7), and in March 2001, LTV assigned the LTV Easement to MVRVY. Ex. A-6.⁸ The stock of MVRVY was then sold to Summit View which had obtained authority from the STB to control MVRVY in common with the other common carriers under its control. In connection with the acquisition, MVRVY entered into a Transportation Contract with LTV. Allied App. Ex. P. Contrary to Allied's portrayal of the contract, it does not limit MVRVY's ability or obligations to provide common carrier service to other customers; rather it limits MVRVY's use of the "LTV Facilities" (the buildings and the tracks LTV had retained – identified on Schedule 3.02 of the

⁶ Although not determinative of the issue before the Board, there is a dispute about who owns the tracks. *See* App. A at A-2, Ex. A-5. While the Sale and Purchase Agreement and the deed (Ex. A-3; Ex. A-4) refer to the transfer of the land and "appurtenances," track is not specifically mentioned and track is often considered personal property and not an appurtenance. LTV apparently retained the tracks on its books and transferred them to MVRVY before the MVRVY was acquired by Summit View. *See* Ex. A-7.

⁷ Because MVRVY already had common carrier authority to operate the rail lines at the time the LTV Easement was created, and because no common carrier authority was being transferred, no additional filing with the ICC was required.

⁸ Allied acknowledges that the LTV Easement was transferred to MVRVY. Opening Stmt. at 11 n. 20.

Transportation Contract as LTV tracks) to services for LTV. There is no limit on MVRVY's use of the MVRVY tracks (identified on Schedule 4.02) to provide service to LTV or others.

In January 2009, control of Summit View was acquired by GWI pursuant to authority granted by the STB.

Over the years since the LTV Easement was created, and before that time, MVRVY has and had continuously used the tracks on the LTV Easement to move traffic back and forth between the east side of the Center Street Bridge and the west side – both to and from customers, and to and from MVRVY's Class I connections with CSXT on the western end of its lines, and with NS (previously Conrail) on the east side in Haselton Yard. MVRVY has also used the tracks to move locomotives and equipment to its shop west of the Center Street Bridge for repairs and FRA inspections. The tracks have been used for the through movement of traffic, and for stopping and staging as necessary. Some of the tracks (in particular the No. 2 Main and the No. 3 Main) have been used for car storage. While current business levels do not require the stopping or storage of cars on any of the tracks on the LTV Easement, MVRVY's common carrier rights dictate that it preserve the right to do so in the future and when necessary.

B. OHPA / P&LE Easement

The P&LE Easement was created in November 1993 in connection with the sale by P&LE of certain property by P&LE to Allied in which P&LE reserved an easement over a portion of its rail line in order for rail service to continue. Attached to the Allied Complaint, Allied App. Ex. A, is a version of the P&LE Easement dated September 17, 1993. Although signed by the parties, it does not appear to be the final version of the P&LE Easement which was executed on November 10, 1993. *See* App. B at B-1; Ex. B-1. Respondents will refer to the November 1993 version as the "P&LE Easement."

The P&LE Easement grants P&LE an easement over:

that portion of the rail line located upon property acquired by the Grantor herein by Limited Warranty Deed bearing the same date as this Easement Agreement, between a point along the southeasterly boundary of the Grantor's property which adjoins the property of the former P.Y. & A. Ry. (now Conrail) in the City of Struthers (survey Station 45+00±) to a connection with the property of the Youngstown & Southern Railway Company in the city of Youngstown (Survey Station 146+00±), a distance of approximately 1.913 miles

Neither the P&LE Easement, nor the Agreement of Sale specifically describe the track or tracks that are covered by the easement.⁹ From a review of the Map, it is clear that the "rail line" between Conrail/CP Graham at the eastern end, and Youngstown & Southern at the western end, would include both what is marked as the LE&E Main and what is marked as the LE&E Siding – the two together create the ability for passing or run around not available elsewhere in the vicinity.¹⁰

The P&LE Easement goes on to protect the right of P&LE (or its assignee) to provide common carrier rail service over the easement without interference from Allied:

- ¶1. Allows railroad operations to be conducted by a carrier with ICC authority (and acknowledging that the current operator was PL&W under lease).
- ¶2. Requires Allied to make changes to the property or to its operations adjacent to the easement "as are necessary to permit safe and normal railroad operations to continue."

⁹ They may have been identified on the plans that were to have been attached to the Agreement of Sale; however, the plans were not produced by Allied in discovery. *See* Ex. B-4.

¹⁰ Even if the track reference were limited to the "main line" as used in the September 17, 1993 version of the easement, that reference could and should be read to include all tracks that comprise the main line, and should not be limited by the labeling. (Allied argues that it should not be bound by the labels on the Map. Opening Stmt. at 4, n.7.) *See Wisconsin Central, Ltd. v. City of Marshfield*, 160 F. Supp. 2d 1009 (W.D. Wisc. 2000) (describing the line in question as consisting of both a main track and a passing track; "a passing track is an integral component of a single-track line").

¶3. Requires Allied, if it wishes to occupy any portion of the easement area with its own facilities or operations, to at Allied's expense, "provide a substitute comparable route and tracks satisfactory to [P&LE] and its assigns, at another location upon and over [Allied's] property, for continued operation of a railroad between the beginning and ending points of the easement granted hereinabove."

Paragraph 4 of the P&LE Easement further acknowledges the common carrier obligations over the easement by requiring abandonment pursuant to ICC authority in order for the easement to be terminated. There is no restriction on P&LE's use or operations of the tracks or easement property for railroad operations, and no common carrier obligations were transferred as part of the property sale or retained easement.¹¹ Contrary to Allied's assertions, read as a whole, Allied clearly was not permitted to use the tracks subject to the P&LE Easement.

The P&LE Easement, by its terms, was intended to be used as part of the former Youngstown & Southern Railway ("Y&S") system. This system included the Y&S line between Youngstown, OH and Darlington, PA (the "Y&S Line") which begins at the southwestern end of the easement property. The P&LE Easement itself only reaches as far as the connection with CP Graham (then Conrail, now NS); however, P&LE owned additional tracks beyond CP Graham that extended to a connection with CSXT north of the Mahoning River. At the time the P&LE Easement was created, the P&LE line and the Y&S Line were leased to PL&W Railroad, Inc. P&LE Easement, ¶1.

When PL&W could not make a go of it, OHPA was formed and took over operations of the same tracks that PL&W was operating, including the 1.9 miles which were the subject of the P&LE Easement and the Y&S Line, under an Amended & Restated Lease. Ex. B-5. At the same time, OHPA also acquired a short piece of Conrail track that served to connect the PLE

¹¹ As acknowledged in the P&LE Easement, PL&W already had common carrier authority to operate the rail line at the time the P&LE Easement was created. See Ex. C-1. Because no common carrier authority was being transferred, no additional filing with the ICC was required.

Easement tracks and the Y&S Line. Ex. B-6. (OHPA believed that this connecting track included the Center Street Pocket.) OHPA received authority from the ICC to begin operations effective on June 23, 1995. Ex. B-9. (Summit View received authority to control OHPA together with the other carriers in its system. App. C at C-1.) Later that year, OHPA acquired from P&LE connecting tracks north east from CP Graham (the Struthers Lead) to gain direct access to CSXT. Ex. B-7.

After OHPA decided not to renew the lease or to purchase the property, P&LE/Y&S sold the Y&S Line to Railroad Ventures, Inc. ("RVI") in 1996. RVI did not initially obtain Board authority to acquire the Y&S Line, and this precipitated protracted litigation at the Board and in the courts. Although RVI initially attempted to cancel OHPA's lease, it was later reinstated at the Board's urging, since OHPA was the only carrier with authority to operate the Y&S Line or the P&LE Easement. OHPA embargoed the Y&S Line in December 1996 due to washouts. Thereafter, RVI eventually obtained authority to acquire and operate the Y&S Line; however, it never made the needed repairs to the line or recommenced operations.

In 1999, RVI filed for abandonment authority and concurrently sought adverse discontinuance authority for OHPA to cease operating the Y&S Line. this authority was granted by the Board. Ex. B-10. However, Columbiana County Port Authority ("CCPA") received authority to acquire the Y&S Line under the Board's offer of financial assistance procedures. CCPA also purchased all of P&LE's rights under the P&LE Easement from the P&LE bankruptcy estate.¹² CCPA in turn leased the P&LE Easement and Y&S Line to Central

¹² In a letter filed with the bankruptcy court, one of Allied's current counsel in describing the easement, represented that while P&LE sold land and assets, "it carefully retained the operating rights over the line in question." CCPA went on to offer to acquire all interests, "including the operating rights and the residual common carrier obligations, held by P&LE in the

Columbiana & Pennsylvania Railroad (“CCPR”) who received authority from the Board to lease and operate the lines. *See* Ex. C-3; Ex. C-4. OHPA granted CCPR trackage rights over the connecting piece of the LE&E Lead that it had purchased from Conrail, and over the Struthers Lead at the other end of the P&LE Easement Property.

When CCPR went bankrupt, OHPA was again approached to operate the P&LE Easement and the Y&S Line under an Interim Operating Agreement. OHPA received authority from the Board for these interim operations in December 2004. Ex. B-12. OHPA agreed to operate until the lines were sold and another operator was located. Eastern States Railroad, LLC (“Eastern States”) was authorized by the Board to acquire the lines and to lease them to YSRR for operations. Ex. C-6. The notice of exemption filed by Eastern States gives a detailed description of the various and related rights that it was acquiring, including the P&LE Easement rights. Ex. C-6.¹³ YSRR’s authority became effective November 29, 2006. OHPA allowed the CCPR trackage rights over the OHPA connections to be assigned to YSRR. YSRR has been operating the P&LE Easement and the Y&S Line since that time.

In sum, OHPA was the authorized operator of the P&LE Easement during two distinct periods of time – between June 1995 and December 1999, and then again from December 2004 until November 2006.¹⁴ OHPA did not use the P&LE Easement except during times when it had ICC or Board authority to be the operator.¹⁵ During those time periods, OHPA used the

entire line between Struthers and Youngstown” as described in the P&LE Easement. *See* Ex. B to Ex. C-__.

¹³ Allied was copied with the filing and did not raise any objection to the descriptions.

¹⁴ GWI did not acquire control of Summit View until January 2009, well after OHPA stopped operating over the P&LE Easement.

¹⁵ Respondents do not know why Allied claims not be aware of any ICC or STB authority to operate the P&LE Easement. Opening Stmt. at 15, 17. All of the authorizations from PL&W

P&LE Easement tracks to move traffic between connections with Conrail/NS and with CSXT at one end, and shippers located on the Y&S Line. As part of the through movement of traffic, OHPA used the LE&E Main / LE&E Siding for staging and stopping cars while awaiting further movement, and to pass and run around the cars. There is not other available space along the Y&S Line where such staging or holding of cars can be done. OHPA believes its use of the P&LE Easement was consistent with the use made by the other carriers that have used the easement including PL&W, CCPR and YSRR; however, it believes that Allied has only raised issues or claims of misuse with respect to OHPA's operations.

III. Argument

A. Dismissal of all GWI, Summit View and other Railroad Defendants.

The claims raised by Allied in the State Action relate to the use/alleged misuse of the tracks on the two easements at issue, and are claims for damages for the alleged misuse. As Respondents have laid out above, MVRVY has authority to operate as a common carrier over the LTV Easement, and OHPA at the times it was using the P&LE Easement, had authority to operate it as a common carrier. There are no allegations in the underlying complaint or in Allied's Opening Statement that indicate that any other railroad carriers in the Ohio Central Railroad System claimed authority to operate on either the LTV Easement or P&LE Easement, or that they in fact operated there. Accordingly, all Respondent carriers other than MVRVY and OHPA should be summarily dismissed as parties, and all claims against them dismissed as well.

Similarly, while Summit View, and now GWI, have authority to control both MVRVY and OHPA in common with other carriers in their system, Summit View and GWI remain "non-

to OHPA under the P&LE lease to CCPA/CCPR to OHPA under the Interim Operating Agreement to Eastern States/YSRR reference the same 1.9 miles of P&LE track between milepost 0.0 and milepost 1.9 which is the track covered by the P&LE Easement. Indeed, Allied cites various decisions relating to the common carrier authority. Opening Stmt. at 12-14.

carriers” – they do not claim authority to, nor do they in fact, conduct any railroad operations. Allied has not presented any evidence that would allow the Board to “pierce the corporate veil” or otherwise find that either Summit View or GWI has operated over the easements or is responsible directly for any claims of misuse of the Easements. Indeed, neither is even named as a party in the State Action. Accordingly, Summit View and GWI should be summarily dismissed as parties, and all claims against them dismissed as well.

B. ICCTA’s scope of preemption is broad and preempts Allied’s state law claims.

ICCTA expressly grants the Board exclusive jurisdiction over transportation by rail carriers, including the operation of rail lines. The ICCTA’s preemption provision 49 U.S.C. §10501(b), expressly provides:

(b) *The jurisdiction of the [Surface Transportation] Board over—*

(1) *transportation by rail carriers, and the remedies provided in this part* [49 U.S.C. §§10101 et seq.] with respect to rates, classifications, rules (including car service, interchange, and other operating rules), practices, routes, *services, and facilities* of such carriers; and

(2) the construction, *acquisition, operation*, abandonment, or discontinuance *of spur, industrial, team, switching, or side tracks, or facilities*, even if the tracks are located, or intended to be located, entirely in one State,

is exclusive. Except as otherwise provided in this part [49 U.S.C. §§10101 et seq.], *the remedies provided under this part* [49 U.S.C. §§10101 et seq.] *with respect to regulation of rail transportation are exclusive and preempt the remedies provided under Federal or State law.*

49 U.S.C. §10501 (emphasis added). “To come within the preemptive scope of 49 U.S.C. 10501(b), these activities must be both: (1) transportation; and (2) performed by, or under the auspices of, a rail carrier.” *Canadian Nat’l Railway Co. v. City of Rockwood*, Docket No. 04-

40323, 2005 WL 1349077, *3 (E.D.Mich. June 1, 2005). The term “rail carrier” means “a person providing common carrier railroad transportation for compensation.” 49 U.S.C. §10102(5). Additionally, the term “transportation” is expansively defined to include the following:

(A) a locomotive, car, vehicle, vessel, warehouse, wharf, pier, dock, yard, **property, facility, instrumentality, or equipment of any kind** related to the movement of passengers or property, or both, by rail, **regardless of ownership or an agreement concerning use**; and

(B) services related to that movement, including receipt, **delivery**, elevation, transfer in transit, refrigeration, icing, ventilation, **storage, handling, and interchange** of passengers and property.

49 U.S.C. §10102(9).

Courts interpreting 49 U.S.C. §10501(b) and considering its preemptive scope “have consistently found that the foregoing preemption clause is both clear and broad.” *Columbiana Cty. Port Auth. V. Boardman Tp. Park*, 154 F. Supp. 2d 1165, 1180 (N.D. Ohio 2001). The United States Court of Appeals for the Sixth Circuit has stated that:

it is manifestly clear that Congress intended to preempt the Ohio state statutes, and any claims arising therefrom, to the extent that they intrude upon the STB’s exclusive jurisdiction over “transportation by rail carriers” and “the construction, acquisition, operation, abandonment, or discontinuance of spur, industrial, team, switching, or side tracks, or facilities, even if the tracks are located, or intended to be located, entirely in one State.”

Railroad Ventures, Inc., 299 F.3d at 562 (quoting 49 U.S.C. §10501(b)). Further, the United States District Court for the Northern District of Ohio has stated that the “ICCTA also evidences the intent of Congress to preempt the field in which state law previously operated with respect to railroads.” *Columbiana Cty. Port Auth.*, 154 F. Supp. 2d at 1180.

Courts outside of the Sixth District have also found the preemptive scope of the ICCTA to be extremely broad. In *Wisconsin Central Ltd. v. The City of Marshfield*, the court stated “it is difficult to imagine a broader statement of Congress’s intent to preempt state regulatory authority over railroad operations.” 160 F. Supp. 2d 1009, 1013 (W.D. Wisc. 2000)(quoting *CSX Transp. Inc. v. Georgia Pub. Serv. Comm’n*, 944 F. Supp. 1573, 1581 (N.D. Ga. 1996)). In *City of Auburn v. United States Government*, the Ninth Circuit noted that “the Supreme Court repeatedly has recognized the preclusive effect of federal legislation in this area.” 154 F. 3d 1025, 1029. In *Rushing v. Kansas City S. Ry. Co.*, the court found that “the clear and manifest purpose of Congress when it enacted the ICCTA was to place certain areas of railroad regulation within the exclusive jurisdiction of the STB and to preempt remedies otherwise provided under federal or state law.” 194 F. Supp. 2d 493, 498 (S.D. Miss. 2001). Finally, the Fifth District has stated that the preemptive language of 49 U.S.C. §10501 is “so certain and unambiguous as to preclude any need to look beyond that language for congressional intent.” *Friberg v. Kansas City S. Ry. Co.*, 267 F.3d 439, 443 (5th Cir.2001). The court in *Friberg* further observed that the “regulation of railroad operations has long been a federal endeavor..., and it appears manifest that Congress intended the ICCTA to further that exclusively federal effort...” *Id.*

The Board likewise recognizes the broad preemptive effect of ICCTA. As stated by the Board, “[e]very court that has examined the statutory language has concluded that the preemptive effect of section 10501(b) is broad and sweeping, and that it blocks actions by states or localities that would impinge on the Board’s jurisdiction or a railroad’s ability to conduct its

rail operations.” *CSX Transportation, Inc. – Petition for Declaratory Order*, STB Finance Docket No. 34662 (served March 14, 2005), slip op. at 7 (citing *Friberg*, 267 F. 3d at 443).¹⁶

In this proceeding the Board is being asked to determine whether Allied’s state law claims that the PL&E Easement and the LTV Easement do not allow stopping, staging or storing of cars, and that such actions are a misuse of the Easements and subject MVRVY and OHPA to claims for damages. MVRVY and OHPA at all relevant times had common carrier authority to operate tracks on LTV and PLE Easements respectively. MVRVY’s authority has never been not discontinued or abandoned; OHPA had authority during the two period of its operations. There can be no question that MVRVY and OHPA are “railroads” and that they were authorized to operate over the LTV and P&LE Easements respectively. Under ICCTA, all tracks, facilities and property used for the movement of property by rail (regardless of ownership), and all services related to that movement, including storage, handling and interchange, are considered “transportation.” 49 U.S.C. §10102(9). Accordingly, Allied’s claims which seek to prevent the

¹⁶ The Board’s opinion included the following citations as further supporting ICCTA preemption: *City of Auburn*, 154 F. 3d at 1029-31 (state and local environmental and land use regulation preempted); *Wisconsin Cent. Ltd.*, 160 F. Supp. 2d at 1014 (attempt to use a state’s general eminent domain law to condemn an actively used railroad passing track preempted); *Dakota, Minn. & E. R.R. v. State of South Dakota*, 236 F. Supp. 2d 989, 1005-08 (S. S.D. 2002), aff’d. on other grounds, 362 F. 3d 512 (8th Cir. 2004) (revisions to state’s eminent domain law preempted where revisions added new burdensome qualifying requirements to the railroad eminent domain power that would have the effect of state “regulation” of railroads); *CSX Transp. Inc.*, 944 F. Supp. at 1573 (state regulation of a railroad’s closing of its railroad agent locations preempted); *Soo Line R.R. v. City of Minneapolis*, 38 F. Supp. 2d 1096 (D. Minn. 1998) (local permitting regulation regarding the demolition of railroad buildings preempted); *Cedarapids, Inc. v. Chicago, Cent. & Pac. R.R.*, 265 F. Supp. 2d 1005, 1013-14 (N.D. Iowa 2003) (ICCTA preemption applies broadly to operations on both main line and auxiliary spur and industrial track); *Norfolk S. Ry. v. City of Austell*, No. 1:97-cv-1018-RLV, 1997 U.S. Dist. LEXIS 17236 (N.D. Ga. 1997) (local zoning and land use regulations preempted); *Village of Ridgefield Park v. New York, Susquehanna & W. Ry.*, 750 A.2d 57 (N.J. 2000) (amended complaints about rail operations under local nuisance law preempted). *CSX Transportation, Inc.*, slip op. at 7-8.

use of the tracks and properties for the permitted transportation activities of stopping, staging and storing are preempted.

Allied's claims are based on a fundamental misunderstanding of what it acquired when it purchased property that included rail lines over which carriers were providing common carrier obligations. Allied may have acquired the property, and possibly the tracks, but it did not acquire the right to use the tracks or to interfere with the operations of the railroads with rights to operate there.¹⁷

It is possible for a railroad to transfer property without STB approval; however, it can only do so if it reserves sufficient rights (permanent and unconditional easement) to continue common carrier obligations, including the full right and necessary access to maintain, operate and renew the lines on the property. *See State of Maine, Department of Transportation – Acquisition and Operation Exemption – Maine Central Railroad Company*, 8 I.C.C.2d 835 (1991) (dismissing acquisition exemption as unnecessary). In such an instance, the selling railroad still cannot cease to offer service with respect to the line without [Board] approval. *Id.*, 8 I.C.C.2d at 837. The ICC cautioned: “Because of the significant possibility that this sort of transaction could affect the carrier’s ability to meet its common carrier obligations, unless there are adequate protections built into the transaction, we intend to examine these transactions closely and will make a determination based on the facts and circumstances of each case.” *Id.*, 8 I.C.C.2d at 838. The Board has continued this policy and its examination of the proposed limitations on railroad operations. *See Regional Transportation District – Acquisition Exemption – Union Pacific Railroad Company in Adams, Denver, and Jefferson Counties, Colo.*, STB

¹⁷ The fact that the Easements recite that they are “non-exclusive” is not determinative of any rights of Allied to use the tracks or to interfere with railroad operations. Indeed, the P&LE Easement makes it clear that if Allied uses the tracks it must provide, at Allied’s cost, substitute tracks for P&LE to use.

Docket No. FD 35394 (served December 21, 2010); *Florida Department of Transportation – Acquisition Exemption – Certain Assets of CSX Transportation, Inc.*, STB Docket No. FD 35110 (served December 15, 2010). The Board has the right to determine what, if any, restrictions on carrier operations would be permissible. There is certainly no language in either of the Easements that expressly would require MVRVY or OHPA to operate over the tracks without stopping in any way. Further, it is clear that the absolute ban on stopping, storing or staging sought by Allied through its claims would be a substantial interference with the ability of the railroad to conduct common carrier obligations, and therefore is not permissible.

C. Even voluntary contracts cannot permit interference with common carrier operations.

Allied argues that preemption does not extend to the enforcement of agreements concerning private property rights. Initially, it should be noted, as discussed above, that Respondents do not agree that the terms of the Easements themselves limit MVRVY or OHPA (now YSRR) from stopping, staging or storing cars on the LTV Easement or the P&LE Easement.

Further, even the cases cited by Allied provide that judicial enforcement is only appropriate if the enforcement will not interfere with rail transportation. In this instance where Allied seeks to force the carriers with operating authority not to stop, stage or store cars (all of which are part of “transportation”), there can be no question that the relief sought would interfere with the rail transportation being provided by the carriers. Significantly, the contract interpretation decisions cited by Allied deal with agreements that were found only to limit, but not interfere, with the performance of common carrier obligations). *See PCS Phosphate Company, Inc. v. Norfolk Southern Corp.*, 559 F.3d 212 (4th Cir. 2009) (obligation to relocate tracks under easement agreement); *Township of Woodbridge v. Consolidated Rail Corp.*, STB

Docket No. 42053 (served December 1, 2000), *clarified* (served March 23, 2001) (limitations on hours of use of yard tracks); *Pejepscot Industrial Park, Inc. v. Maine Central Railroad Co.*, 297 F. Supp.2d 326 (D. Me. 2003) (remanding third party beneficiary claim of shipper for service based on state funded repairs to line). Significantly, in all of these cases, it was still necessary for the Board to determine if the agreement would unreasonably interfere with railroad operations. *See, for example, Pejepscot, supra* at 326 cited in Allied Opening Statement at 21 (rail carrier is not precluded from arguing that contract obligations would result in unreasonable interference with interstate commerce).

Allied tries to claim that the restrictions it proposes would not interfere with the ability of the railroads to conduct normal operations. It is of course correct that the proposed limitations if applied to the P&LE Easement would not affect OHPA operations because it is no longer operating over the P&LE Easement. However, they would affect the operations of the current operator YSRR, and they would have interfered with the operations of OHPA as they were conducted. OHPA needed to use the tracks to stop and stage cars until they could be moved to shippers on the Y&S Line, or to the Class I interchanges. Further, the fact that MVRV can at the moment operate without stopping, staging or storing cars because of the current levels of business it is handling, does not make the restrictions reasonable.¹⁸ There are still rail served facilities west of the easement property, and the tracks are still necessary to deliver cars to and from the CSXT interchange.¹⁹

¹⁸ Cars are being stored on other railroads in the Youngstown area that could be stored on No. 2 Main and No. 3 Main; however, at least during the pendency of this litigation, MVRV has elected not to store them on the LTV Easement.

¹⁹ Allied's assertion that the tracks are not necessary to reach the interchange with CSXT, because MVRV could just use the NS main line tracks to reach CSXT ignores that MVRV has no authority to use such tracks, and the railroad reality that NS would not be likely to grant such rights on its main line to reach a competitor's interchange.

As discussed above, the STB has the exclusive jurisdiction to review property transfers that involve railroad lines to determine if sufficient operating rights have been retained by the carriers, or whether the restrictions would limit their ability to operate. Here there are not any express restrictions in either Easement that would restrict the carrier's operations to strictly overhead movements. The LTV Easement allows MVRV to "use" and "operate" the lines. The P&LE Easement allows for "normal railroad operations" and was designed to preserve for P&LE and its assignees full common carrier authority. Thus, the Board should either read the Easements as allowing, by their terms, stopping, staging and storing of cars in the normal course of providing "transportation", or in the alternative, find that any restrictions on such normal transportation activities would interfere with the carrier's common carrier operations and are therefore preempted.

D. ICCTA also preempts civil actions seeking damages or equitable relief as a way of regulating railroad operations.

MVRV and OHPA do not admit that they have operated in violation of the LTV Easement or the P&LE Easement, respectively. In any event, it is clear that ICCTA prohibits claims for damages or equitable relief under state law when the intent is to regulate or interfere with railroad operations. Allied's claims referenced in this proceeding should be preempted on this basis.

It has been repeatedly held that ICCTA's preemption clause applies not only to state statutes and regulations which have the effect of regulating interstate rail operations, but also to civil actions brought in state court by private parties seeking equitable or monetary relief based on state common law. ICCTA provides that the remedies set forth in ICCTA are exclusive. 49 U.S.C. §10501(b). Courts have consistently applied ICCTA preemption to dismiss claims, like those asserted herein (which are not based on violations of ICCTA), brought by property owners

against railroads based on the alleged misuse of rails running over or adjacent to the plaintiffs' property. See *Friberg, supra* (negligence claim preempted); *Suchon v. Wis. Cent. Ltd.*, No. 04-C-0379-C, 2005 WL 568057 (W.D. Wis. Feb. 23, 2005); *Maynard v. CSX Transp., Inc.*, 360 F. Supp. 2d 836, 842 (E.D. Ky. 2004); *Guckenberg v. Wis. Cent. Ltd.*, 178 F. Supp. 2d 954 (E.D. Wis. 2001) (nuisance claim preempted); *Mark Lange – Petition for Declaratory Order*, STB Finance Docket No. 35037 (served January 28, 2008), slip op. at 4 (trespass, nuisance and negligence claims preempted).

More recently, the Board addressed the question of whether a railroad could be ordered to remove yard tracks that an adjacent landowner claimed had been abandoned and become a nuisance, but that the railroad was continuing to use for staging and storing cars for customers, for and car repairs and for storage of railroad equipment. The Board had no problem in finding the state law claims preempted:

Industrial yard track, while excepted under 49 USC 10906, from the need to obtain Board authority for construction, abandonment, or operation, is nevertheless subject to the Board's jurisdiction and is not subject to state or local regulation. Indeed, although prior to the passage of ICCTA, state regulatory agencies had some authority over excepted track, ICCTA added a new provision that specifically establishes the exclusivity of the Board's jurisdiction over "transportation by rail carriers." This jurisdiction includes exclusive jurisdiction over "the construction, acquisition, operation, abandonment or discontinuance of spur, industrial, team, switching, or side tracks, or facilities, even if the tracks are located, or intended to be located, entirely in one State." 49 USC 10501(b)(2). when sections 10501(b) and 10906 are read together, it is clear that Congress intended to occupy the field and preempt state jurisdiction over excepted track such as yard track, even though Congress allowed rail carriers to construct, operate, and remove such facilities without Board approval. See ICCTA Conf. Rpt., H.R. Rep. No. 311, 104th Cong., 1st Sess. at 95 (1995). Therefore, Federal courts have uniformly held that state law tort claims such as those brought by Mr. Fox – which would interfere with rail carrier operations, including operations involving spur, industrial, team, switching, or side tracks – are preempted.

Joseph R. Fox – Petition for Declaratory Order, STB Finance Docket No. 35161 (served May 18, 2009), slip op at 4 (footnotes omitted). The Board found that the railroad's use of the segment for staging and storing rail equipment for customers, as a car repair site, and storing cabooses contradicted any intent to take abandon the track segment. *Id.*, slip op at 5. Similarly here, the Board should find that Allied's state law tort claims would interfere with proper rail carrier operations, including stopping, staging and storing cars, and are therefore preempted.

E. Allied's claim that MVRV's rights to operate under the LTV Easement have been extinguished by Allied's disputed acquisition of an adjoining parcel is not before the Board.

Allied again seeks to expand the scope of this proceeding beyond the issues in the State Action that have been referred to the Board. The issues in the State Action involve the alleged misuse of the LTV Easement. The claims relate to what restrictions, if any, can apply to MVRV's operations; they do not involve the extinguishment of the Easement. Although it is clear that MVRV's rights to operate as a carrier cannot be extinguished unless and until the Board were to grant abandonment authority, Respondents note further that Allied would also need to have the Board determine whether Allied has properly acquired the adjacent property. That is the subject of a separate lawsuit between the parties. It is also the subject of a referral order; however, Allied has not yet filed a petition for declaratory order with the Board. As noted in their Reply to Supplemental Petition, Respondents do not believe that it is appropriate to address the issue in this proceeding.

IV. Conclusion

For the reasons set forth above, Respondents request that the Board declare, and report to the State Court that:

1. MVRVY has operating rights over the LTV Easement, and OHPA had operating rights during the periods when it conducted operations over the P&LE Easement;
2. The stopping and storing of rail cars on the tracks associated with the P&LE and LTV Easements falls within the jurisdiction of the Board;
3. The Easement Agreements allow MVRVY, and allowed OHPA, to store or stage railcars on the tracks associated with the Easements; and
4. Allied's damage claims for alleged violations of the Easement Agreements are preempted.

Respectfully submitted,



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Dated: February 22, 2011

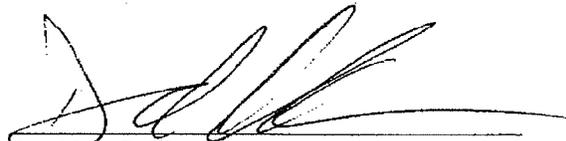
VERIFICATION

I am the Senior Vice President of the New York, Pennsylvania and Ohio Region of Genesee & Wyoming Inc. ("GWI"). In that capacity, I am the President and in charge of the railroads that comprise the Youngstown Division of the Ohio Central Railroad System, including the railroads named as Respondents in this proceeding. GWI acquired control of Summit View, Inc. ("Summit View"), and the railroads under its control, in January 2009. My direct knowledge of the issues herein begin at that time. As to matters before January 2009 my knowledge is based on my investigation of prior practices of the Railroad Respondents and on the discovery that has taken place in the state court litigation proceedings between Respondents and Allied Erecting and Dismantling, Inc. and Allied Industrial Development Corporation.

Based on the foregoing, I hereby verify on behalf of Respondents, under penalty of perjury, that the Reply of Respondents, including the Appendices A-C, is true and correct to the best of my information and belief.

Further, I certify that I am qualified and authorized to file this Verification.

Executed on February 22, 2011.



David J. Collins

CERTIFICATE OF SERVICE

I hereby certify that on February 22, 2011, a copy of the foregoing Reply of Respondents, together with Appendices A – C, was served upon the following persons by US first class mail, postage prepaid, and by email:

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Eric M. Hocky

Before the
SURFACE TRANSPORTATION BOARD

Docket No. FD 35316

**ALLIED ERECTING AND DISMANTLING, INC.
AND ALLIED INDUSTRIAL DEVELOPMENT CORPORATION
- PETITION FOR DECLARATORY ORDER -
RAIL EASEMENTS IN MAHONING COUNTY, OHIO**

REPLY OF RESPONDENTS

APPENDIX A

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Counsel for Respondents

Dated: February 22, 2011

APPENDIX A

LTV EASEMENT

1. *Details regarding the physical locations of the track segments subject to the disputed easements, including the following: mileposts (if available); the number of tracks located on each segment; detailed maps depicting the location of each segment; photos (if available); and any other notable characteristics of the segments.*

The LTV Easement Agreement, **Ex. A-1**, describes the railroad easement as covering:

2. An easement to operate, use, maintain, repair, restore, replace and abandon (at LTV's sole cost and expense) the railroad tracks and related equipment located on the property that the Mahoning Valley Railway Company leases from LTV located along the north property line of Parcel "A", along the south shore of the Mahoning River, that extend from the west property line of Parcel "A", easterly to Conrail's Hazelton Yards. These track are know as **the No. 2 and No. 3 Mains**.
3. An easement to operate, use, maintain, repair, restore, replace and abandon (at LTV's sole cost and expense) the railroad tracks and related equipment located on the property that the Mahoning Valley Railway Company leases from LTV located along the south property line of Parcel "A", from the west property line of Parcel "A" easterly, and then northeasterly to Conrail's Hazelton Yards. **The tracks numbered 220, 239, 240 and No. 4 Main**, then continue in a southeasterly direction on Conrail's property until they enter upon the easternmost portion of Parcel "B", and continue on Parcel "B" for approximately seven hundred feet (700) to the east property line. the tracks on Parcel "B" are the **No. 1 Main and the Heckett track**.

The easement granted in numbered paragraphs 2 and 3 above are shown on the drawing attached hereto as Exhibit A and numbered 2 and 3.

LTV Easement (emphasis added).

With reference to the Map, the No. 3 Main is shown running along the Mahoning River between the Center Street Bridge and the No. 1 Main near Haselton Yard. The No. 2 Main is not separately identified but runs parallel to the No. 3 Main.

Tracks 220, 239 and the No. 4 Main are marked clearly on the Map, and again begin just west of the current location of the Center Street Bridge. Track 240, shown west of the Bridge extends towards the Bridge but does not appear (at least at this time) to be on the property purchased by Allied which is east of the Bridge.

No. 1 Main is shown on the Map. However, the portion between the connection with the No. 3 Main and No. 4 Main and a point 700 feet from the connection with the LE&E siding is on NS (then Conrail) property, and only the last 700 feet is subject to the LTV Easement.

The Heckett track is not shown on the Map. However, its approximate location can be seen in the Interchange Agreement between Conrail and MVRVY dated October 22, 1997, attached as **Ex. A-2**.

The LTV Easement was created in connection with the sale of real property from LTV to Allied. *See* Sale and Purchase Agreement dated June 25, 1992, **Ex. A-3**. It is a sale of real property (and appurtenances). *See also* Quitclaim Deed dated May 6, 1993. **Ex. A-4**. There is a dispute about who owns the track and track materials. *See* exchange of correspondence between LTV and counsel for Allied, **Ex. A-5**. In connection with the sale of the stock of MVRVY to Summit View, LTV assigned the LTV Easement to MVRVY, and transferred its interests in the tracks operated by MVRVY to MVRVY by bill of sale. The Stock Purchase Agreement regarding the sale of MVRVY can be found at Allied App. Ex. H. The Assignment and Assumption Agreement (Ex. B to the Stock Purchase Agreement) is attached hereto as **Ex. A-6**.¹ The Bill of Sale (Ex. C to the Stock Purchase Agreement) is attached hereto as **Ex. A-7**.

2. *Descriptions of the manner in which the segments connect with the interstate rail network, including rail lines owned, leased, or operated by Ohio Central.*

The tracks on the LTV Easement comprise an integral part of the rail system operated by MVRVY. The No. 2 Main, No. 3 Main, and No. 4 Main, together with the No. 1 Main provide direct a connection into Haselton Yard where MVRVY interchanges traffic with NS (and previously Conrail). The No. 1 Main previously provided a direct interchange with the P&LE/LE&E Siding; however, that portion of the No. 1 Main has been out of service for a number of years due to poor track condition.

MVRVY also has trackage rights from Conrail to exit from the east end of Haselton Yard to reach its tracks on the other side of the Mahoning River, and to reach customers there as indicated on the Map. The trackage rights are not fully shown on the Map, but are shown on the attachments to the trackage rights agreement dated September 14, 1990 (**Ex. A-8**), and the supplemental trackage rights agreement dated December 10, 1990. **Ex. A-9**.

¹ The schedule to the Assignment and Assumption Agreement refers to an "Easement Agreement, dated June 25, 1992 [sic], between LTV Steel Company, Inc. and Allied Industrial Development Corporation." Respondents believe that the date was taken from the first page of the LTV Easement (and the date of the Sale and Purchase Agreement) instead of the signature page. Respondents are not aware of any other easement agreements between LTV and Allied that would have affected the operations of MVRVY.

MVRVY interchanges with OHPA east of Haselton Yard in Struthers on lines owned by OHPA.

As shown on the Map, the No. 4 Main continued west from the LTV Easement to service the LTV Welded Tube facility. The Track 239 splits from the No. 4 Main and is part of the through track that reaches MVRVY's yard tracks, locomotive shop and other tracks located west of the Center Street Bridge. The MVRVY system continues west where there are industrial leads to several former customers, eventually reaching the MVRVY Tail Track where MVRVY has an interchange with CSXT.

Track 220 together with the No. 4 Main give MVRVY the ability to have parallel tracks for passing and run around. Similarly, Track 240 which is only slightly covered by the LTV Easement provides similarly for Track 239.

As shown on the Map, the No. 2 Main and the No. 3 Main previously provided an alternative through route between MVRVY's tracks east and west of the Center Street Bridge. Prior to 2009, there was a derailment damaging the tracks beneath the Bridge. Subsequently, Allied placed jersey barriers across the tracks at the east side of the Bridge, and MVRVY has not repaired the tracks.

3. *Descriptions of the nature of the activities that Ohio Central performs or performed on the segments, and the timeframes in which it has performed those activities.*

MVRVY was formed in 1981 to become a common carrier providing service to its indirect parent as well as to other customers. Jones & Laughlin leased tracks on both sides of the Mahoning River to MVRVY that permitted MVRVY to provide service to to service the Welded Tube Plant on the south side of the River and to service the Seamless Plant on the north side of the River, as well as other customers. The tracks leased to MVRVY included the tracks currently subject to the LTV Easement.² MVRVY has been providing common carrier service, including over the tracks on the LTV Easement since 1981.

When LTV (and its predecessors) were still in operation, the LTV Easement tracks were used to provide service to and from the adjacent welded tube plant. Subsequent customers at the welded tube plant facility included Maverick Tube, and MHF Logistics.

Even after LTV shut down, the tracks have continued to be used to provide service between customers located west of the Bridge and NS/Conrail interchange at Haselton

² As noted in response to Question 5 below, the original MVRVY filing, with any description of lines that would have been included, is not available. The only leases that Respondents have located are one with Jones & Laughlin in 1983 (without line descriptions) and one from 1990 with LTV. **Ex. A-10** and **Ex. A-11**. The 1990 lease includes a description of the lines that includes the No. 1 Main, Heckett, No. 2 Main, No. 3 Main, No. 4 Main and Track 220, 239 and 240, as well as other tracks serving the welded tube facility, and other tracks serving the seamless tube facility across the Mahoning River.

Yard, and between customers located east of Haselton Yard and the CSXT interchange at the Tail Track. Carload traffic for the years 2005 through 2010 are shown on **Ex. A-12**.

In more recent years, the tracks were also used to transport cars between the NS interchange and tracks west of the Bridge where the cars were being stored for customers, as business demanded.

MVRVY has moved locomotives and equipment for itself and its sister companies from the NS/Conrail interchange to the locomotive shop for repairs and required FRA inspections.

At different times, after the derailment under the bridge, No. 2 and No. 3 Main were used for car storage.

For operational purposes, the No. 4 Main and Track 220 are variously used for staging cars and for passing or running around.

As the demand for car storage has been reduced, and as a result of the ongoing litigation between MVRVY and Allied, MVRVY is no longer storing cars on the No. 2 Main or No. 3 Main or on the yard tracks just west of the Center Street Bridge. Due to the economic downturn, there are no currently active customers west of the Bridge, although the industrial sidings remain in place for the resumption of service if needed. MVRVY continues to move traffic to and from the CSXT interchange for customers located east of Haselton Yard.

4. *Detailed explanations of whether and how Ohio Central's use of the segments relates to its interstate railroad operations.*

See response to no. 3 above.

5. *Evidence of any authority issued by the Surface Transportation Board or the Interstate Commerce Commission with respect to the segments and/or easements.*

MVRVY acquired authority to lease and operate approximately 25 miles of rail lines owned by Jones & Laughlin Steel in Youngstown, Campbell and Struthers. *Mahoning Valley Railway Co. – Operation of a line of Railroad in Mahoning County, OH*, ICC Finance Docket No. 29658 (Sub-1)(served August 6, 1981), 46 FR 40097. **Ex. A- 13.**³

Cuyahoga Valley Railway company and Jones & Laughlin Steel obtained authority to control MVRVY, effective January 13, 1982. *See Mahoning Valley Railway Co. and Cuyahoga Valley Railway Co. – Exemption*, ICC Finance Docket No. 29736 (served December 14, 1981), 46 FR 61017. **Ex. A- 14.**

³ Respondents were informed by the Board's Records Officer that neither the original filing nor the original decision were available from the archives.

A-1

015287

MAY 21 1993

EASEMENT AGREEMENT

#24.00

BRUCE E. PAPALIA
Recorder, Mahoning County, Ohio

LTV STEEL COMPANY, INC. ("LTV"), a New Jersey corporation, and ALLIED INDUSTRIAL DEVELOPMENT CORPORATION ("ALLIED"), an Ohio corporation are parties to a Sale And Purchase Agreement dated June 25, 1992 ("Agreement"), and this Easement Agreement is made and entered into pursuant thereto.

WITNESSETH

WHEREAS, LTV conveyed to Allied certain real property (the "ALLIED PROPERTY") located in Youngstown, Mahoning County, Ohio, by deed recorded in Volume ^{# 015285} 1905 page 134 of the Deed Records of Mahoning County, Ohio; and

WHEREAS, LTV owns real property adjacent to and in the vicinity of the Allied Property (the "LTV PROPERTY"); and

WHEREAS, the Agreement provides that LTV and ALLIED shall provide for certain easements for the purposes and upon the terms set forth below.

NOW THEREFORE, Allied, its successors and assigns, for valuable consideration hereby grants to LTV, its successors and assigns, perpetual, non-exclusive easements appurtenant to the Allied Property as follows:

I. ACCESS EASEMENT

1. An easement on, over and across Allied Property, from the existing twenty foot (20') Drive Easement (recorded at Volume 182, Page 442 located on Parcel "B" at LTV Stop #7, extending easterly, then northeasterly across the eastern

EASEMENT AGREEMENT
LTV/ALLIED INDUSTRIAL DEVELOPMENT CORP.
PAGE 2

most portion of Parcel "A" to the Conrail Hazelton Yards) to access railroad tracks, electrical lines, sanitary sewer lines, the lift station, water lines and telephone lines, all in conformity with the easements hereinafter granted, for the operation, use, maintenance, repair, restoration, replacement and abandonment of such equipment and materials located within the hereinafter granted easements.

II. RAILROAD EASEMENT

2. An easement to operate, use, maintain, repair, restore, replace and abandon (at LTV's sole cost and expense) the railroad tracks and related equipment located on the property that the Mahoning Valley Railway Company leases from LTV located along the north property line of Parcel "A", along the south shore of the Mahoning River, that extend from the west property line of Parcel "A", easterly to Conrail's Hazelton Yards. These tracks are known as the No. 2 and No. 3 Mains.
3. An easement to operate, use, maintain, repair, restore, replace and abandon (at LTV's sole cost and expense) the railroad tracks and related equipment located on the property that the Mahoning Valley Railway Company leases from LTV located along the south property line of Parcel "A", from the west property line of Parcel "A" easterly, and then northeasterly to Conrail's Hazelton Yards. The tracks numbered 220, 239, 240 and No. 4 Main, then continue in a

EASEMENT AGREEMENT
LTV/ALLIED INDUSTRIAL DEVELOPMENT CORP.
PAGE 3

southeasterly direction on Conrail's property until they enter upon the easternmost portion of Parcel "B", and continue on Parcel "B" for approximately seven hundred feet (700) to the east property line. The tracks on Parcel "B" are the No. 1 Main and the Heckett track.

The easement granted in numbered paragraphs 2 and 3 above are shown on the drawing attached hereto as Exhibit A and numbered 2 and 3.

III. ELECTRICAL EASEMENT

4. An easement on, over and across Allied Property for the operation, use, maintenance, repair, restoration, replacement and abandonment (at LTV's sole cost and expense) of the electrical wires and poles that provide electricity to service the lift station located in the southwest corner of Parcel "A". The electrical wires and poles run from the west property line of Parcel "A" easterly approximately one hundred fifty feet (150') to the lift station.

The easement granted above is shown on Exhibit A and is numbered 4.

EASEMENT AGREEMENT
LTV/ALLIED INDUSTRIAL DEVELOPMENT CORP.
PAGE 4

IV. SANITARY SEWERS AND LIFT STATION

5. An easement on, over, across and under Allied Property for the operation, use, maintenance, repair, restoration, replacement and abandonment (at LTV's sole cost and expense) of the lift station and related sewer lines and equipment located in the southwest corner of Parcel "A".

The easement granted above is shown on Exhibit A and is numbered 5.

V. OHIO WATER SERVICE LINE

6. An easement, on, over, across and under Allied Property for the operation, use, maintenance, repair, restoration, replacement and abandonment (at LTV's sole cost and expense) of the Ohio Water Service Line that is located underground on Parcel "A", beginning approximately half way between LTV Stop #7 and Power's Run on the northerly side of the Mahoning Valley Railway Company's Tracks numbered 220, 239, 24 and No. 4 Main and continuing westerly to the west property line of Parcel "A".

The easement granted above is shown on Exhibit A and is numbered 6.

EASEMENT AGREEMENT
LTV/ALLIED INDUSTRIAL DEVELOPMENT CORP.
PAGE 5

VI. FUTURE EASEMENTS

7. LTV, its successor and assigns hereby reserves from Allied, its successors and assigns;
- a.) an easement for roadway access that will provide ingress and egress from the new Center Street Bridge, as it will be located upon its completion, to LTV Property which abuts Parcel "A" to the west; and
 - b.) an easement for rail or roadway purposes to provide access to the east end of an abandoned railroad bridge, if the bridge is ever put back into service as either a railroad bridge or if it is converted to accommodate vehicular traffic. The easement would be approximately thirty-six feet (36') wide measured from the north property line of Parcel "A" and would begin at the east end of the abandoned bridge and continue southeasterly to the east property line of Parcel "A".

The easements granted above are shown on Exhibit A and numbered 7-A and 7-B.

FUTURE COOPERATION

LTV and Allied agree to relocate (or vacate if appropriate) any of the aforegranted easements to facilitate the development of either LTV Property or Allied Property, provided any such

EASEMENT AGREEMENT
LTV/ALLIED INDUSTRIAL DEVELOPMENT CORP.
PAGE 6

relocation or vacation will not adversely interfere with either parties' then existing operations or access to their properties.

The easements granted herein shall be binding upon and enforceable against and shall inure to the benefit of LTV and Allied and to each of its successors and assigns.

TO HAVE AND TO HOLD each of the above granted easements, for the purposes expressed herein.

IN WITNESS WHEREOF, LTV STEEL COMPANY, INC. and ALLIED INDUSTRIAL DEVELOPMENT CORPORATION by their duly authorized representatives, have signed this Easement Agreement the 6th day of May, 1993.

Signed and acknowledged in the presence of:

Kenneth R. Yantok
Kenneth R. Yantok
Gail S. Fleenor
Gail S. Fleenor

Prepared By
LTV STEEL COMPANY, INC.

By: J. Skurich
Title: Vice President

Glenn Sedgwick
Glenn Sedgwick
John Mraz
John Mraz

ALLIED INDUSTRIAL DEVELOPMENT CORPORATION

By: John L. Cassman
Title: President

EASEMENT AGREEMENT
LTV/ALLIED INDUSTRIAL DEVELOPMENT CORP.
PAGE 7

ACKNOWLEDGEMENTS

STATE OF OHIO)
) SS:
COUNTY OF CUYAHOGA)

BEFORE ME, a Notary Public in and for said County and State, personally appeared J. C. SKUREK, Vice President, of LTV STEEL COMPANY, INC., who acknowledged that he did sign the foregoing Easement Agreement as the duly authorized officer of said corporation and that the same was its free corporate act and deed and his free act and deed individually and as such officer.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 6th day of MAY, 1993.



Kenneth R. Yantek
Notary Public

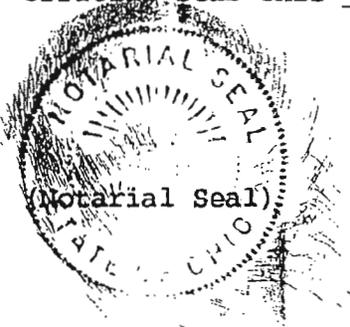
My commission expires: n/a

KENNETH R. YANTEK, Attorney At Law
Notary Public - State of Ohio
My commission has no expiration date.
Section 147.03 R. C.

STATE OF OHIO)
) SS:
COUNTY OF MAHONING)

BEFORE ME, a Notary Public in and for said County and State, personally appeared JOHN R. RAMUN, PRESIDENT of ALLIED INDUSTRIAL DEVELOPMENT CORPORATION, who acknowledged that he did sign the foregoing Easement Agreement as the duly authorized representative of said corporation and that the same was its free act and deed and his free act and deed individually and as such representative.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this 10th day of May, 1993.



Sandra S. Tremayne
Notary Public

SANDRA S. TREMAYNE, Notary Public
State of Ohio
My commission expires: My Commission Expires Feb. 21, 1997

EXHIBIT A

EASEMENT #7-B

EASEMENT #7-A
NOT SPECIFIED

EASEMENT #2

EASEMENT #3

EASEMENT #6

EASEMENT #5

EASEMENT #4

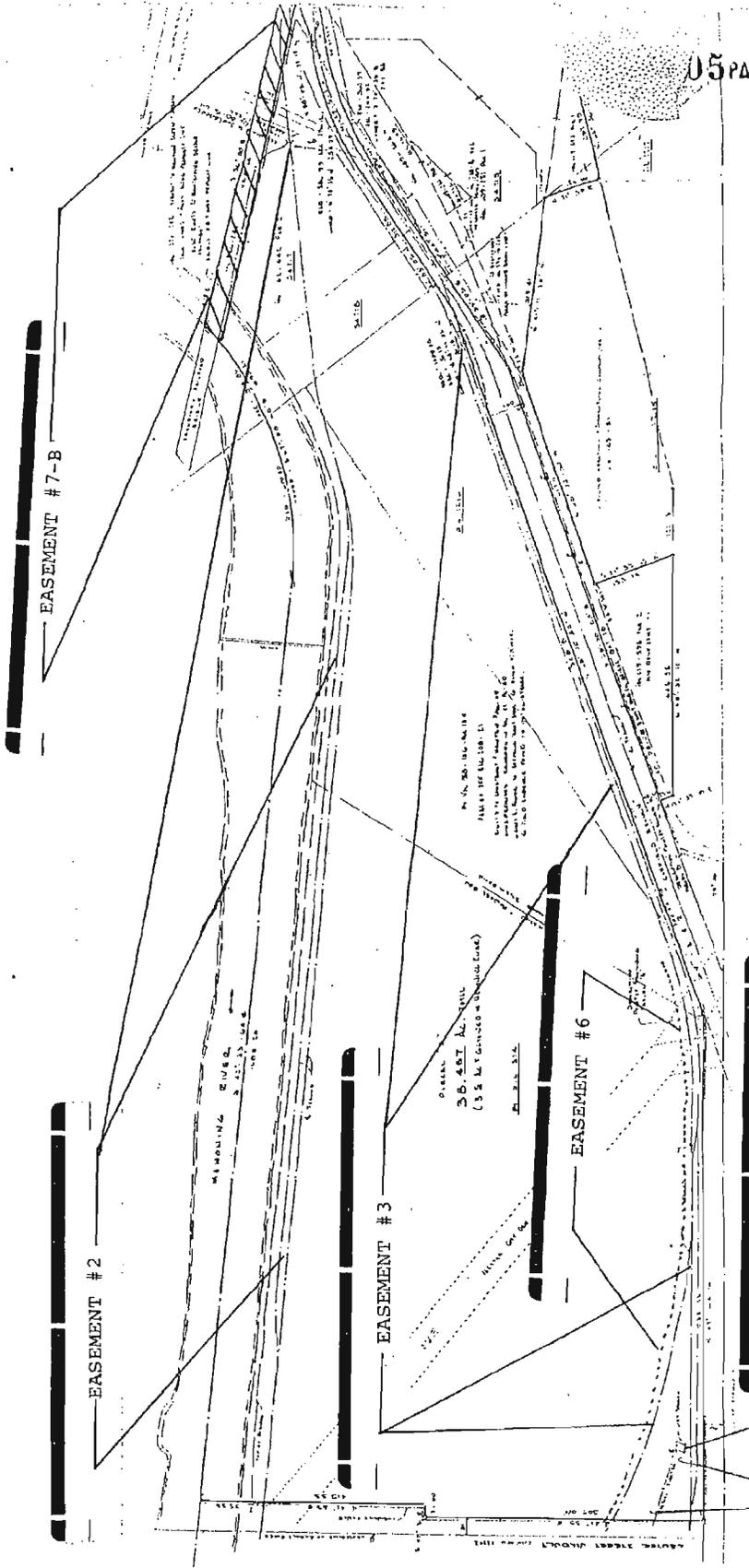
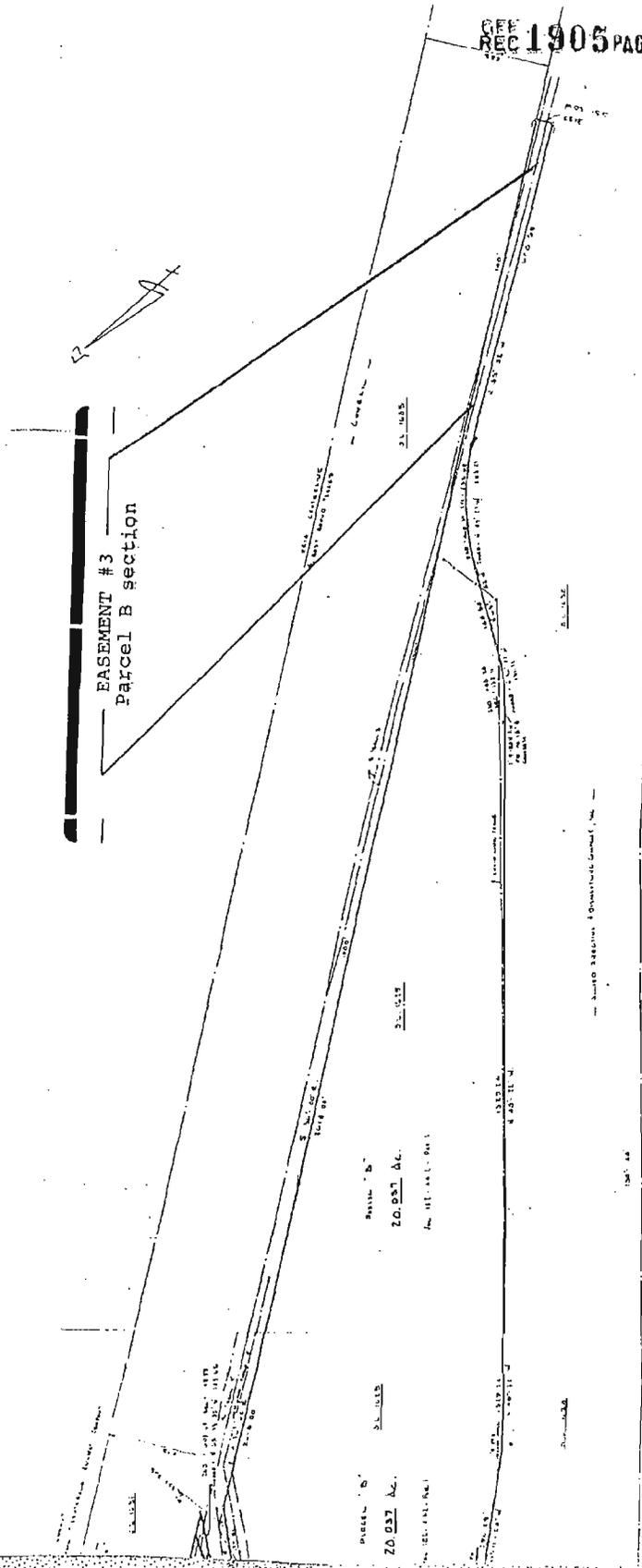


EXHIBIT A
Page 2

EASEMENT #3
Parcel B section



A-2

INTERCHANGE AGREEMENT

THIS AGREEMENT, entered into as of this 22ND day of OCT., 1997, by and between **CONSOLIDATED RAIL CORPORATION** (hereinafter referred to as "**Conrail**" or "**Owner**") and **THE MAHONING VALLEY RAILWAY** (hereinafter referred to as "**MVRY**" or "**User**").

WHEREAS, the parties hereto entered into an agreement dated December 19, 1984 providing for the interchange of loaded and empty freight cars in Campbell, OH; and

WHEREAS, the parties hereto no longer interchange equipment in Campbell, OH, but rather said interchange traffic is now interchanged in Conrail's Haselton Yard, Youngstown, OH; and

WHEREAS, the parties hereto desire to cancel the December 19, 1984 Interchange Agreement and enter into a new agreement to provide for the interchange of loaded and empty freight cars in Conrail's Haselton Yard, Youngstown, OH; and

WHEREAS, to allow MVRY access to the interchange facilities, Conrail is willing to grant MVRY Operating Rights subject to the terms and conditions set forth herein.

NOW THEREFORE, the parties hereto, intending to be legally bound, agree as follows:

SECTION 1. GRANT OF OPERATING RIGHTS

Subject to the terms and conditions herein provided, Conrail hereby grants to MVRY the right to operate its trains, locomotives, cars and equipment with its own crews (hereinafter referred to as the "**Operating Rights**") over the following segment(s) of Conrail's railroad shown on the plan attached hereto, made a part hereof and marked Exhibit "I" (hereinafter referred to as the "**Subject Trackage**"):

Conrail's #11 Track (ZTS 611) in Haselton Yard from the connection with MVRV's 2 Main Track, and any other tracks within Haselton Yard necessary to perform the interchange.

SECTION 2. USE OF SUBJECT TRACKAGE

Operating Rights herein granted are granted for the sole purpose of MVRV using same for the delivery and receipt of interchange traffic between the parties hereto, and MVRV shall not perform any local freight service whatever at any point located on the Subject Trackage, nor is MVRV permitted to ingress or egress at any point other than the end points of the Subject Trackage as specified in Section 1 hereof.

SECTION 3. INTERCHANGE PROVISIONS

(a) MVRV shall deliver and pull interchange cars to and from track(s) so designated by Conrail's representative in charge of Haselton Yard (hereinafter referred to as "**Interchange Track(s)**").

(b) Cars, together with containers and/or trailers loaded thereon (hereinafter referred to as "**Cars**"), shall be considered as interchanged from the account of one party to the other when placed on the Interchange Track(s) and the engine consist is uncoupled therefrom. In addition, the interchange of traffic covered by this Agreement shall be governed by the applicable AAR Interchange Rules and the Car Service and Car Hire Rules and any supplements or amendments thereto promulgated from time to time by the Association of American Railroads, (hereinafter referred to as "**AAR Rules**").

SECTION 4. COMPENSATION

There shall be no charge for MVRV's use of the Subject Trackage as such use is granted for the sole purpose of accessing the Interchange Track(s).

SECTION 5. MAINTENANCE OF SUBJECT TRACKAGE AND INTERCHANGE TRACK(S)

Conrail shall maintain, repair and renew the Subject Trackage and the Interchange Track(s) at its own expense with its own supervision and labor. Conrail shall keep and maintain the Subject Trackage and the Interchange Track(s) in reasonably good condition for the use herein contemplated, but Conrail does not guarantee the condition of the Subject Trackage or the Interchange Track(s) or that operation thereover will not be interrupted.

SECTION 6. MANAGEMENT AND OPERATION

(a) User shall comply with the provisions of the Federal Locomotive Inspection Act and the Federal Safety Appliance Acts, as amended, and all other federal and state laws, regulations, and rules respecting the operation, condition, inspection, and safety of its trains, locomotives, cars and equipment while such trains, locomotives, cars and equipment are being operated over the Subject Trackage and the Interchange Track(s). User shall indemnify, protect, defend, and save harmless Owner and its directors, officers, agents, and employees from and against all fines, penalties, and liabilities imposed upon Owner or its directors, officers, agents, or employees under such laws, rules, and regulations by any public authority or court having jurisdiction in the premises, when attributable to the failure of User to comply with its obligations in this regard.

(b) User, in its use of the Subject Trackage and Interchange Track(s), will comply in all respects with the operating rules and regulations of Owner, and the movement of User's trains, locomotives, cars and equipment over the Subject Trackage and the Interchange Track(s) shall at all times be subject to the orders of the transportation officers of Owner. User's trains shall not include locomotives, cars or equipment which exceed the width, height, weight or other restrictions or capacities of the Subject Trackage or the Interchange Track(s) as published in Railway Line Clearances, and no train shall contain locomotives, cars or equipment which require speed restrictions or other movement restrictions below the authorized freight speeds as provided by Owner's operating rules and regulations without the prior written consent of Owner. User shall indemnify, protect, defend, and save harmless Owner and its directors, officers, agents and employees from and against all liabilities when attributable to the failure of User to comply with the provisions of this subsection.

(c) User shall make such arrangements with Owner as may be required to have all of its employees who shall operate its trains, locomotives, cars and equipment over the Subject Trackage and the Interchange Track(s) qualified for operation thereover, and User shall pay to Owner, promptly upon receipt of bills therefor, any cost incurred by Owner in connection with the qualification of such employees of User, as well as the cost of pilots furnished by Owner, until such time as such employees are deemed by the appropriate examining officer of Owner to be properly qualified for operation as herein contemplated.

(d) Owner may conduct an investigation at its option if a User's employee working on Owner's property is alleged to have violated Owner's rules, regulations, orders, practices or instructions, or if an incident occurs which requires an investigation under applicable agreement rules. To exercise its option, Owner will schedule the investigation and notify User's Local Transportation Officer in the territory thereof, who will, in turn, arrange to issue proper notice to the User's employee(s) of the investigation. Owner's scheduling of the investigation must comply with the time limits provided in the applicable agreement on User's railroad. Owner will provide its regulations, supplements, and safety rules to User at no cost.

(e) If Owner conducts an investigation, Owner shall have the right to exclude from the Subject Trackage and Interchange Track(s) any employee of User, except officers, determined by Owner as the result of Owner's investigation or hearing described below, to be in violation of Owner's rules, regulations, orders, practices or instructions.

(f) In a major offense such as violation of Rule G, dishonesty, insubordination, or a serious violation of operating rules, wherein Owner desires to bar User's employee from service on Owner's territory pending an investigation by Owner, immediate verbal notification will be given to the appropriate Transportation Officer of User so that proper written notice can be issued to the employee.

(g) If Owner conducts an investigation, its officer will conduct the investigation, but an officer of User may be present to assure compliance with the User's labor agreement and practices with respect to investigation procedures. After the investigation is concluded, Owner will promptly furnish User with two copies of the transcript and a recommendation as to the discipline to be assessed. User's Transportation Officer will arrange to assess discipline, subject to receipt of Owner's recommended discipline, within the applicable time limits. If Owner recommends dismissal, User reserves the right to change the recommendation to the extent of barring the individual from operating over Owner's territory.

(h) It is understood that Owner shall reimburse User for all payments that User might be required to make as a result of a successful challenge being made by the employee or his representative as to the discipline recommended by Owner and assessed by User. User agrees to notify Owner before committing itself to making payment of any claim. In the event a claim is progressed to an Adjustment Board, Owner will be given an opportunity to review User's submission. Any payments made to employees, as a result of an investigation

being "overturned", shall include not only actual wages, but in addition, shall include expenses which User may be required to pay covering vacation allowances, Railroad Retirement taxes, unemployment insurance taxes and any other payroll tax or fringe benefits.

(i) The trains, locomotives, cars and equipment of User, Owner, and any other present or future user of the Subject Trackage or the Interchange Track(s) or any portion thereof shall be operated without prejudice or partiality and in such manner as will afford the most economical and efficient manner of movement of all traffic.

(j) If by reason of any mechanical failure or for any other cause not resulting from an accident or derailment, a train or locomotive of User becomes stalled or unable to proceed under its own power, or fails to maintain the speed required by Owner on the Subject Trackage or the Interchange Track(s), or if in emergencies crippled or otherwise defective cars are set out of User's trains on the Subject Trackage or the Interchange Track(s), Owner shall have the option to furnish motive power or such other assistance as may be necessary to haul, help, or push such trains, locomotives, or cars, or to properly move the disabled equipment off the Subject Trackage or the Interchange Track(s), and User shall reimburse Owner for the cost of rendering any such assistance.

(k) If it becomes necessary to make repairs to or adjust or transfer the lading of such crippled or defective cars to move them off the Subject Trackage, or the Interchange Track(s) such work shall be done by Owner and User shall reimburse Owner for the cost thereof.

(l) In the event Owner and User agree that Owner should provide additional employees for the sole benefit of User, the parties hereto shall enter into a separate agreement under which User shall bear all cost and expense for any such additional employees, including without limitation all cost and expense associated with labor protective payments which are made by Owner and which would not have been incurred had the additional employees not been provided.

SECTION 7. CLEARING OF WRECKS

Whenever User's use of Subject Trackage or the Interchange Track(s) requires rerailling, wrecking service, or wrecking train service, Owner shall perform such service, including the repair and restoration of roadbed, track and structures. The cost and

expense thereof, including without limitation loss of, damage to, and destruction of any property whatsoever and injury to or death of any person or persons whomsoever resulting therefrom, shall be apportioned in accordance with the provisions of Section 8 hereof. All locomotives, cars and equipment and salvage from same so picked up and removed which are owned by or under the management and control of or used by User at the time of such wreck shall be promptly delivered to User.

SECTION 8. LIABILITY

The responsibility of the parties hereto as between themselves for loss of, damage to, or destruction of any property whatsoever or injury to or death of any person or persons whomsoever, resulting from, arising out of, incidental to, or occurring in connection with the Operating Rights or the interchange operations set forth in this Agreement, shall be determined as follows:

(a) Whenever any loss of, damage to, or destruction of any property whatsoever, or injury to or death of any person or persons whomsoever, or any damage to or destruction of the environment whatsoever, including without limitation land, air, water, wildlife, and vegetation, occurs with the trains, locomotives, cars or equipment of, or in the account of, User being involved, without the trains, locomotives, cars, or equipment of, or in the account of, Owner being involved, User shall assume all liability therefor and bear all cost and expense in connection therewith, including without limitation all cost and expense referred to in Section 7 hereof, and shall forever protect, defend, indemnify, and save harmless Owner and its directors, officers, agents, and employees from and against any such liability, cost, and expense, regardless of whether caused in whole or in part by the fault, failure, negligence, misconduct, nonfeasance or misfeasance of Owner or its directors, officers, agents or employees.

(b) Whenever any loss of, damage to, or destruction of any property whatsoever, or injury to or death of any person or persons whomsoever, or any damage to or destruction of the environment whatsoever, including without limitation land, air, water, wildlife, and vegetation, occurs with the trains, locomotives, cars, or equipment of, or in the account of, Owner being involved, without the trains, locomotives, cars, or equipment of, or in the account of, User being involved, Owner shall assume all liability therefor and bear all cost and expense in connection therewith, including without limitation all cost and expense referred to in Section 7 hereof, and shall forever protect, defend, indemnify, and save harmless User

and its directors, officers, agents, and employees from and against any such liability, cost, and expense, regardless of whether caused in whole or in part by the fault, failure, negligence, misconduct, nonfeasance or misfeasance of User or its directors, officers, agents, or employees.

(c) Whenever any loss of, damage to, or destruction of any property whatsoever, or injury to or death of any person or persons whomsoever, or any damage to or destruction of the environment whatsoever, including without limitation land, air, water, wildlife, and vegetation, occurs with the trains, locomotives, cars, or equipment of, or in the account of, both Owner and User being involved, Owner and User shall separately assume and bear all liability, cost, and expense for loss of and damage to said trains, locomotives, cars (including without limitation lading), and equipment operated by each of them and for injury to and death of each of their directors, officers, agents, and employees, and persons in each of their care and custody, and all liability, cost, and expense for injury to and death of any other person or persons whomsoever, for loss of, damage to, or destruction of all other property (including without limitation the Subject Trackage and the Interchange Track(s)) and for any damage to or destruction of the environment whatsoever, including without limitation land, air, water, wildlife, and vegetation, so occurring shall be borne equally by Owner and User, including without limitation all cost and expense referred to in Section 7 hereof. Whenever any liability, cost, or expense is assumed by or apportioned to a party hereto under the foregoing provisions, that party shall forever protect, defend, indemnify, and save harmless the other party to this Agreement and its directors, officers, agents, and employees from and against that liability, cost, and expense assumed by that party or apportioned to it, regardless of whether caused in whole or in part by the fault, failure, negligence, misconduct, nonfeasance or misfeasance of the indemnitee or its directors, officers, agents or employees.

(d) Notwithstanding the foregoing provisions, whenever any loss of, damage to, or destruction of any property whatsoever, or injury to or death of any person or persons whomsoever, or any damage to or destruction of the environment whatsoever, including without limitation land, air, water, wildlife, and vegetation, occurs with the trains, locomotives, cars, or equipment of, or in the account of, both parties to this Agreement being so involved, and in the event such loss, damage, destruction, injury, or death is attributable to the sole negligence of the employee(s) on the train(s), locomotive(s), car(s), or caboose(s) of, or in the account of, only one of the parties to this Agreement where such sole negligence is the active or proximate cause of such loss, damage, destruction, injury, or death, the party

hereto whose employee(s) was (were) solely negligent shall assume and bear all liability, cost, and expense of itself and the other party hereto in connection with the loss, damage, destruction, injury, and death so occurring, including without limitation all cost and expense referred to in Section 7 hereof, and said party shall forever protect, defend, indemnify, and save harmless the other party to this Agreement and its directors, officers, agents, and employees from and against any such liability, cost, and expense.

(e) In every case of death or injury suffered by an employee of either Owner or User, when compensation to such employee or employee's dependents is required to be paid under any workmen's compensation, occupational disease, employer's liability, or other law, and either party under the provisions of this Agreement is required to pay said compensation, if such compensation is required to be paid in installments over a period of time, such party shall not be released from paying any such future installments by reason of the expiration or other termination of this Agreement prior to any of the respective dates upon which any such future installments are to be paid.

(f) For purposes of this Section 8, pilots furnished by Owner to User pursuant to Section 6(c) of this Agreement shall be considered as the employees of User while such employees are on duty as pilots.

(g) For the purposes of this Section 8, the word "equipment" shall mean and be confined to (i) cabooses, (ii) vehicles and machinery which are capable of being operated on railroad tracks that, at the time of an occurrence, are being operated on the Subject Trackage or the Interchange Track(s), and (iii) vehicles and machinery that, at the time of an occurrence, are on the Subject Trackage or the Interchange Track(s), or their rights-of-way, for the purpose of the maintenance or repair thereof or the clearing of wrecks thereon.

SECTION 9. INVESTIGATION

(a) Except as provided in Subsection (b) hereof, all claims, injuries, deaths, property damages, and losses arising out of or connected with this Agreement shall be investigated, adjusted, and defended by the party bearing the liability, cost, and expense therefor under the provisions of this Agreement.

(b) Each party will investigate, adjust, and defend all freight loss and damage claims filed with it in accordance with 49 U.S.C. Section 11706 and 49 C.F.R. Section

1005 (or any revised or substitute regulations adopted to modify, supplement or supersede the regulations herein provided), or in accordance with any applicable transportation contracts entered into pursuant to 49 U.S.C. Section 10709.

(c) In the event a claim or suit is asserted against Owner or User which is the other's duty hereunder to investigate, adjust, or defend, then, unless otherwise agreed, such other party shall, upon request, take over the investigation, adjustment, and defense of such claim or suit.

(d) All costs and expenses in connection with the investigation, adjustment, and defense of any claim or suit under this Agreement shall be included as costs and expenses in applying the liability provisions set forth in this Agreement, except that salaries or wages of full-time employees, including claim agents, attorneys, and other employees of either party engaged directly or indirectly in such work shall be borne by such party.

(e) Excluding freight loss and damage claims filed in accordance with 49 U.S.C. Section 11706 or 49 C.F.R. Section 1005 or similar regulation, neither party shall settle or compromise any claim, demand, suit, or cause of action for which the other party has any liability under this Agreement without the concurrence of such other party if the consideration for such settlement or compromise exceeds Twenty-Five Thousand Dollars (\$25,000).

(f) Nothing in this section shall modify or waive the conditions, obligations, assumptions, or apportionments provided in Section 8 hereof.

SECTION 10. PAYMENT OF BILLS

(a) All payments called for under this Agreement shall be made within thirty (30) days after receipt of bills therefor. No payments shall be withheld because of any dispute as to the correctness of items in the bills rendered, and any discrepancies reconciled between the parties hereto shall be adjusted in the accounts of a subsequent month. The records of each party hereto, insofar as they pertain to matters covered by this Agreement, shall be open at all reasonable times to inspection by the other party.

(b) Bills rendered pursuant to the provisions of this Agreement, shall include direct labor and material costs, together with the surcharges, overhead percentages, and equipment rentals in effect at the time any work is performed.

SECTION 11. EMPLOYEE PROTECTION

Each party shall be responsible for its own employee claims and shall hold the other party harmless from all claims by its own employees predicated on loss of, or adverse impact on, compensation, benefits, or working conditions arising from this Agreement or the activities of the parties hereunder, whether such claims are based on conditions imposed by the Surface Transportation Board or are predicated on the Railway Labor Act or collective bargaining agreements.

SECTION 12. INSURANCE

(a) During the term, and any continued term of this Agreement, MVRV, at its own expense, shall procure and maintain in effect a policy of public liability insurance, with limits of not less than \$5 million single limit, bodily injury and/or property damage, for damages arising out of bodily injuries to or death of all persons in any one occurrence and for damage to, or destruction of property, including the loss of use thereof, in any one occurrence, subject to a self-insured retention limit not to exceed Twenty-Five Thousand Dollars (\$25,000), including contractual liability insurance, which names Conrail as an additional insured and provides for a minimum of thirty (30) days' advance written notice to Conrail prior to any changes or cancellation. Failure to procure and maintain such insurance in force shall constitute a Breach of Contract hereunder.

(b) This insurance coverage shall be effected under standard form policies issued by insurers of financial responsibility, which are rated "A" or better by either Best's Insurance Reports, Standard & Poor's Insurance Rating Service or Moody's Investors Service. Conrail reserves the right to reject as inadequate, coverage provided by an insurance company rated less than "A" by the aforementioned rating services.

(c) If the insurance provided under this section takes the form of a "Claims Made Policy", MVRV shall purchase whatever supplemental coverage may be necessary to provide continuous coverage of its potential liability under this Agreement, with annual occurrence and annual aggregate limits no less than those required hereunder, for a period of time at least five (5) years following the termination of this Agreement. MVRV shall immediately give Conrail written notice of any claim, or notice of incident, or notice of potential claim, that is required to be reported to MVRV's liability insurance company.

(d) MVRV shall provide annually, satisfactory evidence of coverage, written notice of any claim and any other correspondence dealing with insurance and insurance matters to:

Assistant Vice President
Risk Management Planning and Administration
Consolidated Rail Corporation
2001 Market Street 6-B
P. O. Box 41406
Philadelphia, PA 19101-1406

SECTION 13. TERM

This Agreement shall take effect as of the date first above written and shall continue in force and effect until terminated by either party upon thirty (30) days' written notice to the other party. Termination of this Agreement shall not relieve, release or excuse either party from any liability which either party may have incurred or any obligation which may have accrued under any provisions of this Agreement prior to the effective date of termination.

SECTION 14. SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto, provided, however, that User shall not transfer or assign this Agreement, or any of its rights, interests, or obligations hereunder, by merger or otherwise, to any person, firm, or corporation without obtaining the prior written consent of Owner.

SECTION 15. NOTICE

Any notice required or permitted to be given by one party to the other under this Agreement shall be deemed given on the date sent by certified mail, or by such other means as the parties may mutually agree, and shall be addressed as follows:

(a) If to Conrail:
c/o General Manager Contracts
Consolidated Rail Corporation
2001 Market Street - 12B
P. O. Box 41412
Philadelphia, PA 19101-1412

(b) If to MVRV:
c/o Superintendent
The Mahoning Valley Railway
P. O. Box 589
Campbell, OH 44405

(c) Either party may provide changes in the above addresses to the other party by personal service or certified mail.

SECTION 16. TERMINATION OF CAMPBELL INTERCHANGE AGREEMENT

The Interchange Agreement of December 19, 1984 shall terminate with the effective date of this Agreement. Termination of the December 19, 1984 Interchange Agreement shall not relieve, release or excuse either party from any liability which either party may have incurred or any obligation which may have accrued under any provisions of that Agreement prior to the effective date of termination.

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

WITNESS:

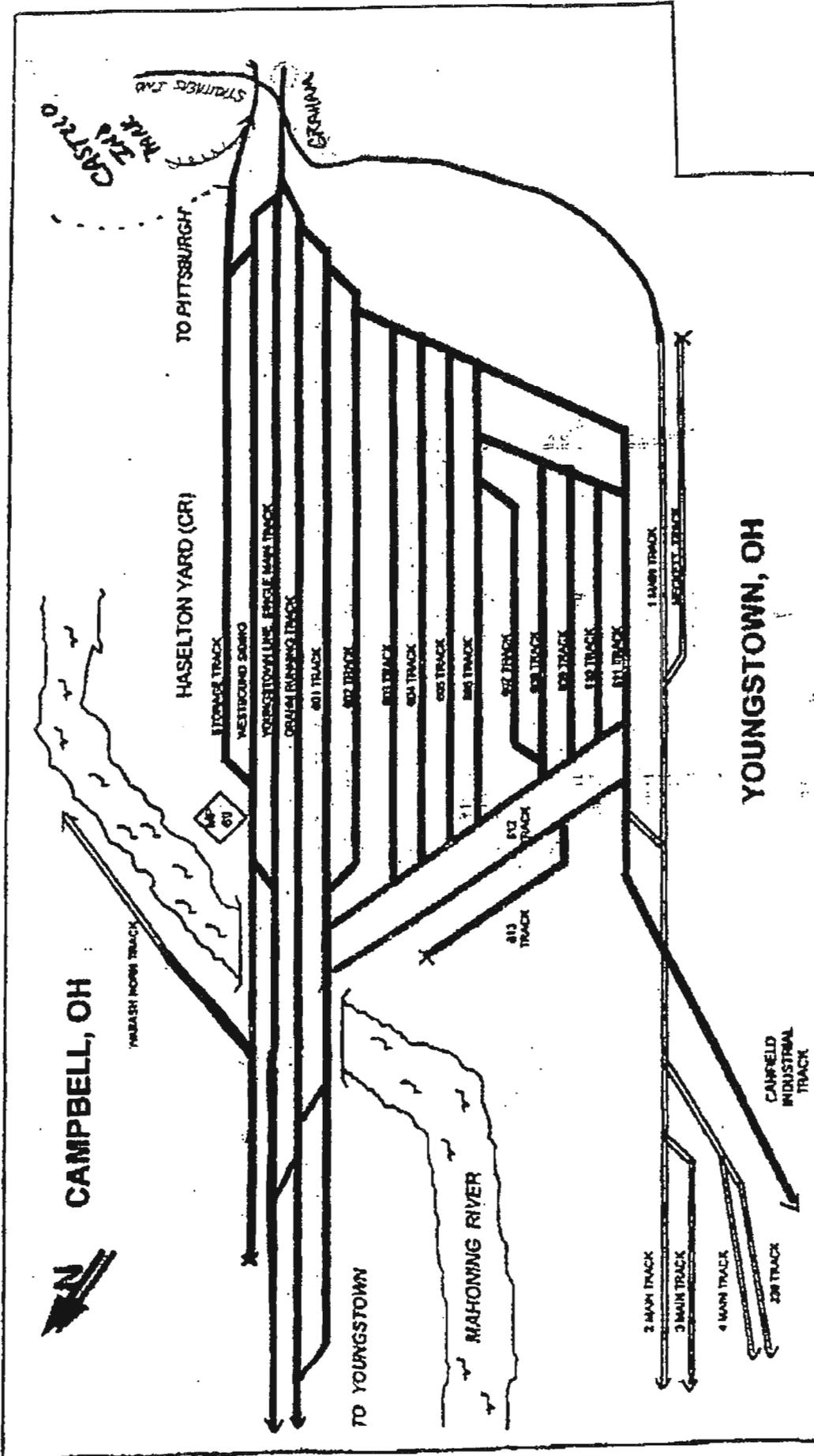
John D. Cornua

~~CONSOLIDATED RAIL CORPORATION~~
By: [Signature]
General Manager Contracts

WITNESS:

[Signature]

THE MAHONING VALLEY RAILWAY
By: [Signature]



SCALE - NONE	EXHIBIT "I" FOR INTERCHANGE AGREEMENT BETWEEN CONRAIL AND MV IN YOUNGSTOWN, OH	DATE 4/12/94 DRAWN BY - PJS
 CONRAIL TRACKS	 MVRY TRACKS	

847962

SALE AND PURCHASE AGREEMENT

THIS AGREEMENT is made and entered into on the 25th day of JUNE, 1992 by and between LTV STEEL COMPANY, INC., a New Jersey corporation ("Seller") and ALLIED INDUSTRIAL DEVELOPMENT CORPORATION, an Ohio corporation ("Purchaser").

W I T N E S S E T H :

WHEREAS, Seller is the owner of certain real property located in the City of Youngstown, Mahoning County, Ohio; and

WHEREAS, subject to the terms and conditions set forth in this Agreement, Seller desires to sell to Purchaser, and Purchaser desires to purchase from Seller, such property.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and conditions set forth herein, the parties hereto agree as follows:

1. SALE AND PURCHASE. a.) On the terms and subject to the conditions set forth in this Agreement, Seller shall sell and convey to Purchaser and Purchaser agrees to purchase and acquire from Seller, on the Closing Date (as defined in Section 5 hereof), all right, title and interest of Seller in and to the real property designated on the maps attached hereto as Exhibit A, comprising 62.76 acres, more or less, together with all appurtenances pertaining thereto, situated in the City of Youngstown, Mahoning County, Ohio (the "Real Property").

b.) The Real Property will be sold by Seller to Purchaser pursuant to a quitclaim deed in substantially the form annexed hereto as Exhibit B (the "Deed"). Seller and Purchaser shall provide to each other easements for railroad tracks and roadways for ingress and egress over, under and across each others land pursuant to an Easement Agreement in substantially the form annexed hereto as Exhibit C (the "Easement Agreement").

c.) Reserved Rights. Conveyance of the Real Property shall be subject to the following covenants and conditions.

1. As more fully set forth in the Option Agreement (as defined below), Seller shall retain the right, but not the obligation to repurchase up to 50% of the real property located between the existing Center Street Bridge and the new Center Street Bridge after it is relocated ("Option Property"), but only for use in connection with Seller's normal operations and activities, and expressly not for land speculation purposes. The price shall be the greater of Two Thousand Dollars (\$2,000.00) per acre or the fair market value of the Option Property at the time Seller exercises its option to purchase. The market value shall be determined by an independent appraiser, acceptable to both parties. The cost of the appraisal shall be split equally between Seller and Purchaser. The right to repurchase shall expire if notice of exercise of such right has not been given on or before December 31, 2002. If, within ten (10) years of the date Seller purchases the Option Property, Seller intends to resell that Option Property independent of its adjoining property, then Purchaser shall have the option, exercisable within thirty (30) days of Seller's written notice of its intent to resell the Option Property, to purchase the Option Property for the same price per acre that Seller originally purchased the Option Property from Purchaser, plus interest (calculated at the prime rate of interest as published by Society Bank as it fluctuated from time-to-time while the Option Property was owned by Seller). Purchaser's option to repurchase the Option Property

shall automatically expire at the earlier to occur of (1) ten years from the date title to the Option Property transfers from Purchaser to Seller, or (2) when Seller develops the vacant land for use in conjunction with its adjoining property. A memorandum of the Option Agreement shall be filed for record with the Mahoning County, Ohio Recorder immediately following the recording of the Quitclaim Deed (Exhibit B).

2. Purchaser covenants and agrees that it will not encumber the Option Property during the term of the Option Agreement, in any way, including but not limited to placing any structures or mortgages on the Option Property.

- (i) If Purchaser voluntarily encumbers the Option Property during the term of the Option Agreement and does not remove such lien or encumbrance within ten (10) days after written notice, Purchaser shall be in default and this Agreement may be voidable, at Seller's election, for the prorata portion of the Agreement that pertains to the Option Property. Seller shall then have the right to retake possession of the Option Property and retain the prorata share of the Purchase Price that pertains to the Option Property as liquidated damages.

- (ii) If a lien is placed on the Option Property during the term of the Option Agreement, by operation of law, Purchaser shall, within ten (10) days after written notice, either commence proceeding to remove said lien, or obtain a bond from a surety acceptable to Seller to bond off the lien. If Purchaser fails to remove the lien or bond it off, then Seller may declare Purchaser in breach of this Agreement and obtain a judgement for the amount of the lien.

3. At the time that Seller exercises its option to repurchase the Option Property, Purchaser shall convey the Option Property by Limited Warranty Deed (substantially in the form attached hereto as Exhibit E) free and clear of any liens or encumbrances.

4. Purchaser shall submit to Seller, for Seller's approval, its plans for capping, filling and grading the Real Property. Such approved work shall be completed by Purchaser, at Purchaser's sole cost and expense, within two years of the date of this Agreement.

2. PURCHASE PRICE Purchaser shall pay to Seller as the purchase price for the Real Property the sum of Sixty-Two Thousand, Seven Hundred, Sixty Dollars (\$62,760.00) (the "Purchase Price"). The Purchase Price shall be payable as follows:

(a) upon the execution of this Agreement, \$10,000.00 shall be deposited as earnest money (the "Earnest Money") in an interest bearing account with Eastern Ohio Title Agency, 1100 Metropolitan Tower, Youngstown, Ohio 44503, Attn: Susan Dudzik (the "Escrow Agent"). The interest earned on the Earnest Money shall be deemed to have been earned by Purchaser for income tax purposes, but shall be added to and become a part of the Earnest Money; and

(b) at the Closing (as defined in Section 5 hereof), the Purchase Price, less the amount of the Earnest Money shall be paid in immediately available United States funds by certified or cashier's check to the order of Seller or Escrow Agent, as Seller shall direct, or by wire transfer to an account designated by Seller.

3. BANKRUPTCY: HIGHER OR BETTER OFFER. Purchaser recognizes that Seller is a debtor and debtor in possession pursuant to Chapter 11 of the United States Bankruptcy Code, having filed a petition for reorganization on July 17, 1986 with the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"), which proceedings have been assigned Case No. 86 B 11273 (BRL). Purchaser further recognizes that Seller may publish a notice of hearing on its application for approval of this Agreement and that from the date hereof until the date of Bankruptcy Court approval of this Agreement, Seller may accept any offer for the Real Property upon terms and conditions (which terms and conditions shall provide for the reimbursement of reasonable documented expenses, up to \$10,000.00 incurred by Purchaser with respect to the inspection of the Real Property as provided in Section 12(a) hereof) that Seller, in its sole discretion, deems higher or better than the terms and conditions upon which Purchaser is to purchase the Real Property hereunder (a "Higher or Better Offer"). Effective upon Seller's written notice to Purchaser that it has accepted a Higher or Better Offer, this Agreement shall terminate without further liability on the part of either party to the other hereunder or in respect of the transactions contemplated hereby except that the Earnest Money shall be returned to Purchaser.

4. CONDITIONS PRECEDENT TO CLOSING.

(a) The obligations of Seller set forth in this Agreement are subject to receipt by Seller, on or prior to the Closing Date, of the Purchase Price in accordance with the terms of this Agreement and the Option Agreement, fully executed and in form for recording.

(b) The obligations of Purchaser set forth in this Agreement are subject to receipt by Purchaser, on or prior to the Closing Date of: (i) the Deed, duly executed and acknowledged by Seller; and (ii) copies of the Survey and Commitment (as defined in Section 6(a) below).

(c) The obligations of Seller and Purchaser set forth in this Agreement are subject to fulfillment, on or prior to the Closing Date, of the following conditions: (i) the issuance of an order of the Bankruptcy Court approving this Agreement and authorizing the sale of the Real Property to Purchaser in accordance herewith, with the time to appeal or to seek review having expired and no appeal or petition for review or rehearing pending (the "Final Order"); (ii) completion by Seller of the subdivision of the Real Property (if required); and (iii) the execution and acknowledgment by Seller and Purchaser of the Easement Agreement.

(d) Seller and Purchaser shall each provide to the other at or prior to Closing such additional or further items, documents or instruments, and shall cooperate with each other in such manner, as either may reasonably request to accomplish the transactions contemplated in this Agreement.

5. CLOSING. Subject to the terms and conditions set forth herein, Seller shall deliver possession of the Real Property to Purchaser at the Closing. Closing of the transactions contemplated in this Agreement (the "Closing") shall occur at a place, time and date to be mutually agreed upon between the parties, but in no event shall the date be later than

thirty (30) days following the date of the Final Order (the "Closing Date") unless Seller and Purchaser shall have agreed in writing to a later date. The parties hereto agree to a reasonable adjournment or adjournments of the Closing in order to enable either or both parties to comply with the provisions of this Agreement. Except as aforesaid, time shall be of the essence as to any date of performance hereunder. In the event there shall not be a Final Order by October 31, 1992 for reasons not related to any default hereunder by Purchaser or Seller, then, thereafter, either party may terminate this Agreement, in which case the Earnest Money shall be returned to the Purchaser and this Agreement shall lapse without further liability on the part of either party to the other hereunder.

6. SURVEY AND TITLE COMMITMENT: OBJECTIONS TO TITLE.

(a) Seller, at its sole cost and expense, will order a survey of the Real Property (the "Survey") and a commitment for title insurance (the "Commitment") with respect to the Real Property, copies of which shall be provided to Purchaser promptly after Seller's receipt thereof. Purchaser shall give Seller written notice of any alleged title defect or encumbrance affecting the Real Property (a "Title Objection") not later than fifteen (15) days after Purchaser's receipt of both the Commitment and Survey. Failure to give such notice within such time shall constitute an irrevocable waiver by Purchaser of its right to make any Title Objection. Seller shall have sixty (60) days following its receipt of any Title Objection from Purchaser to remove or cure any defects or encumbrances set forth in such Title Objection, but shall not be obligated to do so.

If, upon expiration of such sixty (60) day period, Seller shall not have cured or removed the defects or encumbrances set forth in the Title Objection, Purchaser may elect, by written notice given to Seller within ten (10) business days after the expiration of such sixty (60) day period, either to proceed to Closing nevertheless, in which case such defects or encumbrances shall, upon such notice, be deemed irrevocably waived by Purchaser, or terminate this Agreement. In the event Purchaser elects to terminate this Agreement, the Earnest Money shall be returned to Purchaser and neither party shall have further liability to the other hereunder or in respect to the transactions contemplated hereby. Failure of Purchaser to give notice of termination within such ten (10) day period shall be deemed an irrevocable election by Purchaser to waive the Title Objection and Purchaser shall proceed to closing. In the event, prior to Closing, the Commitment is amended by subsequent endorsement, Purchaser shall have the right to make a Title Objection with respect to any changes from the Commitment contained in any such amendment within fifteen (15) days after its receipt thereof.

(b) Purchaser agrees that the following matters will not be the subject of a Title Objection:

(i) any title defect or encumbrance which will be cured by the Final Order authorizing the sale of the real property free and clear of all liens;

(ii) printed standard general exceptions listed in Schedule B, Part I, of the American Land Title Association 1987 form of owner's title insurance policy issued by Escrow Agent; and

(iii) such imperfections of title as are not so substantial as to materially impair or interfere with the planned use of any portion of the Real Property by Purchaser.

(c) In the event Purchaser wishes to convert the Commitment into a title insurance policy, the premiums for such insurance shall be at the Purchaser's sole cost and expense.

7. DEFAULT: FAILURE TO CLOSE. If the transactions contemplated hereby do not close as a result of Purchaser's failure to perform its obligations under the terms of this Agreement, the sole and exclusive remedy of Seller shall be to terminate this Agreement and retain the Earnest Money as liquidated damages in lieu of any other remedy of Seller against Purchaser. If the transactions contemplated hereby do not close as a result of Seller's non-performance of its obligations under this Agreement, Purchaser shall be entitled, by written notice given to Seller, as its sole and exclusive remedy, either: (a) to terminate this Agreement and to a return of the Earnest Money in full and final satisfaction of all of Seller's obligations to Purchaser hereunder and, upon such return, Purchaser shall have no other remedy against Seller in respect of such failure to perform; or (b) to the extent permitted at law or in equity, the right to specific performance against Seller, provided that if

Purchaser seeks but does not obtain such specific performance, the Earnest Money shall be returned to Purchaser. Neither Purchaser nor Seller may terminate this Agreement as hereinbefore permitted unless and until the non-defaulting party gives notice to the defaulting party stating the breach upon which such termination is predicated and the defaulting party fails to cure such breach within thirty (30) days thereafter.

8. PRORATION. Seller and Purchaser shall, as of the Closing Date, and on a basis consistent with the fiscal or calendar year (whichever is applicable) of the taxing authority or the billing period for any entity that renders bills, calculate or prorate, on a per acre basis, between themselves for the year in which the Closing occurs all real estate taxes, except for special assessments petitioned for by Purchaser which shall be Purchaser's sole responsibility. If after the Closing the assessed value for tax purposes of the Real Property shall be changed for periods prior to the Closing Date, there shall be retroactive proration of any resulting tax adjustment and said adjustment shall be paid by either party to the other within thirty (30) days of said adjustment; provided, however, any increase in the assessed value of the Real Property for periods prior to the Closing due to any improvements made to the Real Property by Purchaser shall be the sole responsibility of Purchaser and Purchaser shall pay any resulting tax adjustment.

9. EXPENSES OF SELLER. Seller shall pay the following expenses of this transaction:

- (a) the cost of the Survey and Commitment;
- (b) one-half (1/2) of the Escrow Agent's fee;
- (c) application and approval for subdivision (if needed); and

(d) all other expenses incurred by Seller in the course of performing its obligations under this Agreement.

10. EXPENSES OF PURCHASER. Purchaser shall pay the following expenses of this transaction:

- (a) All real estate transfer fees and taxes;
- (b) one-half (1/2) of the Escrow Agent's fee;
- (c) the fees for filing and recording the Deed, Final Order, Easement Agreement, Option Agreement and other documents;
- (d) all other expenses incurred by Purchaser in the course of performing its obligations under this Agreement.

11. BROKER. In connection with this transaction, Seller represents and warrants to Purchaser that no broker was employed by Seller for the purpose of bringing about the sale hereby contemplated, and Purchaser represents and warrants to Seller that no broker was employed by Purchaser for the purpose of bringing about the sale hereby contemplated. Each party agrees to indemnify and save harmless the other party against any costs or charges for broker's commissions or finder's fees which might arise from its employment of a broker or agent in connection with this transaction.

12. INSPECTION OF ACQUIRED PROPERTY; CONFIDENTIALITY.

(a) Purchaser shall have the right to enter upon the Real Property, during normal business hours, for the purpose of inspecting the Real Property.

Purchaser shall give Seller prior notice of the time, scope and manner of such inspection.

(b) Seller shall provide Purchaser with access to its records and data relative to the Real Property site, however, Seller does not warrant or represent the accuracy, completeness or reliability of the records or data offered for review.

(c) Purchaser shall indemnify and hold Seller harmless from any and all liabilities, losses, costs and expenses (including court costs and reasonable attorneys' fees) incurred by Seller due to the death or injury of any person and damage to any property caused by or arising out of any inspection of the Real Property pursuant to this Section 12.

(d) Purchaser shall, upon request of and at no cost to Seller, deliver to Seller split or companion samples resulting from any inspection of the Real Property.

(e) Purchaser shall, except to the extent required by law, retain in strict confidence any information obtained in conjunction with any inspection of the Real Property. In the event that Purchaser reasonably concludes that applicable law requires Purchaser to report to any government or

governmental agency any information obtained by an inspection of the Real Property, Purchaser shall so report only after providing Seller with prior notice of its intent to do so and copies of any documents to be delivered to such government or governmental agency. The restrictions in this subparagraph shall not apply to information that is in the public domain at the time of disclosure or to information that was in Purchaser's possession prior to the execution of this Agreement, as evidenced by written records.

(f) During the first thirty (30) days immediately following the date of this Agreement, Purchaser shall have the right to terminate this Agreement if Purchaser determines, based upon any inspection conducted pursuant to subsection (a) above, that the Real Property, is unacceptable to Purchaser. Purchaser shall be deemed to have given such notice of termination upon receipt thereof by Seller within three (3) business days of the end of such thirty (30) day period, and failure to do so shall constitute an irrevocable waiver by Purchaser of such right of termination. In the event Purchaser exercises such right of termination, the Earnest Money shall be returned to Purchaser and neither Purchaser nor Seller shall have any further obligation hereunder.

13. DISCLAIMER OF WARRANTIES; LIMITATION OF LIABILITY.
EXCEPT AS EXPRESSLY STATED IN THIS AGREEMENT, PURCHASER ACKNOWLEDGES THAT THE CONVEYANCE OF THE ACQUIRED PROPERTY SHALL BE MADE BY SELLER WITHOUT REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, ARISING BY LAW OR OTHERWISE, INCLUDING, BUT NOT

LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. PURCHASER AGREES TO ACCEPT THE ACQUIRED PROPERTY "AS IS" AND "WHERE IS", WITHOUT RECOURSE AGAINST SELLER. WITHOUT LIMITING THE FOREGOING, AND EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, SELLER SHALL NOT BE LIABLE TO PURCHASER FOR ANY DAMAGE OR LOSS (INCLUDING, BUT NOT LIMITED TO LIABILITIES, COSTS AND EXPENSES) ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY, WHETHER IN CONTRACT OR IN TORT, OR BY REASON OF ANY LOCAL, STATE OR FEDERAL LAWS OR REGULATIONS (INCLUDING BUT NOT LIMITED TO THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT, 42 U.S.C., SECTION 9601, ET. SEQ., AND ALL AMENDMENTS THERETO). IN NO EVENT SHALL SELLER BE LIABLE FOR INCIDENTAL OR CONSEQUENTIAL DAMAGES, EVEN IF SELLER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. SELLER REPRESENTS THAT AS OF THE DATE OF THIS AGREEMENT, SELLER IS UNDER NO ORDER OF THE OHIO ENVIRONMENTAL PROTECTION AGENCY OR THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY TO PERFORM ANY ENVIRONMENTAL INVESTIGATION OR RESPONSE AT THE REAL PROPERTY, ALTHOUGH CURRENT LAW MAY, AT SOME TIME, REQUIRE INVESTIGATIVE OR RESPONSE ACTIVITIES.

14. APPLICATION TO BANKRUPTCY COURT. Promptly upon expiration or waiver of Purchaser's right to make objections pursuant to Sections 6(a) and 12(f) hereof, and subject to Seller's right to accept a Higher or Better Offer, Seller shall prepare and file an application to the Bankruptcy Court for approval of this Agreement and the transactions contemplated hereby.

15. NOTICES. All notices required under this Agreement to be given by either party to the other shall be in writing and shall be deemed to have been given or made (a) upon deposit, if sent by United States mail, with first class postage attached,

(b) if sent by hand or overnight delivery, upon delivery thereof, and (c) if sent by telex or fax, upon confirmation of receipt of such telex or fax, in each case addressed to the respective parties as follows:

If to Seller: LTV Steel Company, Inc.
25 West Prospect Avenue
Cleveland, Ohio 44115
Attention: Director, Real Estate
Fax: (216) 622-1007

If to Purchaser: Allied Industrial Development Corporation
2100 Poland Avenue
Youngstown OH 44502
Attention: John R. Ramun
Fax: (216) 744-3218

16. BINDING EFFECT: ASSIGNMENT. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns, provided, however, this Agreement may not be assigned by Purchaser without the prior written consent of Seller, which consent shall not be unreasonably denied or delayed.

17. CONDEMNATION. Seller has no knowledge of any condemnation or eminent domain proceedings pending against the Real Property as of the date hereof. In the event that the Real Property or a material part thereof shall have been taken by eminent domain or shall be in the process of being so taken on or prior to the Closing Date, purchaser shall have the option, exercisable within ten (10) days of notice from Seller of such proceeding, of (i) terminating this Agreement and, in such event, the parties shall have no further liability, hereunder or otherwise, to each other, except that the Earnest Money shall be returned to Purchaser or (ii) closing under this Agreement and accepting the proceeds of such taking.

18. ENTIRE AGREEMENT. This Agreement represents the entire and complete agreement of the parties with respect to the subject matter hereof. There are no present or prior understandings, commitments, representations or contracts between the parties hereto with reference to the subject matter hereof, other than as set forth herein.

19. GOVERNING LAW. This Agreement shall be construed and enforced in accordance with the laws of the State of Ohio.

20. SURVIVAL OF PROVISIONS. Notwithstanding anything to the contrary herein, the terms and conditions contained in Sections 8, 9, 10, 11, 12(c) and (d), 13, 16, 17 and 18 hereof shall survive Closing or any earlier termination of this Agreement.

21. SURVEY. Seller shall obtain a boundary or perimeter survey (the "Survey") at its own cost and expense and provide copies to the Purchaser and Escrow Agent. Such Survey shall include a metes and bounds description and an acreage calculation for the Real Property.

IN WITNESS WHEREOF, the parties have hereunto caused this Agreement to be executed in duplicate original counterparts on the day and year first written above.

LTV STEEL COMPANY, INC.

By: *J. Skunk*
Title: *Vice President*

ALLIED INDUSTRIAL DEVELOPMENT CORPORATION

By: *John R. Ramon*
Title: *President*

EXHIBIT B

QUITCLAIM DEED

This Deed, made this _____ day of _____, 1992, between LTV STEEL COMPANY, INC., a New Jersey corporation having its principal business address at 25 West Prospect Avenue, Cleveland, Ohio 44115, the Grantor, and ALLIED INDUSTRIAL DEVELOPMENT CORPORATION, an Ohio corporation, having its address at 2100 Poland Avenue, Youngstown, Ohio 44502, the Grantee.

WITNESSETH, that for Ten Dollars (\$10.00) and other valuable consideration paid, the receipt and sufficiency whereof is hereby acknowledged, Grantor does hereby remise, release and forever quitclaim to Grantee, its right, title and interest in and to the real property situated in the City of Youngstown, Mahoning County, Ohio, as more fully described below:

SEE ATTACHED EXHIBIT A

TOGETHER, with all improvements thereon and the appurtenances thereunto belonging, subject to the right of Grantor, its successors and assigns, to repurchase a portion of the Real Property, through December 31, 2002.

TO HAVE AND TO HOLD the same to and for the use of Grantee, its successors and assigns, forever.

IN WITNESS WHEREOF, Grantor has hereunto caused this Quitclaim Deed to be executed by its duly authorized officer on this _____ day of _____, 1992.

WITNESS:

LTV STEEL COMPANY, INC.

By: _____

Title: _____

STATE OF OHIO)
) SS:
COUNTY OF CUYAHOGA)

On this, the _____ of _____, 1992, before me personally appeared _____ who acknowledged himself to be _____ of LTV STEEL COMPANY, INC., a corporation, and as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as such officer.

IN WITNESS WHEREOF, I have hereunto set my hand and Official Seal at Cleveland, Ohio, this _____ day of _____, 1992.

(SEAL)

Commission expires _____

EXHIBIT C
EASEMENT AGREEMENT

K. R. YANTEK
Manager—Real Estate Services

3/24/93

ED MUCCILLO

Re: EASEMENTS FOR THE ABOVE
INDUSTRIAL DEVELOPMENT
Co. sale.

Please review this Exhibit
"C". If it is O.K. with
you, send John Ramon
the other copy for him
to review. It needs to
be included in the
application to the court
which will be sent no later
than March 31.



Steel

than March 31.

Ken

EXHIBIT C
EASEMENT AGREEMENT

LTV STEEL COMPANY, INC. ("LTV"), a New Jersey corporation, and ALLIED INDUSTRIAL DEVELOPMENT CORPORATION ("ALLIED"), an Ohio corporation are parties to a Sale And Purchase Agreement dated June 25, 1992 ("Agreement"), and this Easement Agreement is made and entered into pursuant thereto.

WITNESSETH

WHEREAS, LTV conveyed to Allied certain real property (the "ALLIED PROPERTY") located in Youngstown, Mahoning County, Ohio, by deed recorded in Volume ____, page ____ of the Deed Records of Mahoning County, Ohio; and

WHEREAS, LTV owns real property adjacent to and in the vicinity of the Allied Property (the "LTV PROPERTY"); and

WHEREAS, the Agreement provides that LTV and ALLIED shall provide for certain easements for the purposes and upon the terms set forth below.

NOW THEREFORE, Allied, its successors and assigns, for valuable consideration hereby grants to LTV, its successors and assigns, perpetual, non-exclusive easements appurtenant to the Allied Property as follows:

I. ACCESS EASEMENT

1. An easement on, over and across Allied Property, from the existing twenty foot (20') Drive Easement (recorded at Volume 182, Page 442 located on Parcel "B" at LTV Stop.#7,

extending easterly, then northeasterly across the eastern most portion of Parcel "A" to the Conrail Hazelton Yards) to access railroad tracks, electrical lines, sanitary sewer lines, the lift station, water lines and telephone lines, all in conformity with the easements hereinafter granted, for the operation, use, maintenance, repair, restoration, replacement and abandonment of such equipment and materials located within the hereinafter granted easements.

II. RAILROAD EASEMENT

2. An easement to operate, use, maintain, repair, restore, replace and abandon (at LTV's sole cost and expense) the railroad tracks and related equipment located on the property that the Mahoning Valley Railway Company leases from LTV located along the north property line of Parcel "A", along the south shore of the Mahoning River, that extend from the west property line of Parcel "A", easterly to Conrail's Hazelton Yards. These tracks are known as the No. 2 and No. 3 Mains.
3. An easement to operate, use, maintain, repair, restore, replace and abandon (at LTV's sole cost and expense) the railroad tracks and related equipment located on the property that the Mahoning Valley Railway Company leases from LTV located along the south property line of Parcel "A", from the west property line of Parcel "A" easterly, and

then northeasterly to Conrail's Hazelton Yards. The tracks numbered 220, 239, 240 and No. 4 Main, then continue in a southeasterly direction on Conrail's property until they enter upon the easternmost portion of Parcel "B", and continue on Parcel "B" for approximately seven hundred feet (700) to the east property line. The tracks on Parcel "B" are the No. 1 Main and the Heckett track.

The easement granted in numbered paragraphs 2 and 3 above are shown on the drawing attached hereto as Exhibit A and numbered 2 and 3.

III. ELECTRICAL EASEMENT

4. An easement on, over and across Allied Property for the operation, use, maintenance, repair, restoration, replacement and abandonment (at LTV's sole cost and expense) of the electrical wires and poles that provide electricity to service the lift station located in the southwest corner of Parcel "A". The electrical wires and poles run from the west property line of Parcel "A" easterly approximately one hundred fifty feet (150') to the lift station.

The easement granted above is shown on Exhibit A and is numbered 4.

IV. SANITARY SEWERS AND LIFT STATION

5. An easement on, over, across and under Allied Property for the operation, use, maintenance, repair, restoration, replacement and abandonment (at LTV's sole cost and expense) of the lift station and related sewer lines and equipment located in the southwest corner of Parcel "A".

The easement granted above is shown on Exhibit A and is numbered 5.

V. OHIO WATER SERVICE LINE

6. An easement, on, over, across and under Allied Property for the operation, use, maintenance, repair, restoration, replacement and abandonment (at LTV's sole cost and expense) of the Ohio Water Service Line that is located underground on Parcel "A", beginning approximately half way between LTV Stop #7 and Power's Run on the northerly side of the Mahoning Valley Railway Company's Tracks numbered 220, 239, 240 and No. 4 Main and continuing westerly to the west property line of Parcel "A".

The easement granted above is shown on Exhibit A and is numbered 6.

VI. FUTURE EASEMENTS

7. LTV, its successor and assigns hereby reserves from Allied, its successors and assigns;
- a.) an easement for roadway access that will provide ingress and egress from the new Center Street Bridge, as it will be located upon its completion, to LTV Property which abuts Parcel "A" to the west; and
 - b.) an easement for rail or roadway purposes to provide access to the east end of an abandoned railroad bridge, if the bridge is ever put back into service as either a railroad bridge or if it is converted to accommodate vehicular traffic. The easement would be approximately thirty-six feet (36') wide measured from the north property line of Parcel "A" and would begin at the east end of the abandoned bridge and continue southeasterly to the east property line of Parcel "A".

The easements granted above are shown on Exhibit A and numbered 7-A and 7-B.

FUTURE COOPERATION

LTV and Allied agree to relocate (or vacate if appropriate) any of the aforegranted easements to facilitate the development

of either LTV Property or Allied Property, provided any such relocation or vacation will not adversely interfere with either parties' then existing operations or access to their properties.

The easements granted herein shall be binding upon and enforceable against and shall inure to the benefit of LTV and Allied and to each of its successors and assigns.

TO HAVE AND TO HOLD each of the above granted easements, for the purposes expressed herein.

IN WITNESS WHEREOF, LTV STEEL COMPANY, INC. and ALLIED INDUSTRIAL DEVELOPMENT CORPORATION by their duly authorized representatives, have signed this Easement Agreement the ____ day of ____, 1993.

Signed and acknowledged
in the presence of:

LTV STEEL COMPANY, INC.

By: _____

Title: _____

ALLIED INDUSTRIAL DEVELOPMENT CORPORATION

By: _____

Title: _____

ACKNOWLEDGEMENTS

STATE OF OHIO)
) SS:
COUNTY OF CUYAHOGA)

BEFORE ME, a Notary Public in and for said County and State, personally appeared _____, of LTV STEEL COMPANY, INC., who acknowledged that he did sign the foregoing Easement Agreement as the duly authorized officer of said corporation and that the same was its free corporate act and deed and his free act and deed individually and as such officer.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this _____ day of _____, 1993.

Notary Public

(Notarial Seal)

My commission expires: _____

STATE OF OHIO)
) SS:
COUNTY OF MAHONING)

BEFORE ME, a Notary Public in and for said County and State, personally appeared _____, _____ of ALLIED INDUSTRIAL DEVELOPMENT CORPORATION, who acknowledged that he did sign the foregoing Easement Agreement as the duly authorized representative of said corporation and that the same was its free act and deed and his free act and deed individually and as such representative.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal this _____ day of _____, 1993.

Notary Public

(Notarial Seal)

My commission expires: _____

EASEMENT #3
Parcel B section

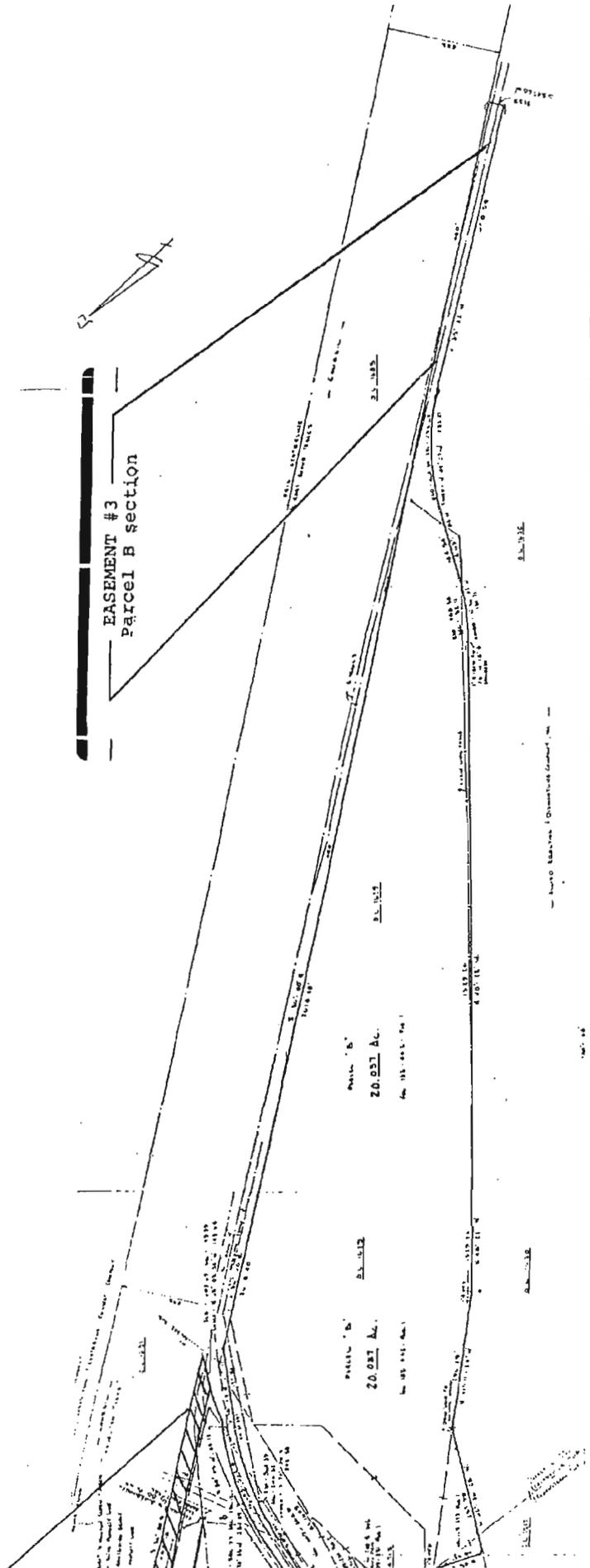


EXHIBIT A

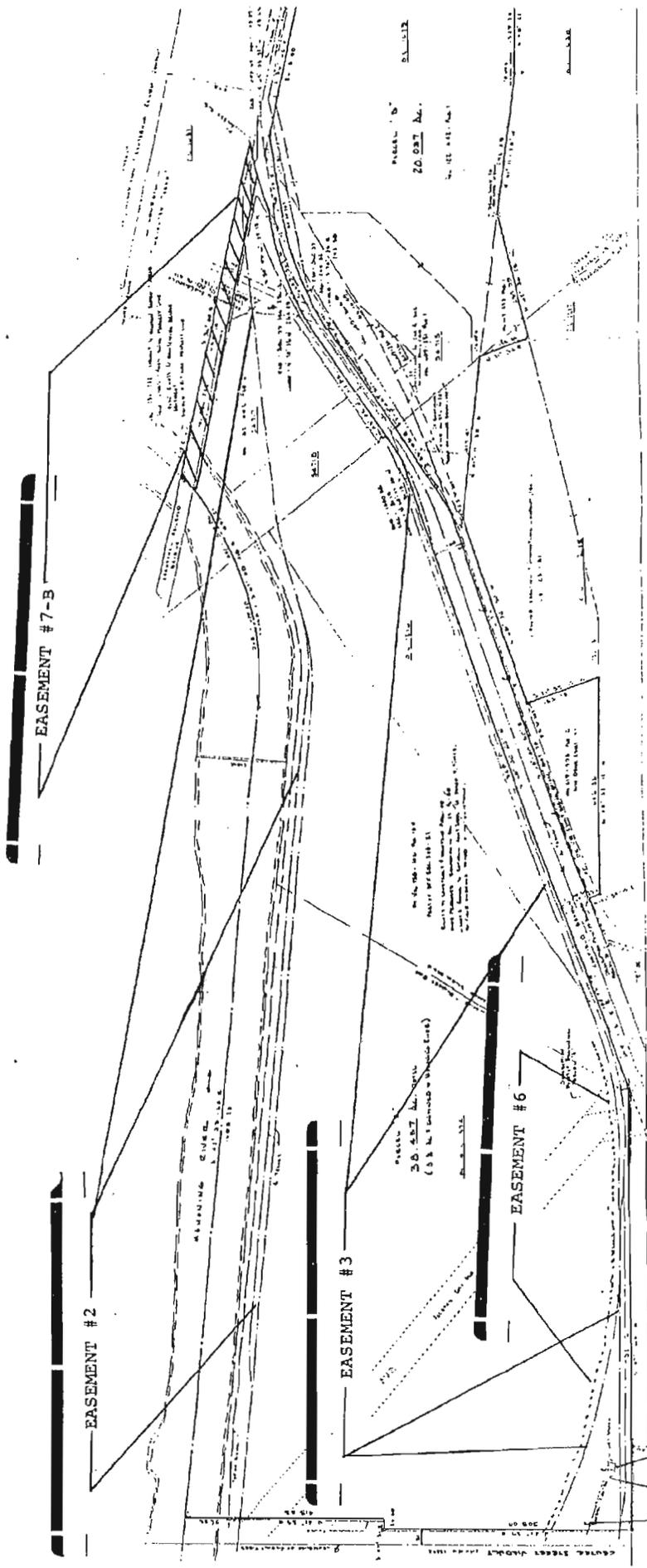


EXHIBIT A

EASEMENT # 7-B

EASEMENT # 2

EASEMENT # 3

EASEMENT # 6

EASEMENT # 5

EASEMENT # 4

EASEMENT # 7-A
NOT SPECIFIED

EXHIBIT D
OPTION AGREEMENT

THIS OPTION AGREEMENT is made and entered into on the _____ day of _____, 1992 by and between ALLIED INDUSTRIAL DEVELOPMENT CORPORATION, an Ohio corporation ("Seller") and LTV STEEL COMPANY, INC., a New Jersey corporation ("Purchaser").

W I T N E S S E T H

WHEREAS, Seller shall become the owner of certain real property located in the City of Youngstown, Mahoning County, Ohio upon the recording of the Quitclaim Deed ("Quitclaim Deed") attached hereto as Attachment B; and

WHEREAS, Seller and Purchaser have agreed that Seller will resell to Purchaser up to fifty percent (50%) of the real property located between the northerly property line (at the existing Center Street Bridge) and the new Center Street Bridge after it is relocated ("Option Property"), pursuant to the terms and conditions contained in a certain Sale and Purchase Agreement dated __, 1992 ("Agreement").

NOW THEREFORE, in consideration of the foregoing, the payment Ten Dollars (\$10.00) and the mutual covenants and conditions set forth herein, the parties hereto agree as follows:

1. If Purchaser gives notice of exercise of its option to purchase as below provided, Seller shall sell and convey (by Limited Warranty Deed in substantially the form attached hereto as Attachment D and in form for recording) to Purchaser, that portion of the Option Property that Purchaser describes ("Real Property") which will be described on Attachment A, to be affixed to the Limited Warranty Deed.

2. The purchase price shall be the greater of Two Thousand Dollars (\$2,000.00) per acre, or the per acre market value of the Option Property at the time Purchaser exercises its option to purchase. The market value shall be determined by an independent appraiser acceptable to both parties. The cost of the appraisal shall be split equally between Seller and Purchaser.

3. Purchaser, solely at its cost and expense shall supply a survey of the Real Property which shall include a metes and bounds description of the Real Property and an acreage calculation to the nearest one-tenth of an acre. Purchaser shall pay all costs and expenses required for subdivision of the Real Property.

4. Seller shall be granted easements, as needed, for access to the relocated Center Street Bridge and to the existing Center Street Bridge if Seller is selected to dismantle the existing Center Street Bridge.

5. The closing of this transaction shall occur in Youngstown, Mahoning County, Ohio, at a place, time and date to be mutually agreed upon between the parties ("Closing"). The Closing shall occur no later than thirty (30) days following Seller's receipt of written notice from Purchaser, pursuant to the Agreement and this Option Agreement of its intent to exercise its option to purchase the Real Property.

6. At the Closing, Seller and Purchaser shall calculate and prorate between themselves, all real estate taxes for the current year with respect to the Real Property.

7. This Option Agreement shall run with the Option Property, and inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns, provided, however, that no transfers of the Real Property or assignment of this Option Agreement, shall relieve any party of its obligations hereunder.

8. A memorandum of this Option Agreement shall be recorded in the Mahoning County, Ohio Recorder's Office immediately following the recording of the Quitclaim Deed.

9. This Option Agreement shall terminate, unless notice of intent to exercise the option has been given by Purchaser on or before December 31, 2002, or if Purchaser sells its adjoining property on which its Tube Mill is located, or if, prior to December 31, 2002, Purchaser advises Seller in writing of its intent not to exercise its option.

IN WITNESS WHEREOF, the parties hereto have caused this Option Agreement to be executed on the day and year first written above.

WITNESSES:

SELLER:

ALLIED INDUSTRIAL DEVELOPMENT CORPORATION

By: _____

Title: _____

WITNESSES:

PURCHASER:

LTV STEEL COMPANY, INC.

By: _____

STATE OF OHIO)
) SS:
COUNTY OF MAHONING)

I, _____, a Notary Public in
and for said county in said state, hereby certify that
_____, whose name as
_____, ALLIED INDUSTRIAL DEVELOPMENT
CORPORATION, a corporation, is signed to the foregoing
document, and who is known to me, acknowledged before me on
this day that, being informed of the contents of the above
and foregoing document, he, as such officer and with full
authority, executed the same voluntarily for and as the act
of said corporation on this day.

Given under my hand and official seal of office
this _____ day of _____, 19__.

Notary Public

(Notarial Seal)

My commission expires _____

STATE OF OHIO)
) SS:
COUNTY OF CUYAHOGA)

I, _____, a Notary Public in
and for said county in said state, hereby certify that
_____, whose name as _____,
of LTV Steel Company, Inc., a corporation, is signed to the
foregoing document, and who is known to me, acknowledged
before me on this day that, being informed of the contents of
the above and foregoing document, he, as such officer and
with full authority, executed the same voluntarily for and as
the act of said corporation on this day.

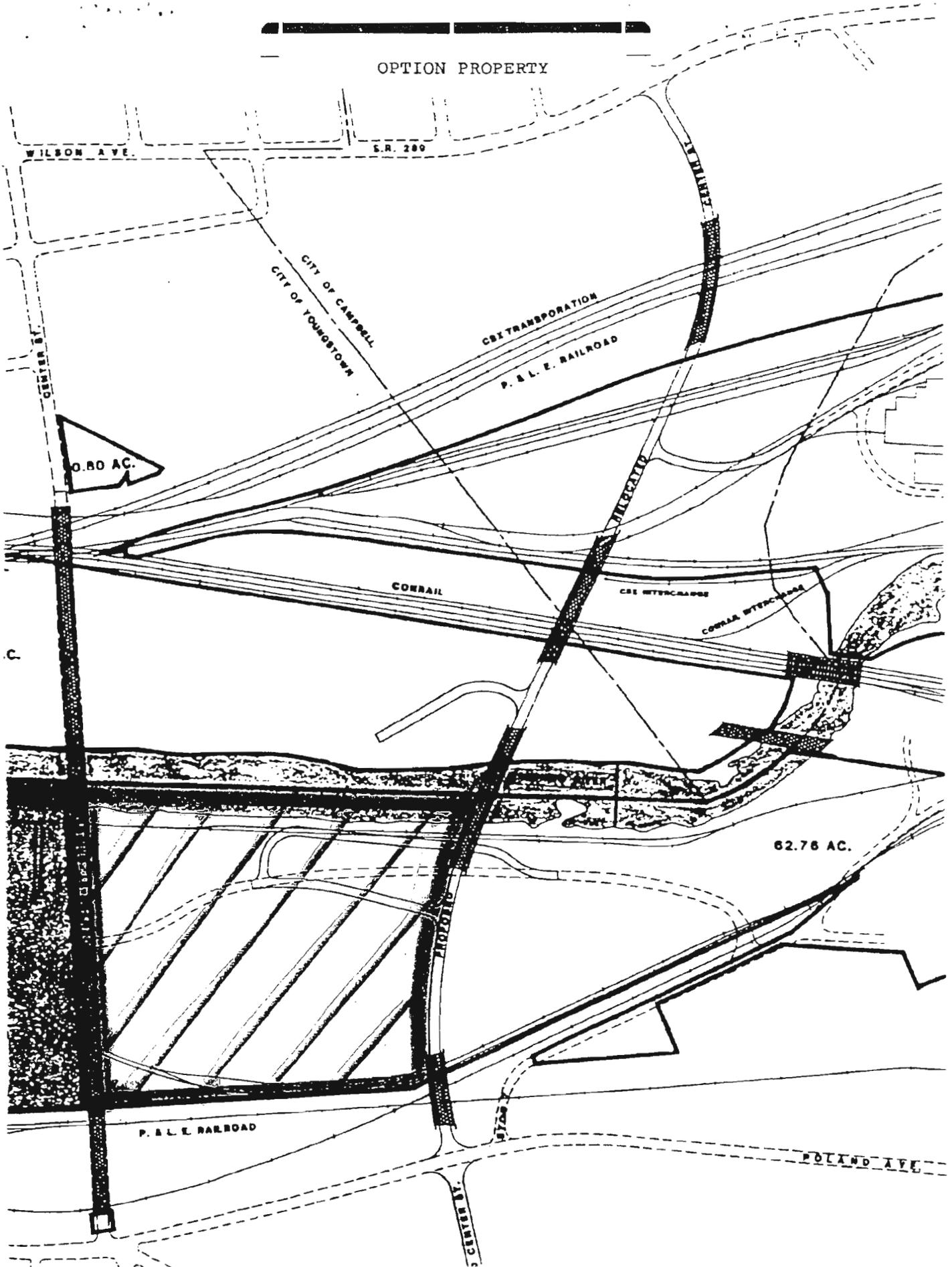
Given under my hand and official seal of office
this _____ day of _____, 19____.

Notary Public

(Notarial Seal)

My commission expires:_____

OPTION PROPERTY



ATTACHMENT A

LEGAL DESCRIPTION OF "REAL PROPERTY"

Attachment B

QUITCLAIM DEED

This Deed, made this _____ day of _____, 1992, between LTV STEEL COMPANY, INC., a New Jersey corporation having its principal business address at 25 West Prospect Avenue, Cleveland, Ohio 44115, the Grantor, and ALLIED INDUSTRIAL DEVELOPMENT CORPORATION, an Ohio corporation, having its address at 2100 Poland Avenue, Youngstown, Ohio 44502, the Grantee.

WITNESSETH, that for Ten Dollars (\$10.00) and other valuable consideration paid, the receipt and sufficiency whereof is hereby acknowledged, Grantor does hereby remise, release and forever quitclaim to Grantee, its right, title and interest in and to the real property situated in the City of Youngstown, Mahoning County, Ohio, as more fully described below:

SEE ATTACHED EXHIBIT A

TOGETHER, with all improvements thereon and the appurtenances thereunto belonging, subject to the right of Grantor, its successors and assigns, to repurchase a portion of the Real Property, through December 31, 2002.

TO HAVE AND TO HOLD the same to and for the use of Grantee, its successors and assigns, forever.

IN WITNESS WHEREOF, Grantor has hereunto caused this Quitclaim Deed to be executed by its duly authorized officer on this _____ day of _____, 1992.

WITNESS:

LTV STEEL COMPANY, INC.

By: _____

Title: _____

STATE OF OHIO)
) SS:
COUNTY OF CUYAHOGA)

On this, the _____ of _____, 1992, before me personally appeared _____ who acknowledged himself to be _____ of LTV STEEL COMPANY, INC., a corporation, and as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by himself as such officer.

IN WITNESS WHEREOF, I have hereunto set my hand and Official Seal at Cleveland, Ohio, this _____ day of _____, 1992.

(SEAL)

Commission expires _____

ATTACHMENT C

NONE

ATTACHMENT D

LIMITED WARRANTY DEED

KNOW ALL MEN BY THESE PRESENT: That ALLIED INDUSTRIAL DEVELOPMENT CORPORATION, an Ohio corporation, the GRANTOR, who claims title by and through the instrument recorded in Volume ____ Page ____, Mahoning County, Ohio Deed Records, for and in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration received to its full satisfaction of LTV STEEL COMPANY, INC., the GRANTEE, whose tax mailing address is 25 West Prospect Avenue, Cleveland, Ohio 44115, does hereby give, grant, bargain, sell and convey unto the GRANTEE, its successors and assigns, the following described real property, the Premises, situated in Youngstown, Mahoning County, Ohio, and more fully described as follows:

LEGAL DESCRIPTION

-see attached-

TO HAVE AND TO HOLD the Premises with the privileges and appurtenances thereunto belongings, unto the GRANTEE, its successors and assigns forever. GRANTOR does for itself and its successors and assigns, covenant with the GRANTEE, its successors and assigns, that at and until the ensealing of these presents, the Premises has not been encumbered by GRANTOR, except for the easements, conditions, restrictions

and reservations of record that existed prior to the date GRANTOR acquired the Premises, and GRANTOR will warrant and defend the Premises with the appurtenances thereunto belonging to the GRANTEE, its successors and assigns forever against all lawful claims and demands whatsoever of all persons claiming by, through or under GRANTOR.

The Premises and title thereto being conveyed hereunder are subject to any and all zoning ordinances, real estate taxes and assessments, both general and special, which are a lien but not yet due and payable.

IN WITNESS WHEREOF, GRANTOR has set its hand this _____ day of _____, _____.

Signed in the
presence of:

ALLIED INDUSTRIAL DEVELOPMENT CORPORATION
GRANTOR

By: _____
Title: _____

STATE OF OHIO)
) SS:
COUNTY OF MAHONING)

I, _____, a Notary Public in
and for said county in said state, hereby certify that
_____, of ALLIED INDUSTRIAL
DEVELOPMENT CORPORATION, a corporation, is signed to the
foregoing Limited Warranty Deed, and who is known to me,
acknowledged before me on this day that, being informed of
the contents of the above and foregoing document, he, as such
officer and with full authority, executed the same
voluntarily for and as the act of said corporation on the
date first above written

Given under my hand and official seal of office
this _____ day of _____, 19__.

Notary Public

(Notarial Seal)

My commission expires _____

ATTACHMENT A

LEGAL DESCRIPTION OF "REAL PROPERTY"

EXHIBIT E

LIMITED WARRANTY DEED

KNOW ALL MEN BY THESE PRESENT: That ALLIED INDUSTRIAL DEVELOPMENT CORPORATION, an Ohio corporation, the GRANTOR, who claims title by and through the instrument recorded in Volume ____ Page ____, Mahoning County, Ohio Deed Records, for and in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration received to its full satisfaction of LTV STEEL COMPANY, INC., the GRANTEE, whose tax mailing address is 25 West Prospect Avenue, Cleveland, Ohio 44115, does hereby give, grant, bargain, sell and convey unto the GRANTEE, its successors and assigns, the following described real property, the Premises, situated in Youngstown, Mahoning County, Ohio, and more fully described as follows:

LEGAL DESCRIPTION

-see attached-

TO HAVE AND TO HOLD the Premises with the privileges and appurtenances thereunto belongings, unto the GRANTEE, its successors and assigns forever. GRANTOR does for itself and its successors and assigns, covenant with the GRANTEE, its successors and assigns, that at and until the ensealing of these presents, the Premises has not been encumbered by GRANTOR, except for the easements, conditions, restrictions

and reservations of record that existed prior to the date GRANTOR acquired the Premises, and GRANTOR will warrant and defend the Premises with the appurtenances thereunto belonging to the GRANTEE, its successors and assigns forever against all lawful claims and demands whatsoever of all persons claiming by, through or under GRANTOR.

The Premises and title thereto being conveyed hereunder are subject to any and all zoning ordinances, real estate taxes and assessments, both general and special, which are a lien but not yet due and payable.

IN WITNESS WHEREOF, GRANTOR has set its hand this _____ day of _____, _____.

Signed in the
presence of:

ALLIED INDUSTRIAL DEVELOPMENT CORPORATION
GRANTOR

By: _____
Title: _____

STATE OF OHIO)
) SS:
COUNTY OF MAHONING)

I, _____, a Notary Public in
and for said county in said state, hereby certify that
_____, of ALLIED INDUSTRIAL
DEVELOPMENT CORPORATION, a corporation, is signed to the
foregoing Limited Warranty Deed, and who is known to me,
acknowledged before me on this day that, being informed of
the contents of the above and foregoing document, he, as such
officer and with full authority, executed the same
voluntarily for and as the act of said corporation on the
date first above written

Given under my hand and official seal of office
this _____ day of _____, 19__.

Notary Public

(Notarial Seal)

My commission expires _____

ATTACHMENT A

LEGAL DESCRIPTION OF "REAL PROPERTY"

QUITCLAIM DEED

This Deed, made this 6th day of May, 1993, between LTV STEEL COMPANY, INC., a New Jersey corporation having its principal business address at 25 West Prospect Avenue, Cleveland, Ohio 44115, the Grantor, and ALLIED INDUSTRIAL DEVELOPMENT CORPORATION, an Ohio corporation, having its address at 2100 Poland Avenue, Youngstown, Ohio 44502, the Grantee.

WITNESSETH, that for Ten Dollars (\$10.00) and other valuable consideration paid, the receipt and sufficiency whereof is hereby acknowledged, Grantor does hereby remise, release and forever quitclaim to Grantee, its right, title and interest in and to the real property situated in the City of Youngstown, Mahoning County, Ohio, as more fully described below:

SEE ATTACHED EXHIBIT A

TOGETHER, with all improvements thereon and the appurtenances thereunto belonging, subject to the right of Grantor, its successors and assigns, to repurchase a portion of the Real Property, through December 31, 2002.

TO HAVE AND TO HOLD the same to and for the use of Grantee, its successors and assigns, forever.

IN WITNESS WHEREOF, Grantor has hereunto caused this Quitclaim Deed to be executed by its duly authorized officer on this 6th day of May, 1993.

WITNESS:

Kenneth R. Yantek
Kenneth R. Yantek
Gail S. Fleener
Gail S. Fleener

Prepared By:
LTV STEEL COMPANY, INC.

By: JC Skunk
Title: Vice President

this conveyance has complied with section 319.022
Fee \$ 62⁸⁰ Receipt # 1771
Permissive Tax 188⁴⁰
Exempt D&D 5-21-93
By: R. Gochman Deputy
GEORGE J. TABLACK, COUNTY AUDITOR

RECEIVED FOR RECORD
AT 9:32 O'CLOCK A. M.
MAY 21 1993
BRUCE E. PAPALIA

#20.00

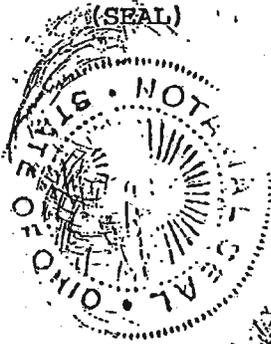
STATE OF OHIO)
) SS:
COUNTY OF CUYAHOGA)

On this, the 6th of May, 1993, before me personally
appeared J. C. SKUREK who acknowledged himself to be *Vice President*
of LTV STEEL COMPANY, INC.,
a corporation, and as such officer, being authorized to do so,
executed the foregoing instrument for the purposes therein
contained by signing the name of the corporation by himself as
such officer.

IN WITNESS WHEREOF, I have hereunto set my hand and Official
Seal at Cleveland, Ohio, this 6th day of May, 1993.

Kenneth R. Yantek
Commission expires N/A.

KENNETH R. YANTEK, Attorney At Law
Notary Public - State of Ohio
My commission has no expiration date.
Section 147.03 R. C.



December 14, 1992

DESCRIPTION LKN Map OC-196

LTV Steel Inc.

Parcel "A"

Situated in the City of Youngstown, County of Mahoning, State of Ohio and known as being a part of former Great Lot 28 in Coitsville Township, and now known as part of City Lot 54717, part of City Lot 54718, part of Outlot 574, part of Outlot 1216 and part of Outlot 1631 of the present number system of the City of Youngstown, and is further bounded and described as follows:

Beginning at an iron pin set in the northerly line of the Lake Erie & Eastern Railroad Co. right-of-way at its intersection with the northerly line of the Canfield Branch of the PY&A Railroad, thence N. 47°-44' W. along the northerly line of the Lake Erie & Eastern Railroad Co.'s land as aforesaid, 932.12 feet to an iron pin set, said iron pin being located easterly 31.00 feet as measured at right angles from the centerline of the viaduct piers of the Center St. Viaduct;

Thence N. 42°-39' E. along a line parallel to and 31.00 feet easterly from the centerline of the viaduct piers of the Center St. Viaduct, 509.00 feet to an iron pin set;

Thence S. 47°-21' E., 26.00 feet to an iron pin set;

Thence N. 42°-39' E. along a line parallel to the centerline of the viaduct piers of the Center St. Viaduct, 415.33 feet to a point in the centerline of the Mahoning River, said point being N. 42°-39' E., 95.33 feet from an iron pin set near the top of the southerly bank of the Mahoning River;

Thence S. 42°-33'-50" E., down the centerline of the Mahoning River, 1685.28 feet to a point;

Thence southeasterly continuing along the centerline of the Mahoning River along a curve to the left, said curve having a radius of 600.00 feet, an arc of 514.86 feet, and a chord bearing S. 67°-08'-48" E., a distance of 499.21 feet to a point in the southerly line of lands now or formerly owned by the Pittsburgh, Youngstown & Ashtabula Railway Co., now owned by Conrail, said point being N. 36°-00' W., 110.00 feet from an iron pin set near the top of the southerly bank of the Mahoning River;

Thence S. 36°-00' E. along the southerly line of Conrail's land as aforesaid, 688.14 feet to an iron pin set in the northerly line of the Canfield Branch of the PY&A Railroad as aforesaid;

Thence the following six course along the northerly line of the Canfield Branch of the PY&A Railroad;

Along a curve to the left, said curve having a radius of 603.69 feet, an arc of 143.99 feet, and a chord bearing N. 65°-03'-30" W., a distance of 143.65 feet to an iron pin set;

Description Parcel "A" Continued

Page 2

N. 58°-05' W., 22.12 feet to an iron pin set;

Along a curve to the left, said curve having a radius of 586.99 feet, an arc of 256.12 feet, and a chord bearing N. 70°-35' W., a distance of 254.09 feet to an iron pin set;

N. 83°-05' W., 312.85 feet to an iron pin set;

Along a curve to the right, said curve having a radius of 1880.08 feet, an arc of 51.19 feet, and a chord bearing N. 68°-47'-35" W., a distance of 51.19 feet to an iron pin set;

N. 68°-00'-50" W., 1308.18 feet to the place of beginning and containing within said bounds 38.457 acres of land of which 3.50 acres of land is contained within the Mahoning River as surveyed and described by Lynn, Kittinger & Noble, Inc., Professional Surveyors, October 1992 by Carroll L. Herrmann, P.S. Ohio #5663.

And known as being a part of that land conveyed by Haselton Steel Tube Co. to Republic Iron and Steel Co. as recorded in Volume 158 at page 106 Parcel 18E of the Mahoning County Records of Deeds and also known as being a part of that land conveyed by the Lake Erie & Eastern Railroad Co. to Republic Iron and Steel Co. as recorded in Volume 182 at page 442 Parcel 2, of the Mahoning County Records of Deeds, also being known as a part of that land conveyed by the Pittsburgh, Youngstown & Ashtabula Railway Co. to the Republic Iron and Steel Co. as recorded in Volume 336 at page 242 of the Mahoning County Records of Deeds and also known as being a part of that land conveyed by LTV Tubular Products Co. to LTV Steel Co. Inc. as recorded in Official Record 208 at page 21 of the Mahoning County Official Records.

Subject to an existing 20 foot driveway with aerial, electric and telephone lines that presently cross the southeast corner of the above described parcel of land that is used by Conrail for ingress and egress and operations of Conrail's Haselton Rail Yards.

Also subject to a sanitary sewer lift station, pipe lines and electric service lines, that are situated in the southwesterly corner of the above described parcel of land.

Also subject to a all railroad track spurs that are located on the above described parcel of land that are presently being used and maintained by LTV Steel Co. Inc.

December 14, 1992

DESCRIPTION LKN Map OC-196

LTV Steel Inc.

Parcel "B"

Situated in the City of Youngstown, County of Mahoning, State of Ohio and known as being a part of former Great Lot 28 in Coitsville Township and now known as being all of City Lot 54715, all of City Lot 54716, all of Outlot 1629, all of Outlot 1649, part of Outlot 1215, part of Outlot 1217, part of Outlot 1630 and part of Outlot 1631 of the present numbering system of the City of Youngstown and is further bounded and described as follows:

Beginning at an iron pin set in the northerly line of the Lake Erie & Eastern Railroad Co. at its intersection with the northerly line of the Canfield Branch of the PY&A Railroad, thence S. 68°-00'-50" E. along the northerly line of the Canfield Branch of the PY&A Railroad, 388.44 feet to a point;

Thence S. 21°-59'-10" W., 60.00 feet to an iron pin set in the southerly line of the Canfield Branch of the PY&S Railroad at a northeast corner of lands formerly owned by the Lake Erie & Eastern Railroad Co. now owned by Allied Erecting & Dismantling Co. Inc., which is the True Place of Beginning of the herein described parcel of land;

Thence the following courses along the southerly line of the Canfield Branch of the PY&A Railroad;

S. 68°-00'-50" E., 847.78 feet to an iron pin set;

S. 83°-05' E., 447.51 feet to a railroad spike set;

Along a curve to the right, said curve having a radius of 560.39 feet, an arc of 244.52 feet, and a chord bearing S. 70°-35' E., 242.58 feet to a railroad spike set;

S. 58°-05' E., 177.51 feet to an iron pin set in the southerly line of lands now or formerly owned by the Pittsburgh, Youngstown & Ashtabula Railway Co. which is now owned by Conrail;

Thence S. 36°-00' E. along the southerly line of Conrail's land, 2618.00 feet to an iron pin set at a northwest corner of lands formerly owned by the Lake Erie & Eastern Railroad Co. now being owned by Allied Erecting & Dismantling Co. Inc.;

Thence the following eight courses along the northerly line of lands formerly owned by the Lake Erie & Eastern Railroad Co. now owned by Allied Erecting & Dismantling Co. Inc.;

S. 54°-58' W. 31.39 feet to an iron pin set;

N. 35°-02' W., 608.55 feet to an iron pin set;

Description Parcel "B" Continued

Page 2

Along a curve to the left, said curve having radius of 468.34 feet, an arc of 235.69 feet and a chord bearing N. 49°-27' W., 233.21 feet to an iron pin set;

N. 63°-52' W., 144.54 feet to an iron pin set;

Along a curve to the right, said curve having a radius of 488.34 feet, an arc of 132.11 feet, a chord bearing N. 56°-07' W., a distance of 131.71 feet to an iron pin found in concrete;

N. 48°-22' W., 1329.24 feet to an iron pin found in the top of a concrete wall;

N. 41°-11'-20" W., 296.29 feet to a drill hole found in the top of a concrete wall;

N. 62°-36'-25" W., 257.39 feet to an iron pin set at the southeast corner of other lands owned by Allied Erecting & Dismantling Co. Inc. as recorded in Official Record 1183 at page 31 of the Mahoning County Official Records;

Thence the following four courses along the bounds of that parcel of land conveyed to Allied Erecting & Dismantling Co. Inc. in Official Record 1183 at page 31 as aforesaid;

N. 21°-50' E., 105.46 feet to an iron pin found;

N. 41°-11'-20" W., 319.41 feet to a railroad spike set;

N. 68°-00'-50" W., 417.11 feet to a railroad spike set;

S. 21°-59'-10" W., 153.78 feet to an iron pin set in the aforementioned northerly line of lands formerly owned by the Lake Erie & Eastern Railroad Co. and now owned by Allied Erecting & Dismantling Co. Inc.;

Thence N. 48°-32'-10" W. along the northerly line of lands now owned by Allied Erecting & Dismantling Co. Inc., 445.85 feet to an iron pin found;

Thence N. 21°-59'-10" E. along the easterly line of lands now owned by Allied Erecting & Dismantling Co. Inc., 25.11 feet to the place of beginning and containing within said bounds 20.037 acres of land as surveyed and described by Lynn, Kittinger & Noble, Inc., Professional Surveyors, October 1992 by Carroll L. Herrmann, Ohio #5663.

And known as being all of that land conveyed by the Lake Erie & Eastern Railroad Co. to Republic Iron and Steel Co. as recorded in Volume 182 at page 442, Parcel 1 of the Mahoning County Records of Deeds, and all of that land as conveyed by Central National Bank of Cleveland, Trustee, to Republic Steel Corp. as recorded in Volume 609 at page 251, Parcels 1 and 2, of the Mahoning County Records of Deeds, and all of that land conveyed by the Lake Erie & Railroad Co. to the Republic Steel Corp. as recorded in Volume 619 at page 593, parcels 1 and 2 of the Mahoning County Records of Deeds, and all of that land conveyed by the Pittsburgh, Youngstown & Ashtabula Railway Co. to Republic Steel Corp. as recorded in Volume 649 at page 564 of the Mahoning County Records of Deeds.

Description Parcel "B" Continued

Page 3

Subject to a 20 foot drive easement as recorded in Volume 182 at page 442 of the Mahoning County Records of Deeds in Volume 619 at page 593, Parcel 2 of the Mahoning County Records of Deeds, and that portion of an existing 20 foot drive that lies within a 20 foot right-of-way as established in Volume 596 at page 287 of the Mahoning County Records of Deeds, and also subject to that portion of a 20 foot drive and aerial electric and telephone lines that exist along the southerly side of the Canfield Branch of the PY&A Railroad right-of-way that is used by Conrail for ingress and egress and operations of Conrail's Haselton Rail Yards.

Also subject to all railroad tracks spurs that are located on the above described parcel of land that are presently being used and maintained by LTV Steel Co. Inc.

TAX MAP DEPT.
OK-BY DM

9 SURVEY MAP FOR ABOVE DISCRPTION REDORDED IN MAHONING COUNTY RECORDS OF PLATS
VOLUME 86 PAGE 131 - 132

ECKERT SEAMANS CHERIN & MELLOTT

COPY

ATTORNEYS AT LAW

March 25, 1994

600 Grant Street 42nd Floor
Pittsburgh, PA 15219
Telephone 412-566-6000
Facsimile 412-566-6099
Telex 866172

Mr. D. B. Pollack
LTV Steel Company
Law Department
LTV Steel Building
25 West Prospect Avenue
Cleveland, Ohio 44115-1069

Re: Allied-LTV Agreement of Sale

Dear Mr. Pollack:

I have reviewed your March 7 letter and we clearly disagree with your stated position on the ownership of the track and equipment. Regardless of LTV's "intentions", the Agreement of Sale and Easement Agreement speak for themselves and confirm Allied's position.

With regard to the balance of your letter, Allied has not and does not intend to violate the Easement Agreement or unreasonably interfere with LTV's use of the rail. To the contrary, Allied is and has been willing to discuss this matter with LTV's plant personnel to address their plant needs. I would add that the operative agreement is between Allied and LTV, not the Mahoning Valley Railway Company, and Allied accordingly intends to deal solely with LTV. LTV in turn, however, must recognize Allied's right to develop its property as set forth in the Future Cooperation provision of the Easement Agreement.

While I am not aware of the "confrontations" you refer to, I certainly agree that Allied and LTV should be able to work out mutually acceptable arrangements on this issue as soon as you are prepared to meet. Give me a call, or have Ken Yantek give John Ramun a call, so that we can set up a meeting to address and resolve this issue. We will await prompt word from you.

Very truly yours,



Christopher R. Opalinski

CRO/bjm

cc: Mr. John Ramun

Pittsburgh
Harrisburg
Allentown
Philadelphia
Boston
Buffalo
Fort Lauderdale
Boca Raton
Miami
Tallahassee
Washington, D.C.

CHRISTOPHER R. OPALINSKI
412/ 566-5963

FEB 11 1994

ECKERT SEAMANS CHERIN & MELLOTT

ATTORNEYS AT LAW

February 9, 1994

600 Grant Street 42nd Floor
Pittsburgh, PA 15219
Telephone 412-566-6000
Facsimile 412-566-6099
Telex 866172

Mr. Kenneth R. Yantek
Manager, Real Estate Services
LTV Steel Company
LTV Steel Building
25 West Prospect Avenue
Cleveland, Ohio 44115

Re: Allied/LTV Agreement of Sale

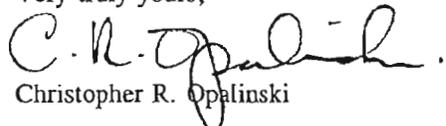
Dear Ken:

In connection with your recent discussions with John Ramun concerning ownership of rail track and equipment in light of the June 25, 1992 Sale and Purchase Agreement between Allied and LTV, John Ramun has forwarded me your February 7 letter for a reply.

Simply stated, we believe your conclusion is unsupported. By virtue of the Sale and Purchase Agreement, in particular Section 1 on page 1, LTV transferred to Allied all right, title and interest to the real property "together with all appurtenances pertaining thereto". As confirmed by the May 6, 1993 Quitclaim Deed, LTV transferred the real property "with all improvements thereon and the appurtenances thereunto belonging". No where in the Sale and Purchase Agreement or the deed is there any express reservation of any ownership rights by LTV. While Section 1(b) of the Sale and Purchase Agreement refers to the mutual grant of easements by the parties for railroad tracks, these easements are for "ingress and egress over, under and across each other's land". Accordingly, all ownership rights to the rail track and equipment were transferred to Allied.

While you correctly note that in connection with the Sale and Purchase Agreement Allied granted LTV an easement - the easement is not, as you state, "for the continued ownership . . . of the tracks and equipment" but solely to "operate, use, maintain, repair, restore, replace and abandon" the track and related equipment. I would add that this easement is a non-exclusive easement.

I trust this confirms Allied's position with regard to this matter. If you have any questions or if you wish to discuss this matter any further, please contact me.

Very truly yours,

Christopher R. Opalinski

CHRISTOPHER R. OPALINSKI
412/ 566-5963

Pittsburgh
Harrisburg
Allentown
Philadelphia
Boston
Buffalo
Fort Lauderdale
Boca Raton
Miami
Tallahassee
Washington, D.C.

LTV Steel Company

FEB 8 1994



VIA FAX: (216) 744-3218

February 7, 1994

Mr. John R. Ramun
Allied Industrial Development Corporation
2100 Poland Avenue
Youngstown OH 44502

Re: Ownership of Railroad Track and Equipment Located
On Property Sold by LTV to Allied on May 21, 1993

Dear John:

A question has been raised regarding the ownership of the rail track and equipment referenced above.

To clarify the situation, you own the land, but LTV retained an Easement (Exhibit "C" to the Sale and Purchase Agreement, copy attached) for the continued ownership and use of the tracks and equipment by the Mahoning Valley Railway Company, under an existing lease between LTV and the Railroad. This is detailed in the Easement Agreement on page 2, Section II. Railroad Easement.

I trust this helps the understanding regarding this transaction. If I can be of any assistance, please call.

Very truly yours,


Kenneth R. Yantek
Manager, Real Estate Services

KRY:sf

Enclosure

cc: K. W. Grant
H. A. Henshaw
D. R. Innocenti
R. L. McCombs

ASSIGNMENT AND ASSUMPTION AGREEMENT

This AGREEMENT is dated as of March 30, 2001 and is among LTV STEEL COMPANY, INC., a New Jersey corporation ("LTV"), the MAHONING VALLEY RAILWAY COMPANY, an Ohio corporation ("MVRC"), the CUYAHOGA VALLEY RAILWAY COMPANY, an Ohio corporation ("CVRC"), and SUMMIT VIEW, INC., an Ohio corporation ("Purchaser").

WITNESSETH;

WHEREAS, MVRC and the Cuyahoga Valley Railway Company ("CVRC"), which is an affiliate of LTV, (MVRC and CVRC are hereinafter sometimes collectively referred to herein as "Seller") have entered into that certain Stock Purchase Agreement among MVRC, Seller and Purchaser dated as of March 30, 2001 (the "Purchase Agreement") whereby CVRC has sold and transferred to Purchaser all of the issued and outstanding capital stock of MVRC (the "Transaction");

WHEREAS, pursuant to the Purchase Agreement and as part of the consideration for the Transaction, Seller and LTV have agreed to assign to Purchaser and Purchaser has agreed to assume certain lease agreements, licenses and other agreements (collectively the "Real Property Agreements") with respect to the Real Property and the acquired property.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, MVRC, LTV, and Purchaser agree as follows:

Assignment. Effective as of the date hereof, pursuant to the terms and conditions of the Purchase Agreement, Seller and LTV do hereby assign, transfer and set over to Purchaser, without recourse, representation or warranty, all of MVRC's and LTV's right, title and interest in and to the Real Property Agreements, copies of which are attached hereto as Attachment I, but only to the extent it relates to the ownership or operation of MVRC.

1. Assumption. Effective as of the date hereof, pursuant to the terms and conditions of the Purchase Agreement, Purchaser hereby accepts the foregoing assignment and hereby assumes and agrees to perform and/or cause to be performed all of the

conditions, covenants and obligations of the Real Property Agreements to be performed by Seller and LTV therein, in accordance with their respective terms, but only to the extent it relates to the ownership or operation of MVRC, with the same force and effect as if the Real Property Agreements had originally been executed by Purchaser upon said terms.

- 2. Binding Nature. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their legal representatives, successors and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed in their respective corporate names by their respective duly authorized officers, all as of the day and year first written above.

LTV STEEL COMPANY, INC.

WITNESSES:

Jahud L. Rodachy
J. Barbara A. G. Giff

By:

JCSkunk

Title:

VICE PRESIDENT AND TREASURER

CUYAHOGA VALLEY RAILWAY COMPANY

WITNESSES:

By:

Title:

MAHONING VALLEY RAILWAY COMPANY

WITNESSES:

By:

Title:

SUMMIT VIEW, INC.

WITNESSES:

By:

Title:

conditions, covenants and obligations of the Real Property Agreements to be performed by Seller and LTV therein, in accordance with their respective terms, but only to the extent it relates to the ownership or operation of MVRC, with the same force and effect as if the Real Property Agreements had originally been executed by Purchaser upon said terms.

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LTV STEEL COMPANY, INC.

WITNESSES:

By: _____

Title: _____

CUYAHOGA VALLEY RAILWAY COMPANY

WITNESSES:

Gay S. Linnard
Jay D. Heath

By: Daniel P. Henneay

Title: PRESIDENT

MAHONING VALLEY RAILWAY COMPANY

WITNESSES:

Gay S. Linnard
Jay D. Heath

By: Daniel P. Henneay

Title: PRESIDENT

SUMMIT VIEW, INC.

WITNESSES:

By: _____

Title: _____

conditions, covenants and obligations of the Real Property Agreements to be performed by Seller and LTV therein, in accordance with their respective terms, but only to the extent it relates to the ownership or operation of MVRC, with the same force and effect as if the Real Property Agreements had originally been executed by Purchaser upon said terms.

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed in their respective corporate names by their respective duly authorized officers, all as of the day and year first written above.

LTV STEEL COMPANY, INC.

WITNESSES:

By: _____

Title: _____

CUYAHOGA VALLEY RAILWAY COMPANY

WITNESSES:

By: _____

Title: _____

MAHONING VALLEY RAILWAY COMPANY

WITNESSES:

By: _____

Title: _____

SUMMIT VIEW, INC.

WITNESSES:

Ray Z. Feja
Lyndell R. Wright

By: William A. Brown II

Title: Vice President

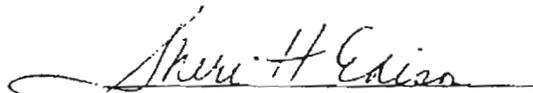
STATE OF OHIO)

)SS:

COUNTY OF CUYAHOGA)

I, a Notary Public in and for said county in said state, hereby certify that JOHN SKUREK, whose name as VICE PRESIDENT / TREASURER, of LTV STEEL COMPANY, Inc., a New Jersey corporation, is signed to the foregoing Assignment and Assumption Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of the above and foregoing, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation on the date first written above.

Given under my hand and official seal of office this 2nd day of March, 2001.


Notary Public

(Notarial Seal)

My commission expires _____

Notary Public, State of Ohio
My Commission has no expiration date
Section 147 of the Ohio Code

STATE OF OHIO)

)SS:

COUNTY OF CUYAHOGA)

I, a Notary Public in and for said county in said state, hereby certify that Daniel Hennessy whose name as President, of MAHONING VALLEY RAILWAY COMPANY, an Ohio corporation, is signed to the foregoing Assignment and Assumption Agreement, and who is known to me, acknowledged before me on this day that, being informed of the contents of the above and foregoing, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation on the date first written above.

Given under my hand and official seal of office this 2nd day of March, 2001.

Sheri H. Edison
Notary Public

(Notarial Seal)

My commission expires _____

SHERI H. EDISON, Attorney at Law
Notary Public, State of Ohio
My Commission has no expiration date
Section 14701, D.R.C.

STATE OF OHIO)

) SS:

COUNTY OF COSHOCTON)

I, Kimberly R. Wright, a Notary Public in and for said county in said state, hereby certify that WILLIAM A. STRAWN II whose name as VICE PRESIDENT, of SUMMIT VIEW, INC., an OHIO corporation, is signed to the foregoing Assignment and Assumption Agreement, and who is known to me, acknowledged before me on this day that being informed of the contents of the above and foregoing, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation on the date first written above.

Given under my hand and official seal of office this 2ND day of APRIL, 2001.

(Notarial Seal)



KIMBERLY R. WRIGHT
Notary Public, State of Ohio
My Commission Expires
July 2nd, 2003

Kimberly R. Wright
Notary Public

My commission expires July 2nd, 2003



KIMBERLY R. WRIGHT
Notary Public, State of Ohio
My Commission Expires
July 2nd, 2003

ATTACHMENT I

LIST OF ASSIGNED AGREEMENTS

- Agreement, dated June 7, 1934, between The Pittsburgh & Lake Erie Railroad Company and Youngstown Sheet & Tube Company.
 - Rail and Utility Service Agreement, dated March 31, 1980, between Youngstown Sheet & Tube Company and Castlo Community Development Corporation.
 - Road, Rail and Utility Service Agreement, dated April 30, 1986, between LTV Steel Company, Inc. and Casey Equipment Corporation.
 - Lease, dated January 1, 1990, between LTV Steel Company, Inc. and The Mahoning Valley Railway Company.
 - Road, Rail and Utility Service Agreement, dated September 12, 1991, between LTV Steel Company, Inc. and Youngstown Campbell Industrial Park, Inc.
 - Easement, dated December 20, 1991, between LTV Steel Company, Inc. and Youngstown Campbell Industrial Park, Inc.
 - Two Easements, each dated December 20, 1991, between LTV Steel Company, Inc. and Norbridge Enterprises, Inc.
 - License, dated March 20, 1992, between LTV Steel Company, Inc. and Casey Equipment Corporation.
 - Easement Agreement, dated June 25, 1992, between LTV Steel Company, Inc. and Allied Industrial Development Corporation.
 - Road, Rail and Utility Agreement, dated May 6, 1993, between LTV Steel Company, Inc. and American Ladle and Furnace Co.
 - Easement Agreement, dated May 20, 1993, between LTV Steel Company, Inc. and the City of Youngstown, Ohio.
 - Easement Agreement, dated May 21, 1993, between LTV Steel Company, Inc. and Astro Shapes, Inc.
 - Road, Rail and Utility Agreement, dated May 27, 1993, between LTV Steel Company, Inc. and P. F. M. Associates.
-

EXHIBIT A

March 1, 2001
8:08 AM

Page 1

MAHONING VALLEY RAILWAY FIXED ASSET SUMMARY REPORT As of 12/31/2000

Yr No Ext	Fixed Asset Cost					Accumulated Depreciation				Total Accum Depr	K C
	Beginning Cost	(+) Current Year Acquisition	(+) Current Year Trans-In	(-) Current Year/Disp/Trans-Out	Ending Cost	Prior Accum Depr/179 Expense	(+) Current YTD Depr/179 Expense	(+) Curr Accum Depr/179/Trans-In	(-) Curr Accum Depr/179/Disp/Trans-Out		
Book: Internal PY: December											
000267 000	0.00	26399.00	0.00	0.00	26399.00	0.00	0.00	0.00	0.00	0.00	
LAND - 37.881 ACRES PURCHASED FROM LTV											
Count= 1											
G/L Asset Acct No 1373102											
	0.00	26399.00	0.00	0.00	26399.00	0.00	0.00	0.00	0.00	0.00	
Less Remaining Values											
			0.00	0.00				0.00	0.00		
Net	0.00	26399.00	0.00	0.00	26399.00	0.00	0.00	0.00	0.00	0.00	
000260 000	21975.00	0.00	0.00	0.00	21975.00	10762.54	0.00	0.00	0.00	10762.54	
#1 MAIN/LEASED TRACK											
000251 000	1250.00	0.00	0.00	0.00	1250.00	312.48	0.00	0.00	0.00	312.48	
#245 TRACK/LEASED TRACK											
000252 000	1625.00	0.00	0.00	0.00	1625.00	406.38	0.00	0.00	0.00	406.38	
#245 TRACK/LEASED											
Count= 3											
G/L Asset Acct No 1373108											
	24850.00	0.00	0.00	0.00	24850.00	11481.40	0.00	0.00	0.00	11481.40	
Less Remaining Values											
			0.00	0.00				0.00	0.00		
Net	24850.00	0.00	0.00	0.00	24850.00	11481.40	0.00	0.00	0.00	11481.40	
000253 000	25953.00	0.00	0.00	0.00	25953.00	6488.28	0.00	0.00	0.00	6488.28	
#1 MAIN LEASED TRACK											
Count= 1											
G/L Asset Acct No 1373204											
	25953.00	0.00	0.00	0.00	25953.00	6488.28	0.00	0.00	0.00	6488.28	
Less Remaining Values											
			0.00	0.00				0.00	0.00		
Net	25953.00	0.00	0.00	0.00	25953.00	6488.28	0.00	0.00	0.00	6488.28	
000254 000	13084.00	0.00	0.00	0.00	13084.00	3270.98	0.00	0.00	0.00	3270.98	
#4 MAIN LEASED TRACK											
000255 000	815.00	0.00	0.00	0.00	815.00	203.75	0.00	0.00	0.00	203.75	
#245 TRACK LEASED TRACK											
000256 000	1054.00	0.00	0.00	0.00	1054.00	263.52	0.00	0.00	0.00	263.52	
#249 TRACK LEASED											
Count= 3											
G/L Asset Acct No 1373110											
	14953.00	0.00	0.00	0.00	14953.00	3738.26	0.00	0.00	0.00	3738.26	
Less Remaining Values											
			0.00	0.00				0.00	0.00		

MARCH 1, 2001
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MAHONING VALLEY RAILWAY
FIXED ASSET SUMMARY REPORT
as of 12/31/2000

BYE No Ext	FIXED ASSET COST				ACCUMULATED DEPRECIATION					
	Beginning Cost	(+) Current Year Acquisition	(+) Current Year Trans-In	(-) Current Year/Disp/Trans-Out	Ending Cost	Prior Accum Depr/179 Expense	(+) Current YTD Depr/179 Expense	(+) Current Accum Depr/179/Trans-In	(-) Current Accum Depr/179/Disp/Trans-Out	Total Accum Depr
Net	14853.00	0.00	0.00	0.00	14853.00	3738.26	0.00	0.00	0.00	3738.26
000257 000	5013.00	0.00	0.00	0.00	5013.00	2253.24	0.00	0.00	0.00	2253.24
	#4 MAIN TRACK LEASED									
000258 000	400.00	0.00	0.00	0.00	400.00	200.06	0.00	0.00	0.00	200.06
	#245 TRACK LEASED									
000259 000	480.00	0.00	0.00	0.00	480.00	119.92	0.00	0.00	0.00	119.92
	#249 TRACK LEASED									
Count=	3									
G/L Asset Acct No	1373111									
	8893.00	0.00	0.00	0.00	8893.00	2473.22	0.00	0.00	0.00	2473.22
Less Remaining Values			0.00	0.00				0.00	0.00	
Net	8893.00	0.00	0.00	0.00	8893.00	2473.22	0.00	0.00	0.00	2473.22
000260 000	102001.83	0.00	0.00	0.00	102001.83	25864.03	0.00	0.00	0.00	25864.03
	#4 MAIN TRACK LEASED									
000261 000	7760.00	0.00	0.00	0.00	7760.00	1840.02	0.00	0.00	0.00	1840.02
	#245 TRACK LEASED									
000262 000	8766.00	0.00	0.00	0.00	8766.00	2191.62	0.00	0.00	0.00	2191.62
	#249 TRACK LEASED									
000268 000	0.00	276.79	0.00	0.00	276.79	0.00	27.68	0.00	0.00	27.68
	TRACK ASSETS FROM LTV									
Count=	4									
G/L Asset Acct No	1373112									
	118527.83	276.79	0.00	0.00	118804.62	29995.67	27.68	0.00	0.00	30023.35
Less Remaining Values			0.00	0.00				0.00	0.00	
Net	118527.83	276.79	0.00	0.00	118804.62	29995.67	27.68	0.00	0.00	30023.35
000265 000	36500.63	0.00	0.00	0.00	36500.63	3650.07	2433.38	0.00	0.00	6083.45
	TRAILER-LOCKER ROOM/LUNCHROOM FACILITY									
000269 000	0.00	10423.84	0.00	0.00	10423.84	0.00	1041.38	0.00	0.00	1041.38
	BUILDING ASSET TRANSFERRED FROM LTV									
Count=	2									
G/L Asset Acct No	1373117									
	36500.63	10423.84	0.00	0.00	46924.47	3650.07	3474.76	0.00	0.00	7124.83
Less Remaining Values			0.00	0.00				0.00	0.00	
Net	36500.63	10423.84	0.00	0.00	46924.47	3650.07	3474.76	0.00	0.00	7124.83
000103 000	5047.00	0.00	0.00	0.00	5047.00	5047.00	0.00	0.00	0.00	5047.00
	UPGRADE SAND STATION									
Count=	1									

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MAHONING VALLEY RAILWAY FIXED ASSET SUMMARY REPORT as of 12/31/2000

SYS No	Ext	Fixed Asset Cost				Ending Cost	Accumulated Depreciation				Total Accum Dep
		Beginning Cost	(+) Current Year Acquisition	(+) Current Year Trans-In	(-) Current Year/Disp/Trans-Out		Prior Accum Depr/179 Expense	(+) Current YTD Depr/179 Expense	(+) Curr Accum Depr/179/Trans-In	(-) Curr Accum Depr/179/Disp/Trans-Out	
G/L Asset Acct No 1373119											
		5047.00	0.00	0.00	0.00	5047.00	5047.00	0.00	0.00	0.00	5047.00
		Less Remaining Values							0.00	0.00	
Net		5047.00	0.00	0.00	0.00	5047.00	5047.00	0.00	0.00	0.00	5047.00
000104	000	6158.73	0.00	0.00	0.00	6158.73	6158.73	0.00	0.00	0.00	6158.73
		ONE SWINGING DOOR									
000105	000	6158.73	0.00	0.00	0.00	6158.73	6158.73	0.00	0.00	0.00	6158.73
		ONE SWINGING DOOR									
000106	000	6158.73	0.00	0.00	0.00	6158.73	6158.73	0.00	0.00	0.00	6158.73
		ONE SWINGING DOOR									
000107	000	6158.73	0.00	0.00	0.00	6158.73	6158.73	0.00	0.00	0.00	6158.73
		ONE SWINGING DOOR									
000108	000	6158.73	0.00	0.00	0.00	6158.73	6158.73	0.00	0.00	0.00	6158.73
		ONE SWINGING DOOR									
000109	000	6158.73	0.00	0.00	0.00	6158.73	6158.73	0.00	0.00	0.00	6158.73
		ONE SWINGING DOOR									
000110	000	6158.72	0.00	0.00	0.00	6158.72	6158.72	0.00	0.00	0.00	6158.72
		ONE SWINGING DOOR									
000111	000	23764.94	0.00	0.00	0.00	23764.94	23764.94	0.00	0.00	0.00	23764.94
		GAS FIRED HEATING SYSTEM									
000112	000	34788.19	0.00	0.00	0.00	34788.19	34788.19	0.00	0.00	0.00	34788.19
		HEATING SYSTEM DS									
050113	000	3850.56	0.00	0.00	0.00	3850.56	1443.96	160.44	0.00	0.00	1604.60
		12 - 1000W LIGHTS - LOCO SHOP									
000363	000	4700.00	0.00	0.00	0.00	4700.00	1057.62	156.67	0.00	0.00	1214.19
		LOCO SHOP DOOR ENLARGEMENT									
Count= 11											
G/L Asset Acct No 1373120											
		110214.79	0.00	0.00	0.00	110214.79	104165.71	317.11	0.00	0.00	104482.82
		Less Remaining Values							0.00	0.00	
Net		110214.79	0.00	0.00	0.00	110214.79	104165.71	317.11	0.00	0.00	104482.82
000114	000	56964.59	0.00	0.00	0.00	56964.59	56964.59	0.00	0.00	0.00	56964.59
		COMMUNICATION SYSTEM COMPLETE									
Count= 1											
G/L Asset Acct No 1373126											
		56964.59	0.00	0.00	0.00	56964.59	56964.59	0.00	0.00	0.00	56964.59
		Less Remaining Values							0.00	0.00	
Net		56964.59	0.00	0.00	0.00	56964.59	56964.59	0.00	0.00	0.00	56964.59

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MAHONING VALLEY RAILWAY FIXED ASSET SUMMARY REPORT as of 12/31/2000

EYC No	Ext	Fixed Asset Cost					Accumulated Depreciation				Total Accum Depr
		Beginning Cost	(+) Current Year Acquisition	(+) Current Year Trans-In	(-) Current Year/Disp/Trans-Out	Ending Cost	Prior Accum Depr/179 Expense	(+) Current YTD Depr/179 Expense	(+) Curr Acqpp Depr/179/ Trans-In	(-) Curr Accum Depr/179/Disp Trans-Out	
000117	000	11900.00	0.00	0.00	0.00	11900.00	11900.00	0.00	0.00	0.00	11900.00
		MICHIGT GENERATOR FOR \$256									
000118	000	3343.77	0.00	0.00	0.00	3343.77	3343.77	0.00	0.00	0.00	3343.77
		TIE REHEATING MACHINE									
000119	000	2336.73	0.00	0.00	0.00	2336.73	2336.73	0.00	0.00	0.00	2336.73
		SPEEDSWING 441-B PERTIBONE									
000120	000	12272.53	0.00	0.00	0.00	12272.53	12272.53	0.00	0.00	0.00	12272.53
		SPEEDSWING 441-B PERTIBONE									
000122	000	26895.00	0.00	0.00	0.00	26895.00	26895.00	0.00	0.00	0.00	26895.00
		MICHIGAN TRACTOR SHOVEL									
000266	000	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
		CRANE-1977 36CM 77-10-A1-6547 (OWNED BY RPI)									
000266	000	0.00	9049.98	0.00	0.00	9049.98	0.00	904.98	0.00	0.00	904.98
		Replacement of No. 52 Speed Swing Cylinders									
Count=		7									
G/L Asset Acct No		1373137									
		56848.03	9049.78	0.00	0.00	65897.81	56848.03	904.98	0.00	0.00	57753.01
	Less Retaining Values			0.00	0.00				0.00	0.00	
	Net	56848.03	9049.78	0.00	0.00	65897.81	56848.03	904.98	0.00	0.00	57753.01
000123	000	4453.60	0.00	0.00	0.00	4453.60	4453.60	0.00	0.00	0.00	4453.60
		DUFF HORTON 126RX FROM JACK									
000124	000	4453.60	0.00	0.00	0.00	4453.60	4453.60	0.00	0.00	0.00	4453.60
		DUFF HORTON 126RX FROM JACK									
000125	000	3877.00	0.00	0.00	0.00	3877.00	3877.00	0.00	0.00	0.00	3877.00
		LINCOLN STICK WELDER									
000126	000	4480.85	0.00	0.00	0.00	4480.85	4480.85	0.00	0.00	0.00	4480.85
		DUFF HORTON 126RX FROM JACK									
000127	000	4480.85	0.00	0.00	0.00	4480.85	4480.85	0.00	0.00	0.00	4480.85
		DUFF HORTON 126RX FROM JACK									
000128	000	22200.00	0.00	0.00	0.00	22200.00	22200.00	0.00	0.00	0.00	22200.00
		PENDANT CONTROLS DS CRANE									
000129	000	19800.00	0.00	0.00	0.00	19800.00	19800.00	0.00	0.00	0.00	19800.00
		PENDANT CONTROLS CS CRANE									
000130	000	3670.29	0.00	0.00	0.00	3670.29	3670.29	0.00	0.00	0.00	3670.29
		STDC WELDING GUN									
000131	000	4137.00	0.00	0.00	0.00	4137.00	4137.00	0.00	0.00	0.00	4137.00
		PORTABLE JACKS ONE 50 TON									
000132	000	4137.00	0.00	0.00	0.00	4137.00	4137.00	0.00	0.00	0.00	4137.00
		PORTABLE JACKS ONE 50 TON									
000133	000	4137.00	0.00	0.00	0.00	4137.00	4137.00	0.00	0.00	0.00	4137.00
		PORTABLE JACK ONE 50 TON									
000134	000	4137.00	0.00	0.00	0.00	4137.00	4137.00	0.00	0.00	0.00	4137.00
		PORTABLE JACK ONE 50 TON									
000135	000	6870.86	0.00	0.00	0.00	6870.86	5153.04	572.57	0.00	0.00	5725.61

March 1, 2001
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MAHONING VALLEY RAILWAY FIXED ASSET SUMMARY REPORT as of 12/31/2000

SY#	No	Exc	Fixed Asset Cost				Accumulated Depreciation				Total Accn Depr	K C	
			Beginning Cost	(+) Current Year Acquisition	(+) Current Year Trans-In	(-) Current Year/Disp/ Trans-Out	Ending Cost	Prior Accn Depr/179 Expense	(+) Current YTD Depr/ 179 Expense	(-) Curr Accn Depr/179/ Disp Trans-Out			
000136	000		2000.00	0.00	0.00	0.00	2000.00	1500.04	166.67	0.00	0.00	1666.71	
			POWER WRENCH SET										
000137	000		2004.75	0.00	0.00	0.00	2004.75	1301.50	167.06	0.00	0.00	1670.36	
			ONE 25 TON ELECTRO HYDRAULIC PRESS										
000138	000		4900.00	0.00	0.00	0.00	4900.00	3675.04	408.32	0.00	0.00	4083.37	
			ONE 7" X 12" BAND SAW										
000139	000		5480.05	0.00	0.00	0.00	5480.05	4110.14	156.67	0.00	0.00	4566.81	
			ONE WASTE STORAGE TANK										
000140	000		3023.00	0.00	0.00	0.00	3023.00	2268.80	232.08	0.00	0.00	2526.88	
			REV. AIR MOTOR W/TORQUE MULTIPLIER										
000141	000		10934.08	0.00	0.00	0.00	10934.08	8200.52	911.17	0.00	0.00	9122.69	
			FOUR SECTIONS OF SCAFFOLDING										
Count=			19										
G/L Asset Acct No			1373144										
			119178.95	0.00	0.00	0.00	119178.95	110375.27	2934.86	0.00	0.00	113309.82	
			Less Remaining Values										
												0.00	
Net			119178.95	0.00	0.00	0.00	119178.95	110375.27	2934.55	0.00	0.00	113309.82	
000003	000		29037.67	0.00	0.00	29037.67	0.00	29037.67	0.00	0.00	29037.67	0.00	d
			LOCOMOTIVE #1202 - BMD 1200 HF										
000142	000		70410.00	0.00	0.00	0.00	70410.00	70410.00	0.00	0.00	0.00	70410.00	
			LOCOMOTIVE #466 SW-1 BMD										
000143	000		80597.90	0.00	0.00	0.00	80597.90	80597.90	0.00	0.00	0.00	80597.90	
			LOCOMOTIVE #467 SW-1 BMD										
000144	000		15111.83	0.00	0.00	0.00	15111.83	15111.83	0.00	0.00	0.00	15111.83	
			BMD LOCOMOTIVE TRUCK FR BRG										
000145	000		35536.00	0.00	0.00	0.00	35536.00	35536.00	0.00	0.00	0.00	35536.00	
			REMOTE CONTROL SYSTEM FOR LOCO 466										
000146	000		35536.07	0.00	0.00	0.00	35536.07	35536.07	0.00	0.00	0.00	35536.07	
			REMOTE CONTROL SYSTEM FOR LOCO 467										
000151	000		20392.07	0.00	0.00	20392.07	0.00	15294.02	849.67	0.00	16143.69	0.00	d
			LOCO #1202 TRUCK REMOIL										
Count=			7										
G/L Asset Acct No			1373152										
			286621.62	0.00	0.00	49423.74	237191.88	281823.57	849.67	0.00	45181.36	237191.88	
			Less Remaining Values										
												0.00	
Net			286621.62	0.00	0.00	49423.74	237191.88	281823.57	849.67	0.00	45181.36	237191.88	
000001	000		251.06	0.00	0.00	0.00	251.06	251.06	0.00	0.00	0.00	251.06	
			FLAT CAR										
000002	000		251.06	0.00	0.00	0.00	251.06	251.06	0.00	0.00	0.00	251.06	
			FLAT CAR										

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MAHONING VALLEY RAILWAY FIXED ASSET SUMMARY REPORT as of 12/31/2000

SYS No	RXC	Fixed Asset Cost				Ending Cost	Accumulated Depreciation					Total Accum Dep
		Beginning Cost	(+) Current Year Acquisition	(+) Current Year Trans-In	(-) Current Year/Disp/Trans-Out		Prior Accum Depx/179 Expense	(+) Current YTD Depx/179 Expense	(+) Curr Accum Depx/179/Trans-In	(-) Curr Accum Depx/179/Disp/Trans-Out		
000085	000	251.06	0.00	0.00	0.00	251.06	251.06	0.00	0.00	0.00	251.06	
		FLAT CAR										
000086	000	251.06	0.00	0.00	0.00	251.06	251.06	0.00	0.00	0.00	251.06	
		FLAT CAR										
000097	000	251.06	0.00	0.00	0.00	251.06	251.06	0.00	0.00	0.00	251.06	
		FLAT CAR										
000152	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		6R FLAT CAR PIPE SVC (1 OF 50)										
000153	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		6R FLAT CAR PIPE SVC (1 OF 50)										
000154	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		6R FLAT CAR PIPE SVC (1 OF 50)										
000155	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		6R FLAT CAR PIPE SVC (1 OF 50)										
000156	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		6R FLAT CAR PIPE SVC (1 OF 50)										
000157	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		5R FLAT CAR PIPE SVC (2 OF 50)										
000158	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		5R FLAT CAR PIPE SVC (2 OF 50)										
000159	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		5R FLAT CAR PIPE SVC (1 OF 50)										
000160	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		5R FLAT CAR PIPE SVC (1 OF 50)										
000161	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		6R FLAT CAR PIPE SVC (1 OF 50)										
000162	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		5R FLAT CAR PIPE SVC (1 OF 50)										
000163	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		6R FLAT CAR PIPE SVC (1 OF 50)										
000164	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		6R FLAT CAR PIPE SVC (1 OF 50)										
000165	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		5R FLAT CAR PIPE SVC (2 OF 50)										
000166	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		5R FLAT CAR PIPE SVC (2 OF 50)										
000167	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		5R FLAT CAR PIPE SVC (2 OF 50)										
000168	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		5R FLAT CAR PIPE SVC (2 OF 50)										
000169	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		5R FLAT CAR PIPE SVC (1 OF 50)										
000170	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		6R FLAT CAR PIPE SVC (1 OF 50)										
000171	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
		5R FLAT CAR PIPE SVC (1 OF 50)										
000172	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	

March 1, 2001
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MAHONING VALLEY RAILWAY FIXED ASSET SUMMARY REPORT as of 12/31/2000

SYS No	Ext	Fixed Asset Cost					Accumulated Depreciation				Total Accum Depr	K
		Beginning Cost	(+) Current Year Acquisition	(+) Current Year Trans-In	(-) Current Year/Disp/ Trans-Out	Ending Cost	Prior Accum Depr/179 Expense	(+) Current YTD Depr/ 179 Expense	(+) Curr Accum Depr/179/ Trans-In	(-) Curr Accum Depr/179/ Trans-Out		
000173	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000174	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000175	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000176	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000177	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000178	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000179	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000180	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000181	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000182	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000183	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000184	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000185	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000187	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000188	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000189	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000190	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000191	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000192	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000193	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000194	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000197	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000198	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000199	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	
000200	000	3561.23	0.00	0.00	0.00	3561.23	3561.23	0.00	0.00	0.00	3561.23	

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MAHONING VALLEY RAILWAY FIXED ASSET SUMMARY REPORT as of 12/31/2000

Inv No	Ext	Beginning Cost	Fixed Asset Cost			Ending Cost	Accumulated Depreciation				Total Accum Dep	K G
			(+) Current Year Acquisition	(+) Current Year Trans-In	(-) Current Year/Disp/Trans-Out		Prior Accum Dep/179 Expense	(+) Current YTD Dep/179 Expense	(+) Curr Accum Dep/179/Trans-In	(-) Curt Accum Dep/179/Disp Trans-Out		
000201	000	3561.38	0.00	0.00	0.00	3561.38	3561.38	0.00	0.00	0.00	3561.38	
		SH PLAT CAR PIPE 20C (1 OF 50)										
000202	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000203	000	672.67	0.00	0.00	0.00	672.67	672.67	0.00	0.00	0.00	672.67	
		FRT TRAIN CAR YST										
000204	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000206	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT GRAIR CAR YST										
000206	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000207	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000208	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000209	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000210	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000211	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000212	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000213	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000214	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000215	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000216	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000217	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000218	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000219	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000220	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000221	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000223	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT GRAIR CAR YST										
000225	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	
		FRT TRAIN CAR YST										
000226	000	672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68	

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MAHONING VALLEY RAILWAY
FIXED ASSET SUMMARY REPORT
as of 12/31/2000

SY# No Ext	Beginning Cost	Fixed Asset Cost			Ending Cost	Accumulated Depreciation					Total Accn Depr	K C
		(+) Current Year Acquisition	(+) Current Year Trans-In	(-) Current Year/Disp/Trans-Out		Prior Accum Depr/178 Expense	(+) Current YTD Depr/178 Expense	(+) Curr Accum Depr/178/Trans-In	(-) Curr Accum Depr/178/Disp/Trans-Out			
000228 000	FRT TRAIN CAR YST 672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68		
000229 000	FRT TRAIN CAR YST 672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68		
000230 000	FRT TRAIN CAR YST 672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68		
000231 000	FRT TRAIN CAR YST 672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68		
000232 000	FRT TRAIN CAR YST 672.68	0.00	0.00	0.00	672.68	672.68	0.00	0.00	0.00	672.68		
Count= 78												
G/L Asset Acct No 1373155												
	180345.83	0.00	0.00	0.00	180345.83	180345.83	0.00	0.00	0.00	180345.83		
	Less Remaining Values		0.00	0.00				0.00	0.00			
Net	180345.83	0.00	0.00	0.00	180345.83	180345.83	0.00	0.00	0.00	180345.83		
000249 000	10300.00	0.00	0.00	0.00	10300.00	10300.00	0.00	0.00	0.00	10300.00		
1988 CHEVY 3/4 TON TRUCK												
Count= 1												
G/L Asset Acct No 1373156												
	10300.00	0.00	0.00	0.00	10300.00	10300.00	0.00	0.00	0.00	10300.00		
	Less Remaining Values		0.00	0.00				0.00	0.00			
Net	10300.00	0.00	0.00	0.00	10300.00	10300.00	0.00	0.00	0.00	10300.00		
Count= 102												
Grand Total												
	1056198.27	46139.41	0.00	49429.70	1052907.94	863396.80	8508.75	0.00	45181.36	826724.29		
	Less Remaining Values		0.00	0.00				0.00	0.00			
Net	1056198.27	46139.41	0.00	49429.70	1052907.94	863396.80	8508.75	0.00	45181.36	826724.29		

Calculation Assumptions

Book	Short Years	Midquarter Convention	Adjustment Convention
Internal	(N)	(N)	None

Asset Grouping/Sorting

Group: Active Assets

AGREEMENT

Dated as of September 14, 1990

between

CONSOLIDATED RAIL CORPORATION ("Owner")

and

MAHONING VALLEY RAILWAY COMPANY ("User")

Relating to Trackage Rights Over Any and/
or All of Owner's Tracks Located Between
Milepost 59.5 (Wabash Yard) and Milepost 61.5
(South of "Graham" Interlocking)
To Afford User An Access Route Between The
Welded and Seamless Steel Mills Of LTV Steel
Company, Inc. at Youngstown, Ohio.

A G R E E M E N T

THIS AGREEMENT, entered into as of this 14th day of September, 1990, by and between CONSOLIDATED RAIL CORPORATION (hereinafter referred to as "Owner") and MAHONING VALLEY RAILWAY COMPANY, (hereinafter referred to as "User").

WHEREAS, on January 19, 1989, The LTV Corporation, Jones & Laughlin Steel, Inc. and Republic Steel Corporation, their subsidiaries and affiliates (collectively "LTV"), on the one hand, and Owner entered into an Agreement in settlement of certain claims then pending between them; and

WHEREAS, User desires to operate over Owner's track located between LTV's welded and seamless steel mills in Youngstown, Ohio; and

WHEREAS, pursuant to the above referenced Settlement Agreement Conrail is willing to grant User such rights.

NOW THEREFORE, the parties hereto, intending to be legally bound, agree as follows:

SECTION 1. GRANT OF TRACKAGE RIGHTS

Subject to the terms and conditions herein provided, Owner hereby grants to User the right to operate its trains, locomotives, cars, and equipment with its own crews (hereinafter referred to as the "Trackage Rights") over the segment of Owner's railroad shown on the plan attached hereto, made a part hereof and marked "Exhibit I" (hereinafter referred to as the "Subject Trackage"):

Over any and/or all of Owner's tracks located between Milepost 59.5+ (Wabash Yard) and Milepost 61.5+ (south of "Graham" Interlocking),

including the Youngstown Secondary Track, the Graham Running Track, and all Sidings, Yard Tracks, and Industrial Lead Tracks connecting thereto, between the Mileposts aforesaid, as may be necessary and required to afford User an access route between the welded and seamless mills of LTV Steel Company, Inc. The actual trackage to be utilized from time to time shall be subject to agreement of the Local Transportation Officers of the parties, and shall provide User a convenient and practicable access route without undue interference with the Operations of Owner.

SECTION 2. GENERAL CONDITIONS - FORM A

Except as otherwise may be provided below, this Agreement is subject to and shall be governed by the "General Conditions - Form A", of even date herewith attached hereto, made a part hereof and incorporated herein by reference with the same force and effect as if set forth at length herein.

SECTION 3. COMPENSATION

As compensation for the Trackage Rights herein granted, User agrees to pay Owner the sum of One Dollar (\$1.00) per year for a period of five (5) years.

SECTION 4. CONSTRUCTION AND MAINTENANCE OF CONNECTIONS

(a) Existing connections or facilities which are jointly used by the parties hereto under existing agreements or practices shall continue to be maintained, repaired, and renewed by and at the expense of the party or parties responsible for such maintenance, repair, and renewal under such agreements or practices, excepting "Graham" Interlocking, which shall be governed by a separate Remote Controlled Interlocking Agreement to be entered into by the parties hereto.

(b) Any additional connections to the Subject Trackage which may be required shall be constructed, maintained, repaired, and renewed as follows:

(i) User shall furnish all labor and material and shall construct, maintain, repair, and renew at its sole cost and expense such portions of the tracks located on the right-of-way of User which connect the respective lines of the parties hereto; and

(ii) Owner shall furnish all labor and material and shall construct, maintain, repair, and renew at the sole cost and expense of User such portions of the tracks located on the right-of-way of Owner which connect the respective lines of the parties hereto.

SECTION 5. NOTICE

Any notice required or permitted to be given by one party to the other under this Agreement shall be deemed given on the date sent by certified mail, or by such other means as the parties may mutually agree, and shall be addressed as follows:

(a) If to Owner:
c/o Senior Vice President-Operations
Consolidated Rail Corporation
Six Penn Center Plaza
Philadelphia, PA 19103-2959

(b) If to User:
c/o R. L. McCombs
Vice President-Operations
Mahoning Valley Railway Company
1920 Poland Avenue
Youngstown, OH 44502

(c) Either party may provide changes in the above addresses to the other party by personal service or certified mail.

SECTION 6. RESTRICTION ON USE

The Trackage Rights herein are granted for the sole purpose of User using same for bridge traffic only between LTV's welded and seamless steel mills in Youngstown, Ohio, and User shall not perform any local freight service whatever at any point located on the Subject Trackage.

SECTION 7. TERM

(a) This Agreement shall continue in full force and effect for a period of five (5) years from the Commencement Date, as hereinafter defined; provided, however, that User shall have the right to terminate this Agreement upon giving thirty (30) days' advance written notice to Owner. Termination of this Agreement shall not relieve or release either party hereto from any obligations assumed or from any liability which may have arisen or been incurred by either party under the terms of this Agreement prior to the termination hereof.

(b) User shall have the right to renew this Agreement for an additional term not to exceed five (5) years, subject to User's above-stated right to terminate, by giving written notice thereof to Owner not more than twelve (12) months and not less than six (6) months prior to expiration of the initial term of this Agreement.

(c) Upon the giving by User of the notice referred to in paragraph (b) above, the parties shall, in good faith, renegotiate the terms and conditions of this Agreement, and shall adjust such terms and conditions as may be reasonable and equitable in light of any changed circumstances during the initial term of this Agreement. In the event the parties fail to reach agreement upon such renegotiation, then such failure shall not

constitute a breach of this Agreement and the terms and conditions of this Agreement shall remain in full force and effect for the remainder of the initial term and shall be set by binding arbitration conducted by the American Arbitration Association for any renewed term of this Agreement.

SECTION 8. LABOR PROTECTION

User shall assume and release, indemnify, defend, protect and save harmless Owner and its directors, officers, agents and employees from and against any and all claims and expenses arising as a result of Owner's granting User the trackage rights under this Agreement, or the activities of the parties thereunder, whether such claims and expenses are as a result of the collective bargaining agreements between User and its respective labor organizations, or incurred as a result of any labor protection obligations imposed by the Interstate Commerce Commission, Labor Protection obligations of Owner, or are predicated on the Railway Labor Act or labor agreements.

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

WITNESS:

CONSOLIDATED RAIL CORPORATION

John J. Carmue

By: L. E. Vantelette
General Superintendent-Contracts

WITNESS:

MAHONING VALLEY RAILWAY COMPANY

By: R. L. Malcom
Vice President-Operations

GENERAL CONDITIONS-FORM A

DATED: SEPTEMBER 14, 1990

TO TRACKAGE RIGHTS AGREEMENT DATED AS OF September 14, 1990 BETWEEN CONSOLIDATED RAIL CORPORATION ("Owner") AND MAHONING VALLEY RAILWAY COMPANY ("User") relating to trackage rights over any and/or all of Owner's Tracks located between Milepost 59.5 (Wabash Yard) and Milepost 61.5 (South of "Graham" Interlocking) to afford User an access route between the Welded and Seamless Steel Mills of LTV Steel Company, Inc., at Youngstown, Ohio.

ARTICLE 1. USE OF SUBJECT TRACKAGE

(a) User's use of the Subject Trackage shall be in common with Owner and any other user of the Subject Trackage, and Owner's right to use the Subject Trackage shall not be diminished by this Agreement. Owner shall retain the right to grant to other persons rights of any nature in the Subject Trackage.

(b) User shall not use any part of the Subject Trackage for the purpose of switching, storage of cars, or the making or breaking up of trains, except that nothing contained herein shall, upon prior approval of Owner, preclude the emergency use by User of such auxiliary tracks as may be designated by Owner for such purpose.

(c) Owner shall have exclusive control of the management and operation of the Subject Trackage.

(d) Unless otherwise stated in the Agreement to which these conditions pertain, User shall have the right to operate in either direction over the Subject Trackage.

ARTICLE 2. ADDITIONS, RETIREMENTS AND ALTERATIONS

(a) Owner, from time to time and at its sole cost and expense, may make such changes in, additions and betterments to, and retirements from the Subject Trackage as shall, in its judgment, be necessary or desirable for the economical or safe operation thereof or as shall be required by any law, rule, regulation, or ordinance promulgated by any governmental body having jurisdiction. Such additions and betterments shall become a part of the Subject Trackage and such retirements shall be excluded from the Subject Trackage.

(b) If User requests Owner to make changes in or additions and betterments to the Subject Trackage, including without limitation changes in communications or signal facilities, for purposes beyond that required for Owner's operation, Owner shall have the option:

(i) to make such changes in or additions and betterments to the Subject Trackage and User shall pay to Owner the cost thereof, including the annual expense of maintaining, repairing, and renewing such additional or altered facilities;
or,

(ii) to deny such request.

ARTICLE 3. MAINTENANCE OF SUBJECT TRackage

(a) Owner shall maintain, repair, and renew the Subject Trackage at its own expense and with its own supervision and labor. Owner shall keep and maintain the Subject Trackage in reasonably good condition for the use herein contemplated, but Owner does not guarantee the condition of the Subject Trackage or that operations thereover will not be interrupted. Furthermore, except as may be otherwise provided in Article 7 hereof, User shall

not by reason of failure or neglect on the part of Owner to maintain, repair, or renew the Subject Trackage, have or make any claim or demand against Owner or its directors, officers, agents or employees for any injury to or death of any person or persons whomsoever, or for any damage to or loss or destruction of any property whatsoever, or for any damages of any nature suffered by User resulting from any such failure or neglect.

(b) Owner shall also perform, at the expense of User, such additional maintenance as User may request.

ARTICLE 4. MANAGEMENT AND OPERATION

(a) User shall comply with the provisions of the Federal Locomotive Inspection Act and the Federal Safety Appliance Acts, as amended, and all other federal and state laws, regulations, and rules respecting the operation, condition, inspection, and safety of its trains, locomotives, cars, and equipment while such trains, locomotives, cars, and equipment are being operated over the Subject Trackage. User shall indemnify, protect, defend, and save harmless Owner and its directors, officers, agents, and employees from and against all fines, penalties, and liabilities imposed upon Owner or its directors, officers, agents, or employees under such laws, rules, and regulations by any public authority or court having jurisdiction in the premises, when attributable solely to the failure of User to comply with its obligations in this regard.

(b) User in its use of the Subject Trackage will comply in all respects with the operating rules and regulations of Owner, and the movement of User's trains, locomotives, cars, and equipment over the Subject Trackage shall at all times be subject to the orders of the transportation officers of Owner. User's trains shall not include locomotives, cars or equipment which exceed the

width, height, weight or other restrictions or capacities of the Subject Trackage as published in Railway Line Clearances, and no train shall contain locomotives, cars or equipment which require speed restrictions or other movement restrictions below the authorized freight speeds as provided by Owner's operating rules and regulations without the prior consent of Owner. User shall indemnify, protect, defend, and save harmless Owner and its directors, officers, agents and employees from and against all liabilities when attributable solely to the failure of User to comply with the provisions of this subarticle.

(c) User shall make such arrangements with Owner as may be required to have all of its employees who shall operate its trains, locomotives, cars, and equipment over the Subject Trackage qualified for operation thereover, and User shall pay to Owner, promptly upon receipt of bills therefor, any cost incurred by Owner in connection with the qualification of such employees of User, as well as the cost of pilots furnished by Owner, until such time as such employees are deemed by the appropriate examining officer of Owner to be properly qualified for operation as herein contemplated.

(d) In the event Owner conducts an investigation or hearing concerning the violation of any operating rule or practice of Owner by an employee or employees of User, User shall be notified in advance of any such investigation or hearing and such investigation or hearing may be attended by any official designated by User and shall be conducted in accordance with the collective bargaining agreements, if any, that pertain to said employee or employees.

(e) Owner shall have the right to exclude from the Subject Trackage any employee of User, except officers,

determined by Owner, as the result of such investigation or hearing described above, to be in violation of Owner's rules, regulations, orders, practices, or instructions issued by Timetable or otherwise. User shall release, indemnify, defend, and save harmless Owner and its directors, officers, agents, and employees from and against any and all claims and expenses resulting from such exclusion.

(f) The trains, locomotives, cars, and equipment of User, Owner, and any other present or future user of the Subject Trackage or any portion thereof shall be operated without prejudice or partiality and in such manner as will afford the most economical and efficient manner of movement of all traffic.

(g) If by reason of any mechanical failure or for any other cause not resulting from an accident or derailment, a train or locomotive of User becomes stalled or unable to proceed under its own power, or fails to maintain the speed required by Owner on the Subject Trackage, or if in emergencies crippled or otherwise defective cars are set out of User's trains on the Subject Trackage, Owner shall have the option to furnish motive power or such other assistance as may be necessary to haul, help, or push such trains, locomotives, or cars, or to properly move the disabled equipment off the Subject Trackage, and User shall reimburse Owner for the cost of rendering any such assistance.

(h) If it becomes necessary to make repairs to or adjust or transfer the lading of such crippled or defective cars in order to move them off the Subject Trackage, such work shall be done by Owner and User shall reimburse Owner for the cost thereof.

(i) In the event Owner and User agree that Owner should provide additional employees for the sole benefit of User, the parties hereto shall enter into a separate agreement under which User shall bear all cost and expense for any such additional employees, including without limitation all cost and expense associated with labor protective payments which are made by Owner and which would not have been incurred had the additional employees not been provided.

ARTICLE 5. MILEAGE AND CAR HIRE

All mileage and car hire charges accruing on cars in User's trains on the Subject Trackage shall be assumed by User and reported and paid by it directly to the owner of such cars.

ARTICLE 6. CLEARING OF WRECKS

Whenever User's use of the Subject Trackage requires rerailing, wrecking service or wrecking train service, Owner shall perform such service, including the repair and restoration of roadbed, track, and structures. The cost and expense thereof, including without limitation loss of, damage to, and destruction of any property whatsoever and injury to or death of any person or persons whomsoever resulting therefrom, shall be apportioned in accordance with the provisions of Article 7 hereof. All locomotives, cars, and equipment and salvage from the same so picked up and removed which are owned by or under the management and control of or used by User at the time of such wreck shall be promptly delivered to it.

ARTICLE 7. LIABILITY

The responsibility of the parties hereto as between themselves for loss of, damage to, or destruction of any property whatsoever or injury to or death of any person or persons whomsoever, resulting from, arising out of,

incidental to, or occurring in connection with the Trackage Rights granted in this Agreement, shall be determined as follows:

(a) Whenever any loss of, damage to, or destruction of any property whatsoever, or injury to or death of any person or persons whomsoever, or any damage to or destruction of the environment whatsoever, including without limitation land, air, water, wildlife, and vegetation, occurs with the trains, locomotives, cars, or equipment of, or in the account of, User being involved, without the trains, locomotives, cars, or equipment of, or in the account of, Owner being involved, User shall assume all liability therefor and bear all cost and expense in connection therewith, including without limitation all cost and expense referred to in Article 6 hereof, and shall forever protect, defend, indemnify, and save harmless Owner and its directors, officers, agents, and employees from and against any such liability, cost, and expense, regardless of whether caused in whole or in part by the fault, failure, negligence, misconduct, nonfeasance or misfeasance of Owner or its directors, officers, agents or employees.

(b) Whenever any loss of, damage to, or destruction of any property whatsoever, or injury to or death of any person or persons whomsoever, or any damage to or destruction of the environment whatsoever, including without limitation land, air, water, wildlife, and vegetation, occurs with the trains, locomotives, cars, or equipment of, or in the account of, Owner being involved, without the trains, locomotives, cars, or equipment of, or in the account of, User being involved, Owner shall assume all liability therefor, and bear all cost and expense in connection therewith, including without limitation all cost and expense referred to in Article 6 hereof, and shall forever protect, defend, indemnify, and save harmless User

and its directors, officers, agents, and employees from and against any such liability, cost, and expense, regardless of whether caused in whole or in part by the fault, failure, negligence, misconduct, nonfeasance or misfeasance of User or its directors, officers, agents, or employees.

(c) Whenever any loss of, damage to, or destruction of any property whatsoever, or injury to or death of any person or persons whomsoever, or any damage to or destruction of the environment whatsoever, including without limitation land, air, water, wildlife, and vegetation, occurs with the trains, locomotives, cars, or equipment of, or in the account of, both Owner and User being involved, Owner and User shall separately assume and bear all liability, cost, and expense for loss of and damage to said trains, locomotives, cars (including without limitation lading), and equipment operated by each of them and for injury to and death of each of their directors, officers, agents, and employees, and persons in each of their care and custody. All liability, cost, and expense for injury to and death of any other person or persons whomsoever, for loss of, damage to, or destruction of all other property (including without limitation the Subject Trackage) and for any damage to or destruction of the environment whatsoever, including without limitation land, air, water, wildlife, and vegetation, so occurring shall be borne equally by Owner and User, including without limitation all cost and expense referred to in Article 6 hereof. Whenever any liability, cost, or expense is assumed by or apportioned to a party hereto under the foregoing provisions, that party shall forever protect, defend, indemnify, and save harmless the other party to this Agreement and its directors, officers, agents, and employees from and against that liability, cost, and expense assumed by that party or apportioned to it, regardless of whether caused in whole or in part by the fault, failure,

negligence, misconduct, nonfeasance or misfeasance of the indemnitee or its directors, officers, agents or employees.

(d) Notwithstanding the foregoing provisions, whenever any loss of, damage to, or destruction of any property whatsoever, or injury to or death of any person or persons whomsoever, or any damage to or destruction of the environment whatsoever, including without limitation land, air, water, wildlife, and vegetation, occurs with the trains, locomotives, cars, or equipment of, or in the account of, both parties to this Agreement being so involved, without the trains, locomotives, cars, or equipment of, or in the account of, any other user being involved, and such loss, damage, destruction, injury, or death is attributable to the sole negligence of the employee(s) on the train(s), locomotive(s), car(s), or caboose(s) of, or in the account of, only one of the parties to this Agreement where such sole negligence is the active or proximate cause of such loss, damage, destruction, injury, or death, the party hereto whose employee(s) was (were) solely negligent shall assume and bear all liability, cost, and expense in connection with the loss, damage, destruction, injury, and death so occurring, including without limitation all cost and expense referred to in Article 6 hereof, and said party shall forever protect, defend, indemnify, and save harmless the other party to this Agreement and its directors, officers, agents, and employees from and against any such liability, cost, and expense.

(e) In every case of death or injury suffered by an employee of either User or Owner, when compensation to such employee or employee's dependents is required to be paid under any workmen's compensation, occupational disease, employer's liability, or other law, and either of said parties under the provisions of this Agreement is required to pay said compensation, if such compensation is required

to be paid in installments over a period of time, such party shall not be released from paying any such future installments by reason of the expiration or other termination of this Agreement prior to any of the respective dates upon which any such future installments are to be paid.

(f) For purposes of this Article 7, pilots furnished by Owner to User pursuant to Article 4(c) of this Agreement shall be considered as the employees of User while such pilots are on board or getting on or off trains of User.

(g) Notwithstanding the provisions of Article 13(f) of this Agreement, for the purposes of this Article 7 the word "equipment" shall mean and be confined to (i) cabooses, (ii) vehicles and machinery which are capable of being operated on railroad tracks that, at the time of an occurrence, are being operated on the Subject Trackage, and (iii) vehicles and machinery that, at the time of an occurrence, are on the Subject Trackage or its right-of-way for the purpose of the maintenance or repair thereof or the clearing of wrecks thereon.

ARTICLE 8. INVESTIGATION

(a) Except as provided in Subarticle (b) hereof, all claims, injuries, deaths, property damages, and losses arising out of or connected with this Agreement shall be investigated, adjusted, and defended by the party bearing the liability, cost, and expense therefor under the provisions of this Agreement.

(b) Each party will investigate, adjust, and defend all freight loss and damage claims filed with it in accordance with 49 U.S.C. Section 11707 or 49 C.F.R. Section

1005, or in accordance with any applicable transportation contract filed pursuant to 49 U.S.C. Section 10713.

(c) In the event a claim or suit is asserted against Owner or User which is the other's duty hereunder to investigate, adjust, or defend, then, unless otherwise agreed, such other party shall, upon request, take over the investigation, adjustment, and defense of such claim or suit.

(d) All costs and expenses in connection with the investigation, adjustment, and defense of any claim or suit under this Agreement shall be included as costs and expenses in applying the liability provisions set forth in this Agreement, except that salaries or wages of full-time claim agents, full-time attorneys, and other full-time employees of either party engaged directly or indirectly in such work shall be borne by such party.

(e) Excluding freight loss and damage claims filed in accordance with 49 U.S.C. Section 11707 or 49 C.F.R. Section 1005, neither party shall settle or compromise any claim, demand, suit, or cause of action for which the other party has any liability under this Agreement without the concurrence of such other party if the consideration for such settlement or compromise exceeds Ten Thousand Dollars (\$10,000).

(f) It is understood that nothing in this Article shall modify or waive the conditions, obligations, assumptions, or apportionments provided in Article 7 hereof.

ARTICLE 9. PAYMENT OF BILLS

(a) All payments called for under this Agreement shall be made by User within sixty (60) days after receipt of bills therefor. No payments shall be withheld because of

any dispute as to the correctness of items in the bills rendered, and any discrepancies reconciled between the parties hereto shall be adjusted in the accounts of a subsequent month. The records of each party hereto, insofar as they pertain to matters covered by this Agreement, shall be open at all reasonable times to inspection by the other party.

(b) Bills rendered pursuant to the provisions of this Agreement, other than those set forth in Section 3 hereof, shall include direct labor and material costs, together with the surcharges, overhead percentages, and equipment rentals in effect at the time any work is performed by Owner.

ARTICLE 10. DEFAULT AND TERMINATION

In the event of any substantial failure on the part of User to perform its obligations under this Agreement and its continuance in such default for a period of sixty (60) days after written notice thereof by certified mail from Owner, Owner shall have the right at its option, after first giving thirty (30) days' written notice thereof by certified mail, and notwithstanding any waiver by Owner of any prior breach thereof, to terminate the Trackage Rights and User's use of the Subject Trackage. The exercise of such right by Owner shall not impair its rights under this Agreement or any cause or causes of action it may have against User for the recovery of damages.

ARTICLE 11. REGULATORY APPROVAL

Should implementation of this Agreement require the taking of any action by User and/or the Interstate Commerce Commission under 49 U.S.C. Sections 10505, 11343 or 11344, User at its own cost and expense will initiate and thereafter diligently prosecute such action and this Agreement shall take effect on the date User commences

operations over the Subject Trackage (herein referred to as the "Commencement Date"). The Commencement Date shall be evidenced by an exchange of correspondence between the appropriate operating officers of the parties hereto. In the event action under such sections is not required, the Commencement Date shall be the date agreed upon by the parties hereto as evidenced by an exchange of correspondence referred to above. Owner will assist and support efforts of User to meet the requirements of the aforesaid sections.

ARTICLE 12. ABANDONMENT OF SUBJECT TRACKAGE

Notwithstanding the provisions of Section 7 of this Agreement, Owner may abandon the Subject Trackage during the term of this Agreement, or any renewals thereof, upon giving User not less than one hundred twenty (120) days notice of Owner's intent to abandon. In the event regulatory authority is required to effect such abandonment, User will not interfere with Owner's actions to seek and to exercise such authority. In the event regulatory authority is required for User to discontinue its own operations over the Subject Trackage, User will seek such regulatory authority at the same time that Owner seeks regulatory authority to abandon the Subject Trackage. Owner and User will exercise the abandonment and discontinuance authority within thirty (30) days from the date Owner and User obtain the aforementioned regulatory authority. Upon the date established by Owner for abandonment of the Subject Trackage by its aforesaid notice to User or upon the above-specified date of exercise of the regulatory authority to abandon and discontinue operations, whichever is later, this Agreement shall terminate and be of no further force and effect, except that termination of this Agreement shall not relieve or release either party hereto from any obligations assumed or from any liability which may have arisen or been incurred prior to said termination. The foregoing provisions shall govern the parties hereto, notwithstanding the provisions of

49 U.S.C. Sections 10905-10906 or any other provisions of law, and User hereby expressly waives any rights it may possess to subsidize operations on the Subject Trackage or to acquire the Subject Trackage pursuant to said provisions of law. As used herein, Subject Trackage means the entire Subject Trackage or any portion or portions thereof.

ARTICLE 13. GENERAL PROVISIONS

(a) This Agreement and each and every provision hereof are for the exclusive benefit of the parties hereto and not for the benefit of any third party. Nothing herein contained shall be taken as creating or increasing any right in any third party to recover by way of damages or otherwise against either of the parties hereto.

(b) All Section and Article headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

(c) This Agreement and the attachments annexed hereto and integrated herewith contain the entire agreement of the parties hereto and supersede any and all oral understandings between the parties.

(d) No term or provision of this Agreement may be amended, waived or discharged, except by an instrument in writing signed by both parties to this Agreement.

(e) As used in this Agreement, whenever reference is made to the trains, locomotives, cars, or equipment of, or in the account of, one of the parties hereto, such expression means the trains, locomotives, cars, or equipment in the possession of or operated by one of the parties and includes such trains, locomotives, cars, or equipment which are owned by, leased to, or in the account of such party. Whenever such locomotives, cars, or

equipment are owned or leased by one party to this Agreement and are in the possession or account of the other party to this Agreement, such locomotives, cars, and equipment shall be considered those of the other party under this Agreement.

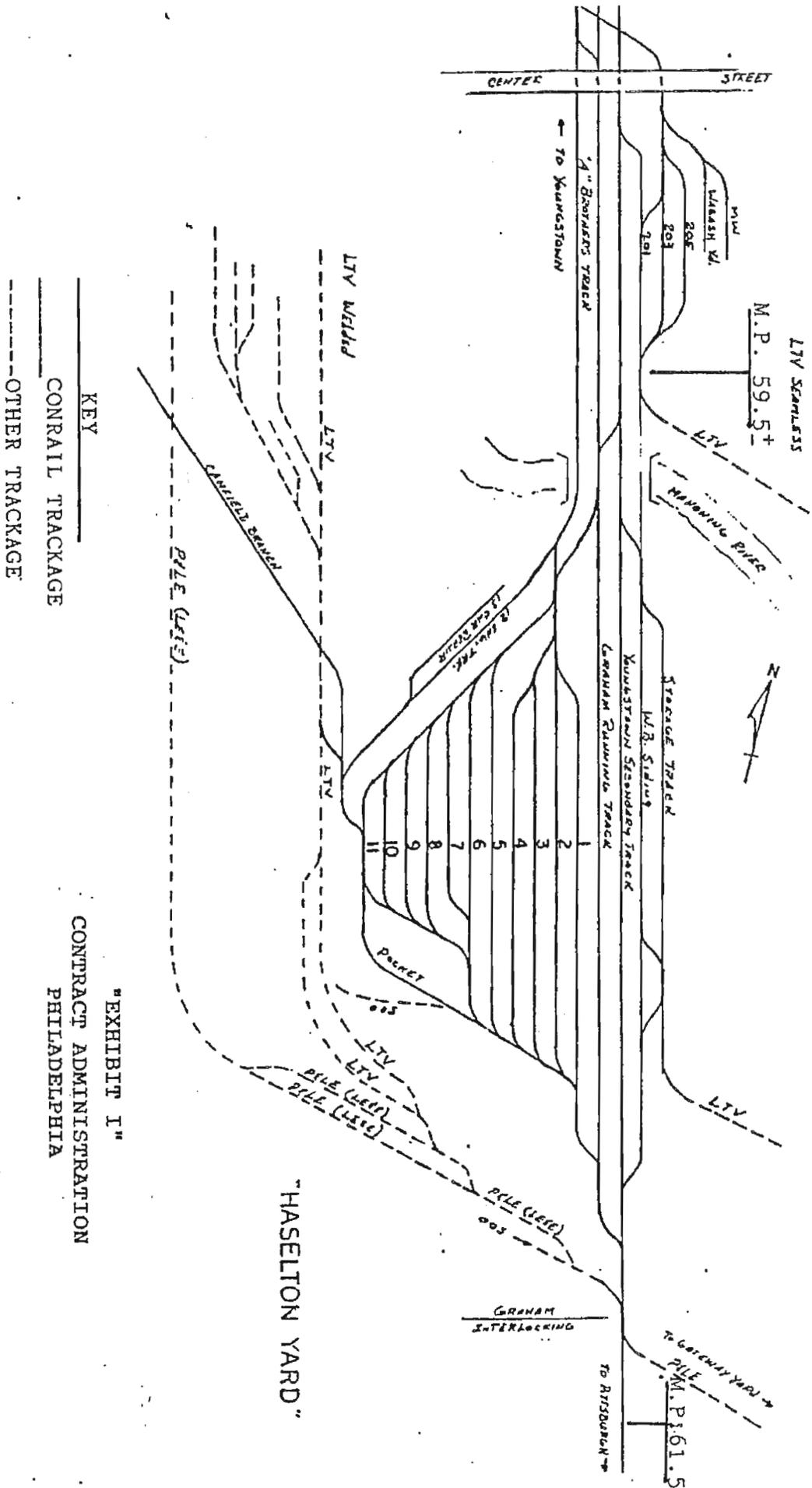
(f) All words, terms, and phrases used in this Agreement shall be construed in accordance with the generally applicable definition or meaning of such words, terms, and phrases in the railroad industry.

ARTICLE 14. ARBITRATION

Any irreconcilable dispute arising between the parties with respect to this Agreement shall be settled through binding arbitration by a sole, disinterested arbitrator to be selected jointly by the parties. If the parties fail to select such arbitrator within sixty (60) days after demand for arbitration is made by either party hereto, then they shall jointly submit the matter to binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. The decision of the arbitrator shall be final and conclusive upon the parties hereto. Each party to the arbitration shall pay the compensations, costs, fees and expenses of its own witnesses, experts and counsel. The compensation, costs and expense of the arbitrator, if any, shall be borne equally by the parties hereto.

ARTICLE 15. SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and be binding upon the parties hereto. User hereby expressly waives any right to transfer or assign this Agreement, or any of its rights, interests, or obligations hereunder, by merger or otherwise, to any person, firm, or corporation.



KEY
 _____ CONRAIL TRACKAGE
 - - - - - OTHER TRACKAGE

"EXHIBIT I"
 CONTRACT ADMINISTRATION
 PHILADELPHIA

SUPPLEMENTAL AGREEMENT

THIS SUPPLEMENTAL AGREEMENT, entered into as of this 10th day of December, 1990, by and between CONSOLIDATED RAIL CORPORATION (hereinafter referred to as "Owner") and MAHONING VALLEY RAILWAY COMPANY (hereinafter referred to as "User").

WHEREAS, pursuant to the terms of a Trackage Rights Agreement dated September 14, 1990 (hereinafter referred to as "Agreement") between Owner and User, User currently enjoys trackage rights over any and/or all of Owner's tracks located between Milepost 59.5+ (Wabash Yard) and Milepost 61.5+ (south of "Graham" Interlocking), (hereinafter referred to as "Subject Trackage"), Youngstown, Ohio, to afford User an access route between the welded and seamless steel mills of LTV Steel Company, Inc., and

WHEREAS, User has requested the right to exit and re-enter the Subject Trackage for the sole purpose of serving the Castle Industrial Park, Youngstown, Ohio; and

WHEREAS, Conrail is agreeable to permitting User to exit and re-enter the Subject Trackage; and

WHEREAS, the parties hereto hereby agree to amend the aforesaid Agreement to permit the exit and re-entry of the Subject Trackage by User.

NOW THEREFORE, the parties hereto, intending to be legally bound, agree as follows:

1. Section 6 of the Agreement is hereby amended to permit User the right to exit and re-enter Owner's trackage at approximately Milepost 61.4+ ("Graham" Interlocking), as shown on

"Exhibit II" dated October 29, 1990, attached hereto and made a part hereof.

2. The traffic involved shall be limited and restricted for the sole purpose of exit and re-entry of loaded and empty freight cars to and from Castlo Industrial Park.

3. There will be no charge for User's rights covered by this Supplemental Agreement.

4. This Supplemental Agreement shall take effect in accordance with the provisions of paragraph 5 below and will continue in force and effect until terminated by either party upon sixty (60) days' written notice to the other party. Termination of this Supplemental Agreement shall not relieve, release or excuse User from any liability which User may have incurred or any obligation which may have accrued under any provisions of this Supplemental Agreement prior to the effective date of termination.

5. Should implementation of this Supplemental Agreement require the taking of any action by User and/or the Interstate Commerce Commission under 49 U.S.C. Sections 10505, 11343 or 11344, User, at its own cost and expense, will initiate and thereafter diligently prosecute such action and this Supplemental Agreement shall become effective on the date User commences operating over the Subject Trackage for the purpose of accessing Castlo Industrial Park (hereinafter referred to as the "Commencement Date"). The Commencement Date shall be evidenced by an exchange of correspondence between the appropriate operating officers of the parties hereto. In the event action under such sections is not required, the Commencement Date shall be the date agreed upon by the parties hereto as evidenced by an exchange of correspondence referred to above. Owner will assist and support efforts of User to meet the requirements of the aforesaid sections.

6. Except as herein modified or supplemented, the September 14, 1990 Agreement shall remain in full force and effect.

7. User agrees to assume and hold Owner harmless from any employee claims predicated on loss of, or adverse impact on, compensation, benefits, or working conditions arising from this Supplemental Agreement or the activities of the parties thereunder, whether such claims are based on conditions imposed by the Interstate Commerce Commission or are predicated on the Railway Labor Act or Labor agreements.

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

WITNESS:

John J. Cosman

WITNESS:

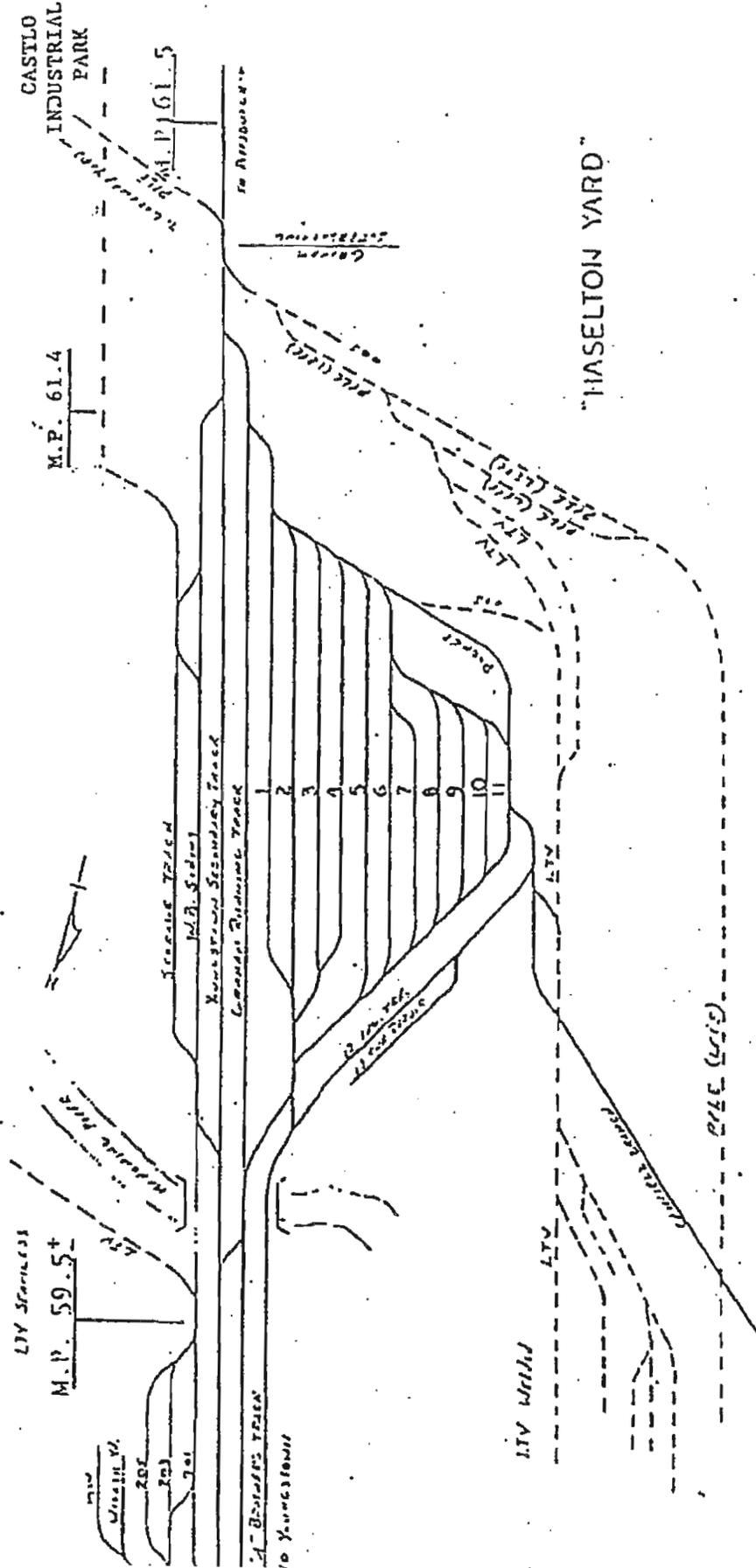
J.J. [Signature]

CONSOLIDATED RAIL CORPORATION

BY: [Signature] ^{Paul Conroy}
General Superintendent -
Contracts

MAHONING VALLEY RAILROAD COMPANY

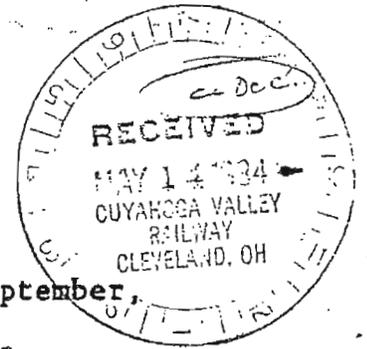
BY: [Signature]
Vice President - Operations.



"EXHIBIT II"
 CONTRACT ADMINISTRATION
 PHILADELPHIA, PA
 OCTOBER 29, 1990

KEY
 _____ CONRAIL TRACKAGE
 - - - - - OTHER TRACKAGE

LEASE



THIS LEASE, made as of the first day of September, 1983, between JONES & LAUGHLIN STEEL INCORPORATED, a corporation duly organized and existing under the laws of the State of Delaware (hereinafter referred to as "J&L"), and THE MAHONING VALLEY RAILWAY COMPANY, a corporation duly organized and existing under the laws of the State of Ohio (hereinafter referred to as the "Railway Company");

WITNESSETH:

WHEREAS, J&L is the owner of certain premises in Mahoning County, Ohio known as the Campbell Works and operates thereon certain steel manufacturing and related facilities, and J&L has sold, and may in the future sell or lease, portions of the Campbell Works to others (the "Third Persons") who are engaged or may engage in manufacturing, industrial and other operations upon such property; and

WHEREAS, Railway Company operates a railroad at the Campbell Works and desires to lease from J&L, and J&L desires to lease to Railway Company, for the purposes and upon and subject to the terms and conditions hereinbelow set forth, certain real property, railroad tracks, buildings and other improvements, all as more particularly set forth below;

NOW, THEREFORE, the parties hereto do hereby agree as follows:

ONE. J&L, for the rental and other considerations hereinafter mentioned does hereby let and lease unto the Railway Company those parcels of land situate in J&L's Campbell Works in Mahoning County, Ohio, together with the railroad tracks, ties, switches, signals, buildings, structures and other improvements thereon and thereto, all as more particularly shown on the Schedule of Property annexed hereto as Exhibit "A", for the sole purpose of operation of a railroad, and related activities, thereon. The leased premises include an area, for clearance and other railroad purposes, of eight and one-half feet per side beyond the actual tracks leased.

TWO. As rental for the foregoing Lease the Railway Company agrees to pay the sum of \$4,101 per month, in advance, from the effective date hereof for and during the term of this Lease and until this Lease is terminated as herein provided.

THREE. This Lease shall commence as of September 1, 1983 and shall terminate on August 31, 2003, and shall continue thereafter for successive five year terms unless either party shall have given written notice of termination to the other not less than one year prior to the expiration of the initial or any renewal term.

FOUR. Railway Company shall, at its sole cost and expense, maintain, repair and replace the railroad tracks, ties, switches, signals and other railroad facilities included in the leased premises, and shall, at its sole cost and expense, repair and maintain the buildings and other improvements included in the leased premises.

FIVE. The yardmaster office, locomotive and car shops, and the west yard scale building, tin shop and other structures included in the leased premises as shown on Exhibit "A", are leased to the Railway Company for its sole use in connection with the operation of the railroad, and related activities, at the Campbell Works. The railroad tracks, ties, switches, signals and other railroad facilities are also leased to the Railway Company for its sole use for railroad purposes, but are leased subject to the rights of J&L and the Third Persons to use such facilities as more fully set forth below.

SIX. J&L has heretofore entered into a Road, Rail and Utility Service Agreement, dated October 9, 1981, with P.F.M. Associates, one of the Third Persons. Railway Company acknowledges receipt of a copy of said Road, Rail and Utility Service Agreement and agrees to abide by, and to accept the leased premises subject to, the terms and provisions thereof, insofar as the same relate to the leased premises, in particular the provisions of Article VI and Section 8.10 thereof. Railway Company agrees that J&L may enter into other

agreements with Third Persons concerning or affecting the leased premises and agrees to abide by and accept the leased premises subject to all such other agreements, provided that Railway Company receives a copy thereof and that the operations of the Railway Company on the leased premises, and the obligations of the Railway Company as a common carrier under and pursuant to the Interstate Commerce Act, are not unreasonably interfered with thereby.

SEVEN. J&L hereby reserves the right to utilize all or any portions of the railroad tracks included in the leased premises for its own corporate purposes, and to construct, maintain and use crossings over any part of the various parcels of ground described in this Lease, and the tracks, switches and sidings thereon, at, above or under grade at such points as J&L may desire for the convenient operation or improvement of the Campbell Works, or any portion thereof, or in the use of its property, such crossings to be for standard or narrow gauge railroad tracks, trucks, persons and generally for all purposes which may be required in the present or future operations of J&L or the Third Persons at the Campbell Works; provided, however, that in the exercise of the rights reserved to it herein J&L shall not unreasonably interfere with the free, safe and convenient operation of said Railway Company's railroad. J&L shall give the Railway Company not less than ten days written notice of its intent to construct any such crossing.

EIGHT. J&L also reserves to itself, the right to construct and maintain across any part of the various parcels of ground described in this Lease, and the tracks, switches and sidings thereon, at such points as it may desire, under or above grade, pipes for conveyance of steam, gas, water or other substances, wires, sewers, drains, flues, shafts, hoists of all kinds, conduits, or any other structures, whether communicating, connecting or otherwise, that may be deemed necessary or convenient in the operation or improvement of the Campbell Works, or any portion thereof; provided, however, that in the exercise of the rights reserved to it herein J&L shall not unreasonably interfere with the free, safe and convenient operation of said Railway Company's railroad. J&L also reserves to itself, subject to the foregoing proviso, the use and the right to occupancy of the premises under and below the grade of Railway Company's railroad for any corporate purpose whatsoever.

NINE. J&L hereby grants to the Railway Company, for the term of this Lease, a license to cross and use the lands of J&L at the Campbell Works (and, subject to any agreement with any Third Person and to the extent of J&L's rights under any such agreement, the lands of any Third Person at the Campbell Works) for all lawful purposes in connection with this Lease; provided, however, that in the exercise of its rights under this license Railway Company shall not unreasonably interfere

with the operations of J&L or any of the Third Persons and shall abide by all of J&L's rules and regulations pertaining to the Campbell Works.

TEN. This Lease is subject to all existing public rights and easements in the various tracts of land herein referred to, and to all present and future mortgages, encumbrances, rights-of-way and other matters affecting the Campbell Works, whether or not of record.

ELEVEN. Upon the termination of this Lease, and for a period expiring sixty days after such termination, Railway Company shall have the right, subject to the following provisos, to remove its improvements from the leased premises, provided that:

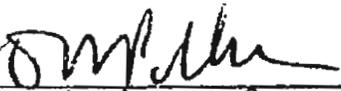
(a) the leased premises shall be left in at least as good condition as at the commencement of this Lease, normal wear and tear excepted, and in any event in a safe, lawful and orderly condition;

(b) all railroad tracks, ties, switches, signals and other property forming a portion of the railroad system included in the leased premises (but excluding engines, locomotives, rolling stock and other personal property not affixed to the leased premises), and whether in existence at the commencement of this Lease or thereafter installed on the leased premises, and including any replacements, repairs or expansions of

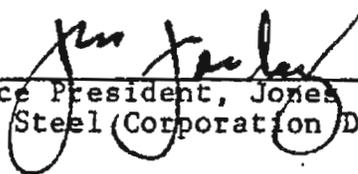
such railroad system, shall, from and after the date installed on the leased premises, be and become the property of J&L and shall be surrendered to J&L upon the termination of this Lease.

WITNESS the due execution hereof in duplicate the day and year first above written.

ATTEST:


Assistant Secretary

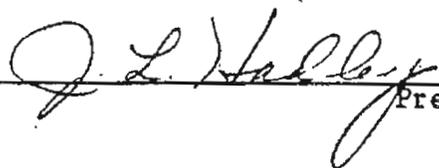
JONES & LAUGHLIN STEEL INCORPORATED

By 
Vice President, Jones & Laughlin
Steel Corporation Division

ATTEST:


Assistant Secretary

THE MAHONING VALLEY RAILWAY COMPANY

By 
President

5745B

LEASE

THIS LEASE, made as of the 1st. day of JANUARY, 1950 between the LTV STEEL COMPANY, INC., a corporation duly organized and existing under the laws of New Jersey (hereinafter referred to as "Lessor"), and THE MAHONING VALLEY RAILWAY COMPANY, a corporation duly organized and existing under the laws of the State of Ohio (hereinafter referred to as the "Railway Company").

WITNESSETH:

WHEREAS, Lessor is the owner of certain premises in Mahoning County, Ohio and permits the LTV Steel Tubular Products Company, a Delaware corporation (hereinafter "LTV Tubular Products Company") to operate thereon certain steel manufacturing and related facilities, and

WHEREAS, Railway Company operates a railroad at Lessor's premises in Mahoning County, Ohio and desires to lease from Lessor, and Lessor desires to lease to Railway Company certain railroad tracks and other property subject to the terms and conditions set forth herein.

NOW THEREFORE, Lessor and the Railway Company agree as follows:

ONE. Lessor leases to Railway Company those parcels of land, buildings and railroad tracks shown on the Schedule of Property annexed hereto as Exhibits "A", "B", "C" and "D". The Leased Premises include an area of twelve and one-half feet per side from the center line of tracks leased.

TWO. The Railway Company agrees to pay rent in the sum of \$1,782.00 per month, in advance, from the effective date hereof for and during the term of this Lease.

THREE. This Lease shall commence retroactive as of February 1, 1986 and terminate on January 31, 1992 and shall automatically renew thereafter for successive one year terms unless either party gives ninety (90) days' written notice of termination to the other during the initial or any renewal term.

FOUR. Railway Company shall, at its sole cost and expense, maintain and repair all of the buildings and railroad tracks on the leased premises, subject to third party agreements.

FIVE. Lessor reserves the right to use all or any portions of the railroad tracks included in the Leased Premises for its own purposes, and to construct, maintain and use crossings over any part of the railroad tracks, switches and sidings at, above or under grade at such points as Lessors may desire for the convenient operation or improvement of its businesses; provided, however, that in the exercise of the rights reserved herein Lessor shall not unreasonably interfere with the free, safe and convenient operation of the Railway Company's operations. Lessor shall give the Railway Company not less than ten (10) days' written notice of its intent to construct any such crossing.

SIX. Lessor reserves the right to construct and maintain across any part of the Leased Premises, including the railroad tracks, switches and sidings at such points as it may desire at,

under or above grade, pipes for conveyance of steam, gas, water or other substances, wires, sewers, drains, flues, shafts, hoists of all kinds, conduits, or any other structures, that Lessor may deem necessary or convenient for the operation or improvement of its business; and to use and occupy all areas below or under the grade of the Leased Premises for any purpose whatsoever; provided, however, that in the exercise of the rights reserved herein Lessor shall not unreasonably interfere with the free, safe and convenient operation of the Railway Company's operations.

SEVEN. Lessor grants the Railway Company, for the term of this Lease, a license to cross and access Lessor's lands in Mahoning County, Ohio for all lawful purposes in connection with this Lease; provided, however, that in the exercise of its rights under this license, Railway Company shall not unreasonably interfere with Lessor's operations and shall abide by all of Lessor's applicable policies, procedures, rules and regulations.

EIGHT. This Lease is subject to all present and future public rights, easements, mortgages, encumbrances, rights-of-way affecting Lessor's property in Mahoning County, Ohio, whether or not of record.

NINE. Upon the termination of this Lease, and for a period expiring sixty (60) days thereafter, Railway Company shall have the right, subject to the following, to remove its improvements and other property from the Leased Premises, provided that:

(a) the Leased Premises shall be left in at least as good condition as at the commencement of this Lease, normal wear and tear excepted, and in any event in a safe, lawful and orderly condition;

(b) all railroad tracks and other fixtures installed on the Leased Premises after the date herein, including any replacements, repairs or expansions of such property, shall become from the date of their installation, the property of Lessor and shall be surrendered to Lessor upon termination of this Lease.

WITNESS the due execution hereof in duplicate the day and year first above written.

ATTEST:

M. M. Mollach
Assistant Secretary

LTV STEEL COMPANY, INC.

By: *J. C. Skunk*
V. P. + Treas.

ATTEST:

Daniel R. Mennech
~~Assistant~~ Secretary

THE MAHONING VALLEY RAILWAY
COMPANY

By: *R. H. McQuib*
Sr. Vice President-
~~Operations~~

(2115)

EXHIBIT "A"

(Electric Welded Tube Mill Track)

Summary of track mileage leased from the LTV Steel Company, Inc. for service by the Mahoning Valley Railway Company to LTV Tubular Products Company's Electric Welded Tube Plant, in Youngstown, Ohio.

Track Length

<u>Track No.</u>	<u>Leased to MVRC</u>	<u>Retained by LTV Steel</u>	<u>Total</u>
------------------	-----------------------	----------------------------------	--------------

SEE ATTACHED SCHEDULE

All color coded on attached Exhibit "D".

Rental Valuation:

The Lease Valuation of the Leased Track to be used by the Mahoning Valley Railway Company for service to LTV Tubular Products Company, Electric Welded Tube Mill is stipulated as \$141,840.00. The rent value is stipulated as \$591.00 per month.

EXHIBIT "B"

(Seamless Tube Mill)

Summary of track mileage leased from the LTV Steel Company, Inc., for service by the Mahoning Valley Railway Company to LTV Tubular Products Company, Seamless Tube Mill, in Campbell, Ohio.

Track Length

<u>Track No.</u>	<u>Leased to MVRC</u>	<u>Retained by LTV Steel</u>
------------------	-----------------------	------------------------------

SEE ATTACHED SCHEDULE

All color coded on attached Exhibit "D".

Rental Valuation:

The Lease valuation on the leased track to be used by the Mahoning Valley Railway Company for service to LTV Tubular Products Company, Seamless Tube Mill is stipulated at \$135,510. The rent value is stipulated at \$565.00 per month.

EXHIBIT "C"

Building Descriptions:

- A. Two buildings, commonly referred to as the Locomotive Shop and Machine Shop, located at the LTV Tubular Products Company, Electric Welded Plant, Youngstown, Ohio. Both northwest of the Center Street Bridge and northeast of the Main Electric Weld Mill building.

Rental Valuation:

1. The lease valuation of the locomotive shop is stipulated as \$68,042. The rent value is stipulated as \$567.00 per month.
2. The Lease valuation of the Machine Shop is stipulated at \$70,550. The Railway Company, however, will lease 10% of this building. Therefore, the rent value of this building is \$7,055 or \$59.00 per month.

LTV'S WELDED TUBE TRACK LENGTH

OCTOBER 2, 1989

RACK NUMBER	T R A C K L E N G T H			TOTAL
	MV RWY LEASED TRACK	LTV TRACK OWNED	TENANT TRACK	
1-MAIN	2,600			2,600
HECKETT	1,800			1,800
2-MAIN	3,850			3,850
3-MAIN	5,300			5,300
4-MAIN	6,300			6,300
220	2,200			2,200
235	1,150			1,150
239	2,100			2,100
240	1,300			1,300
244-EAST		700		700
244-WEST		400		400
245-EAST		400		400
245-WEST	1,000			1,000
262	1,000			1,000
264	650			650
265	700			700
273	1,200			1,200
275	1,050			1,050
276	1,000			1,000
277	950			950
278	750			750
280	1,800			1,800
281	250			250
TOTAL FEET	36,950	1,500		38,450

LTV'S WELDED TUBE TRACK LENGTH

OCTOBER 2, 1989

TRACK NUMBER	TRACK LENGTH			TOTAL
	MV RWY LEASED TRACK	LTV TRACK OWNED	TENANT TRACK	
282	600			600
283	500			500
284	200			200
292		1,400		1,400
292½	2,200			2,200
295		1,050		1,050
296		800		800
297		400		400
298		900		900
304		1,800		1,800
310	250			250
311	200			200
312	450			450
TOTAL FEET	4,400	6,350		10,750
GRAND TOTAL FEET	41,350	7,850		49,200
GRAND TOTAL MILES	7.83	1.49		9.32
PERCENTAGE %	84%	16%		100%

LTV'S SEAMLESS TUBE TRACK LENGTH

OCTOBER 2, 1989

TRACK NUMBER	TRACK LENGTH			TOTAL
	MV RWY LEASED TRACK	LTV TRACK OWNED	TENANT TRACK	
-MAIN	6,358			6,358
-MAIN	5,628			5,628
-MAIN BUSTER	1,120			1,120
-MAIN EAST		1,690 *	525 X	2,215
-MAIN/118			946 X	946
-MAIN	11,452			11,452
-NEW YD.	2,150			2,150
-NEW YD.	1,539			1,539
-NEW YD.	1,493			1,493
.NEW YD.	1,629			1,629
-GORILLA ARK	1,822			1,822
0-WEST YD.	2,067	////		2,067
1-WEST YD.	1,915			1,915
2-WEST YD.	1,829			1,829
3-WEST YD.	1,680			1,680
4-WEST YD.	1,534			1,534
5-WEST YD.	1,433			1,433
6-WEST YD.	1,257			1,257
7-WEST YD.	1,757			1,757
9-WEST YD.	1,351			1,351
55		136		136
59	2,878			2,878
66		836		836
TOTAL FEET	50,892	2,662	1,471	55,025

LTV'S SEAMLESS TUBE TRACK LENGT..

OCTOBER 2, 1989

CK NUMBER	T R A C K L E N G T H			
	MV RWY LEASED TRACK	LTV TRACK OWNED	TENANT TRACK	TOTAL
		549		549
			673 °	673
			673 °	673
			901 °	901
			913 °	913
			1,651 °	1,651
			845 °	845
			562 °	562
05	426			426
08	428			428
09	345			345
12		707		707
15		300 *	MONROE 90	390
17			960 X	960
18			1,138 X	1,138
20	1,795			1,795
21		1,455 *	292 X	1,747
26			700 X	700
27			473 X	473
28			573 X	573
31		450 *		450
64		673		673
65		97		97
TOTAL FEET	2,994	4,231	10,444	17,669

LTV'S SEAMLESS TUBE TRACK LENGTH

OCTOBER 2, 1989

TRACK NUMBER	TRACK LENGTH			TOTAL
	MV RWY LEASED TRACK	LTV TRACK OWNED	TENANT TRACK	
6		464		464
9		586		586
11	1,860			1,860
12		865		865
12½	675			675
14		839		839
15	2,269			2,269
16		450		450
17		726		726
18		453		453
19		323		323
20		433		433
21		493		493
22		298		298
23	858			858
24 SHORT LINE	3,361			3,361
25	1,492			1,492
26 & O LEAD	223			223
27 & R LEAD	288			288
28 LADDER	1,239			1,239
29 LEG	957			957
GORILLA PARK EAST LEAD	177			177
GORILLA PARK WEST LEAD	674			674
TOTAL FEET	14,073	5,930		20,003

LTV'S SEAMLESS TUBE TRACK LENGTH

OCTOBER 2, 1989

TRACK NUMBER	TRACK LENGTH			
	MV RWY LEASED TRACK	LTV TRACK OWNED	TENANT TRACK	TOTAL
NEW YD. RAIL TRACK	520			520
WEST BOUND MAIN			2,145 °	2,145
EAST BOUND MAIN			1,556 °	1,556
GO (1 x 2M)	140			140
GO (1 x 2M)	125			125
GO (1 x 2M)	130			130
GO (1 x 2M)	160			160
MAIN RUN-A-ROUND	1,300			1,300
TOTAL FEET	2,375		3,701	6,076
GRAND TOTAL FEET	70,334	12,823	15,616	98,773
GRAND TOTAL MILES	13.32	2.43	2.96	18.71
PERCENTAGE %	71%	13%	16%	100%
*	While these tracks are on LTV property, their sole purpose is to serve tenants. The MVRY or LTV has no need of these tracks at this time, and believes Casey Equipment should maintain them, however we reserve the right to lease them at some further date if business becomes available.			
X	Old Sale -	Casey owns		
°	New Sale -	Casey will own	if sale is complete	

1/02/90

- Revised calculations to back up changes in Seamless/Welded Tube lease, effective June 2, 1989.

Former Seamless lease used a track valuation of \$318,098 for the total trackage of 30.9947 miles (163,652 ft.) Representatives of Welded Tube and Mahoning Valley Railway agreed to a new allocation of tracks and total in place (recognizing also that certain tracks have been removed). The new total trackage thus determined is 98,733 ft., or a reduction of 64,919 ft. (40%). Applying this percentage to the original valuation, we get a revised total value:

$$\$318,098 - 40\% \times 318,098 (\$127,239) = \underline{\$190,859}$$

The term of the lease is twenty (20) years.

The following calculations are then applied:

	<u>Track Ft.</u>	<u>Percentage</u>
MV	70,334	71
LTV	<u>28,399</u>	<u>29</u>
TOTAL	98,733	100

$$71\% \times 190,859 = \$135,510$$

$$\$135,510 \div 20 \text{ yrs. (term of lease)} \div 12 = \$565 \text{ per month}$$

Seamless track lease = \$565 per month

Calculation of Welded Tube Track Lease follows:

	<u>Track Ft.</u>	<u>Percentage</u>
MV	41,350	84
LTV	<u>7,850</u>	<u>16</u>
TOTAL	49,200	100

$$\underline{\$168,857} \times 84\% = \$141,840$$

$$\underline{\$141,840} \div 20 \text{ yrs. (term of lease)} \div 12 = \$591 \text{ per month}$$

Recap

Lease of:

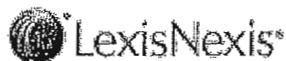
Seamless Tracks	=	\$ 565 per month
Welded Tube Tracks	=	591 per month
Locomotive Shop	=	567 per month
Machine Shop	=	<u>59 per month</u>
		\$1,782 per month

Mahoning Valley lease cost at Youngstown = \$1,782 per month

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Customer	Line	2005/2006	2007	2005/2006	2007	2005/2006	2007	2005/2006	2007	2005/2006	2007	2005/2006	2007	2005/2006	2007	2005/2006	2007	2005/2006	2007	2005/2006	2007	2005/2006	2007	2005/2006	2007	2005/2006	2007	2005/2006	2007	2005/2006	2007	2005/2006	2007	2005/2006	2007	2005/2006	2007			
Casey Equipment	MVRY	3	3	4	1	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2		
Casey Equipment	MVRY	12	9	7	17	8	9	4	8	6	9	4	9	10	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	
Dynamal Beam	MVRY	46	3	3	20	1	8	14	1	3	37	1	14	16	1	14	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	
Galvney Car Shop	MVRY	17	3	1	8	4	14	1	3	37	1	14	16	1	14	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	3	
Industrial Metals (Casey)	MVRY	8	6	3	4	6	4	5	5	3	6	3	2	6	7	2	8	4	2	10	5	1	8	4	4	5	3	2	2	2	2	2	2	2	2	2	2	2		
Industrial Timber	MVRY	9	6	3	4	6	4	5	5	3	6	3	2	6	7	2	8	4	2	10	5	1	8	4	4	5	3	2	2	2	2	2	2	2	2	2	2	2		
Lilly Pipe & Tube	MVRY	48	3	3	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	
MHC Logistics	MVRY	48	3	3	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	
Pinecar (Innapac Metals)	MVRY	48	3	3	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	
Pinecar (Nucor Steel)	MVRY	48	3	3	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	
Pinecar (Ohio Structures)	MVRY	48	3	3	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	
Ringling Bros Circus	MVRY	48	3	3	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	1	30	
Totals		28	81	72	33	45	47	29	43	81	80	32	74	114	23	76	42	48	109	27	67	30	23	67	86	37	72	59	26	81	49	53	41	39	24	47	19	518	647	739

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15 of 15 DOCUMENTS

INTERSTATE COMMERCE COMMISSION

[Finance Docket No. 29658 (Sub-1)]

46 FR 40097

August 6, 1981

Mahoning Valley Railway Co.; Operation of a Line of Railroad in Mahoning County, OH; Notice

TEXT: Mahoning Valley Railway Company (Applicant), represented by Mr. J. L. Hadley, Vice President, The Mahoning Valley Railway Company, P.O. Box 920, Youngstown, OH 44501, hereby gives notice that on the 5th day of June, 1981, it filed with the Interstate Commerce Commission at Washington, DC, an application pursuant to *49 U.S.C. 10901* for a decision approving and authorizing it to operate a line of railroad consisting of approximately eighteen (18) miles of track owned or leased my Mahoning Valley, with operations also over approximately twenty-five (25) miles owned by industries being served in Mahoning County, OH. No new construction is anticipated in the operation of this railroad, which will serve industrial concerns along the Mahoning River in the Cities of Youngstown, Campbell and Struthers, all located in Mahoning County, OH.

Applicant does not propose to construct a new line of railroad. Applicant does propose to acquire industrial rail facilities owned by Jones & Laughlin Steel Corporation and not presently being operated by a common carrier, and to operate over additional railroad tracks owned by industries being served. Applicant proposes to service Jones & Laughlin Steel Corporation, Youngstown Steel Corporation, Casey Equipment Corporation, Monroe & Sons Manufacturing Corporation, Hilti Steel Industry Products Corporation, and any other industries that may choose to locate along the tracks over which Applicant proposes to operate.

In accordance with the Commission's regulations (*49 CFR 1108.8*) in Ex Parte No. 55 (Sub-No. 4), *Implementation -- National Environmental Policy Act, 1969, 352 ICC 451 (1976)*, as amended by the Commission's decision in Ex Parte No. 55 (Sub-No. 22), *Revision of National Environmental Policy Act Guidelines, 363 ICC 653 (1980), 45 FR 79810* (December 2, 1980), any protests may include a statement indicating the presence or absence of any effect of the requested Commission action on the quality of the human environment. If any such effect is alleged to be present, the statement shall indicate with specific data the exact nature and degree of the anticipated impact. See *Implementation -- National Environmental Policy Act, 1969, supra, at p. 487*.

Pursuant to the provisions of the Interstate Commerce Act, as amended, the proceeding will be handled without public hearings unless comments in support or opposition on such application are filed with the Secretary, Interstate Commerce Commission, 12th and Constitution Avenue, NW., Washington, DC 20423, and the aforementioned counsel for applicant, within 30 days after date of publication of this notice in a newspaper of general circulation. Any interested person is entitled to recommend to the Commission that it approve, disapprove, or take any other specified action with respect to such application.

Agatha L. Mergenovich,

Secretary.

[FR Doc. 81-22959 Filed 8-5-81; 8:45 am]

BILLING CODE 7035-01-M

A-14



13 of 15 DOCUMENTS

INTERSTATE COMMERCE COMMISSION

AGENCY: Interstate Commerce Commission.

[Finance Docket No. 29736]

46 FR 61017

December 14, 1981

Rail Carriers; Mahoning Valley Railway Co. and the Cuyahoga Valley Railway Co. -- Exemption
ACTION: Notice of exemption.

SUMMARY: The Commission exempts from the requirements of its prior review and approval under *49 U.S.C. 11343*, the control of Mahoning Valley Railway Company by Cuyahoga Valley Railway Company and Jones & Laughlin Steel Corporation.

DATES: The exemption will be effective 30 days from the date of this publication. Petitions for reconsideration of this action must be filed within 20 days.

ADDRESSES: Send pleadings to:

(1) Interstate Commerce Commission, Section of Finance, Room 5414, 12th and Constitution Avenue NW., Washington, D.C. 20423

(2) Petitioner's representative: Donald A. Wall, Squire, Anders & Dempsey, 1800 Union Commerce Building, Cleveland, Ohio 44115.

For copies of the full decision write to:

Interstate Commerce Commission, Room 2227, Washington, D.C. 20423

or

Call Toll Free (800) 424-5403.

Pleadings should refer to Finance Docket No. 29736.

FOR FURTHER INFORMATION CONTACT:

Ellen D. Hanson, (202) 275-7245.

TEXT: SUPPLEMENTARY INFORMATION: For further information, see the Commission's decision in Finance Docket No. 29736.

46 FR 61017

Page 2

Decided: December 7, 1981.

By the Commission, Chairman Taylor, Vice-Chairman Clapp, Commissioners Gresham and Gilliam.

Agatha L. Mergenovich,

Secretary.

[FR Doc. 81-35596 Filed 12-11-81; 8:45 am]

BILLING CODE 7035-01-M

Before the
SURFACE TRANSPORTATION BOARD

Docket No. FD 35316

**ALLIED ERECTING AND DISMANTLING, INC.
AND ALLIED INDUSTRIAL DEVELOPMENT CORPORATION
- PETITION FOR DECLARATORY ORDER -
RAIL EASEMENTS IN MAHONING COUNTY, OHIO**

REPLY OF RESPONDENTS

APPENDIX B

Eric M. Hocky
Thorp Reed & Armstrong, LLP
One Commerce Square
2005 Market Street, Suite 1000
Philadelphia, PA 19103
215-640-8500
ehocky@thorpreed.com

C. Scott Lanz
Thomas J. Lipka
Manchester, Bennett, Powers & Ullman
The Commerce Building, Atrium Level Two
Youngstown, Ohio 44503
330-743-1171
slanz@mbpu.com
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Counsel for Respondents

February 22, 2011

APPENDIX B

P&LE EASEMENT

1. *Details regarding the physical locations of the track segments subject to the disputed easements, including the following: mileposts (if available); the number of tracks located on each segment; detailed maps depicting the location of each segment; photos (if available); and any other notable characteristics of the segments.*

The P&LE Easement Agreement dated November 10, 1993, attached as **Ex. B-1**¹, describes the easement as covering:

the rail line located upon property acquired by the Grantor herein by Limited Warranty Deed bearing the same date as this Easement Agreement, between a point along the southeasterly boundary of the Grantor's property which adjoins the property of the former P.Y. & A. Ry. (now Conrail) in the City of Struthers (survey Station 45+00±) to a connection with the property of the Youngstown & Southern Railway company in the city of Youngstown (Survey Station 146+00±), a distance of approximately 1.913 miles

November 10, 1993 P&LE Easement, Ex. B-1.

With reference to the Map, Respondents believe that the easement runs from just southwest of CP Graham to the LE&E Lead east of the Center Street Pocket, and that "the rail line" includes both the LE&E Siding and the LE&E Main.²

2. *Descriptions of the manner in which the segments connect with the interstate rail network, including rail lines owned, leased, or operated by Ohio Central.*

OHPA entered into an Amended and Restated Lease and Contract for Sale of Real Property with P&LE and Youngstown & Southern Railroad ("Y&S") to operate the same lines that had been operated by PL&W (*see* Ex. C-1) which included the P&LE Easement and the Y&S line between Youngstown, OH and Darlington, PA (the Y&S

¹ Respondents believe that the November 10, 1993 Easement Agreement replaced the September 17, 2003 easement which had been executed and placed in escrow prior to closing. *See* letter from P&LE to Allied dated November 9, 1993, enclosing a corrected deed and easement (produced by Allied in discovery). **Ex. B-2**. The September 17, 1993 Easement is attached for comparison as **Ex. B-3**.

² The rail lines included may have been shown on the plans attached to the Agreement and Amendment between P&LE and Allied for the sale of the property. However, the documents produced by Allied in discovery did not include the plan exhibits. *See* **Ex. B-4**.

Line”). **Ex. B-5.** At the same time, OHPA entered into an agreement with Conrail to purchase a short segment of track owned by Conrail (the former Canfield Branch) that connected the P&LE Easement with the Y&S Line. **Ex. B-6.** On the Map this segment would be a portion of the LE&E Lead; OHPA believes its purchase included the Center Street Pocket.

The P&LE Easement itself connects the Y&S Line (via the former Canfield Branch segment) with NS (formerly Conrail) at CP Graham. However, P&LE owned additional tracks beyond the P&LE Easement and CP Graham to reach lines of CSXT in Lowellville. This is partially shown on the Map as the Struthers Lead. The connection with CSXT is off the map and north of the Mahoning River.

OHPA subsequently purchased additional tracks from P&LE in 1995 (*see Ex. B-7*) and from CSXT in 2002 in order to be able to connect with CSXT in Lowellville.

OHPA granted trackage rights over its portion of the LE&E Lead and over the Struthers Lead to CCPR when it was operating the P&LE Easement and the Y&S Line, and has allowed them to be assigned to YSRR in connection with its operation of the P&LE Easement and Y&S Line.

In December 2004, after CCPR filed for bankruptcy protection, OHPA entered into an Interim Lease and Operating Agreement with CCPA and CCPR’s Trustee to operate the lines that had been operated by CCPR under its lease with CCPA. **Ex. B-8.**

During the time OHPA operated the P&LE Easement there no local customers on the P&LE Easement and the tracks were used as part of the through route between the customers on the Y&S Line and the connecting Class I carriers, Conrail/NS and CSXT.

The P&LE Easement seems to connect with MVRVY #1 Main (*see Map*); however, that portion of the MVRVY has been out of service due to poor track condition for many years.

3. *Descriptions of the nature of the activities that Ohio Central performs or performed on the segments, and the timeframes in which it has performed those activities.*

OHPA used the P&LE Easement to handle traffic moving between customers on the Y&S Line and connections with NS at CP Graham and with CSXT at Lowellville. The handling of such traffic included the staging and or temporary storing of cars which could not be moved immediately. In doing so, OHPA would use either the LE&E Siding or the LE&E Main for the staging while using the other as a passing track to trains around.

OHPA used the P&LE Easement between June 1995 and December 1999, and then again between and then again between December 2004 and November 2006.

4. *Detailed explanations of whether and how Ohio Central's use of the segments relates to its interstate railroad operations.*

See response to no. 3 above.

5. *Evidence of any authority issued by the Surface Transportation Board or the Interstate Commerce Commission with respect to the segments and/or easements.*

OHPA obtained authority to lease and operate lines from P&LE (including the track covered by the P&LE Easement), and to acquire a line from Conrail, effective June 23, 1995. See *Ohio & Pennsylvania Railroad Company – Lease and Operation Exemption – P&LE Properties, Inc.*, ICC Finance Docket No. 32711, and *Ohio & Pennsylvania Railroad Company – Acquisition, Lease and Operation Exemption*, ICC Finance Docket No. 32711 (Sub-No. 1) (served June 23, 1995). **Ex. B-9**

RVI obtained abandonment authority for the Y&S Line, and adverse discontinuance authority for OHPA's operations over the Y&S Line. *Railroad Ventures, Inc. – Abandonment Exemption*, STB Docket No. AB-556 (Sub-No. 2X), and *Ohio and Pennsylvania Railroad company – Adverse Discontinuance of Service*, STB Docket No. AB-555 (Sub-No. 2X) (served September 3, 1999). **Ex. B-10**

OHPA obtained authority to acquire a piece of track from CSXT to re-establish an interchange with CSXT in Lowelville. *Ohio & Pennsylvania Railroad Company – Acquisition and Operation Exemption – Rail Line of CSXT*, STB Finance Docket No. 34229 (served July 15, 2002). **Ex. B-11**

OHPA obtained authority to lease, on an interim basis, the P&LE Easement line and the Y&S line, from CCPA and the bankruptcy trustee of CCPR. *Ohio and Pennsylvania Railroad – Acquisition and operation Exemption – Rail Lines of Columbiana Port Authority in Mahoning and Columbiana Counties, OH and Beaver County, PA*, STB Finance Docket No. 34632 (served December 21, 2004). The STB Notice of Exemption and the OHPA notice are attached as **Ex. B-12**

B-1

COPY

EASEMENT AGREEMENT

This EASEMENT AGREEMENT, made this 10TH day of November 1993, between the ALLIED ERECTING AND DISMANTLING COMPANY, INC., an Ohio Corporation, hereinafter referred to as "Grantor", and PITTSBURGH & LAKE ERIE PROPERTIES, INC., formerly known as The Pittsburgh and Lake Erie Railroad Company, a Delaware Corporation, hereinafter referred to as "Grantee".

NOW THEREFORE, for and in consideration of TEN DOLLARS (\$10.00), payable the first day of each year, does hereby, insofar as Grantor's title permits, grant bargain and convey unto Grantee, its successors and assigns, a perpetual, non-exclusive easement over that portion of the rail line located upon property acquired by the Grantor herein by Limited Warranty Deed bearing the same date as this Easement Agreement, between a point along the southeasterly boundary of the Grantor's property which adjoins the property of the former P. Y. & A. Ry. (now Conrail) in the City of Struthers (Survey Station 45+00±) to a connection with the property of the Youngstown & Southern Railway Company in the City of Youngstown (Survey Station 146+00±), a distance of approximately 1.913 miles, for the sole purpose of providing railroad operations thereover as a part of the operation of the former Youngstown & Southern Railway system.

The aforesaid easement is granted, delivered and accepted, however, upon the following terms and conditions which are mutually agreed to by the parties hereto:

1. Railroad operations over and upon the easement shall be conducted by such corporate party or parties to whom Grantee has or may assign the operation of The Youngstown and Southern Railway pursuant to authority granted by the Interstate Commerce Commission. As of the date hereof, said operations are and will be conducted, in accordance with the applicable terms of that certain LEASE dated April 19, 1993, between Grantor, The Youngstown and Southern Railway Company and PL&W Railroad, Inc.
2. In the event any conditions exists upon Grantor's property or Grantor's operations adjacent to the easement which adversely affect safe and normal railroad operations over the easement, Grantor shall take steps, after verbal notification followed by written confirmation, with due diligence to make such changes in its property or operations as are necessary to permit safe and normal railroad operations to continue.

3. In the event that Grantor desires to occupy all or any portion of the easement area with its own facilities and/or operations, Grantor shall give Grantee written notice of the such event, and shall, at Grantor's expense, provide a substitute comparable route and tracks satisfactory to Grantee and its assigns, at another location upon and over Grantor's property, for the continued operation of a railroad between the beginning and ending points of the easement granted hereinabove. Upon the provision of a substitute easement, the provisions of the aforesaid Lease of April 19, 1993 shall apply to continued railroad operations thereover.
4. Upon any future abandonment of railroad operations over the easement pursuant to authority granted by the Interstate Commerce Commission or other applicable authority, the easement granted herein and this Easement Agreement shall be terminated.
5. The terms and conditions of this Easement Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective legal representatives and successors and assigns.
6. Grantee agrees to pay all costs and fees in conjunction with filing or recording of this instrument in the office of Public Records of Mahoning County, Ohio.

IN WITNESS WHEREOF, the Grantor and Grantee, intending to be legally bound, have caused this instrument to be duly executed the day and year first above written.

ALLIED ERECTING AND DISMANTLING COMPANY, INC.

ATTEST:

Louise V. Ramun
Secretary

By

John R. Ramun
President

PITTSBURGH & LAKE ERIE PROPERTIES, INC.

ATTEST:

Nancy J. Emecik
Secretary

By

Gordar E. Menaschauer
President

STATE OF OHIO)
) SS.
COUNTY OF MAHONING)

On this 10th day of November 1993, before me, the undersigned officer, a Notary Public, personally appeared, JOHN R. RAMON, who acknowledged himself to be PRESIDENT President of ALLIED ERECTING AND DISMANTLING COMPANY, INC., and that he, being authorized to do so, executed the foregoing instrument on behalf of the said ALLIED ERECTING AND DISMANTLING COMPANY, INC., for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 10TH of NOVEMBER, 1993.



LUCILLE M. MAZZOCCA, NOTARY PUBLIC
STATE OF OHIO
COMMISSION EXPIRES DECEMBER 9, 1996

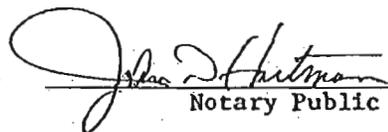
Lucille M. Mazzecca
Notary Public

My Commission expires: 12/9/96

STATE OF PENNSYLVANIA)
) SS.
COUNTY OF ALLEGHENY)

On this 10th day of November 1993, before me, the undersigned officer, a Notary Public, personally appeared, Gordon E. Neuenschwander, who acknowledged himself to be President of PITTSBURGH & LAKE ERIE PROPERTIES, INC., and that he, being authorized to do so, executed the foregoing instrument on behalf of the said PITTSBURGH & LAKE ERIE PROPERTIES, INC., for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 10th of November, 1993.



Notary Public

My Commission expires: _____

Notarial Seal
John D. Hartman, Notary Public
Pittsburgh, Allegheny County
My Commission Expires June 20, 1997
Member, Pennsylvania Association of Notaries

B-2

216-744-3218

PITTSBURGH & LAKE ERIE PROPERTIES, INC.

Suite 780, Commerce Court
Four Station Square
Pittsburgh, PA 15219-1199

(412) 263-3813

TELECOPIER INFORMATION

Date: 11-9-93

TO: JOHN RAMUN AND BLENN SEDGWICK
COMPANY: ALLIED ERECTING
FROM: GORDON NEUENSCHWANDER

TOTAL NUMBER OF PAGES, INCLUDING THIS PAGE: 17

WE ARE TRANSMITTING FROM A DEX 730

OUR TELECOPIER TELEPHONE NUMBER IS (412) 263-3913.

IF YOU SHOULD HAVE TROUBLE RECEIVING THIS TRANSMISSION,
PLEASE CONTACT TELECOPIER OPERATOR AT: (412) 263-3813

PLEASE SEND COPIES TO THE FOLLOWING: _____

PLEASE NOTE PITTSBURGH & LAKE ERIE PROPERTIES, INC.
WAS FORMERLY KNOWN AS THE PITTSBURGH AND LAKE ERIE
RAILROAD COMPANY

PITTSBURGH & LAKE ERIE PROPERTIES, INC.

G.E. NEUENSCHWANDER
PRESIDENT AND
CHIEF EXECUTIVE OFFICER

COMMERCE COURT
FOUR STATION SQUARE
PITTSBURGH, PA 15210-1100
(412) 222-0000

November 9, 1993

Mr. John R. Ramun
President
ALLIED ERECTING & DISMANTLING CO., INC.
2100 Poland Avenue
Youngstown, OH 44501

Re: Allied Purchase of former
LE&E Property from P&LE

Dear John:

Reference is made to my letter to you of September 17, 1993 by which there were delivered to you in escrow four documents in anticipation of closing the above sale. Since that date three events occurred which now permit us to close the real estate transaction as well as your purchase of the track materials covered by our agreement dated June 22, 1993.

- First: The certificate of P&LE's Corporate Name Change was recorded in Mahoning County early in October;
- Second: The City of Youngstown completed its purchase of the former LE&E property between Survey Station 153 and Cedar Street on October 12, 1993; and
- Third: Our Limited Warranty Deed to the real estate being conveyed to you had to be revised and was finally approved last week by Mahoning County officials for recording.

The closing of our transactions has now been scheduled for Wednesday, November 10 at 11 A.M. in the office of Attorney Robert J. Travers of Manchester, Bennett, Powers & Ullman, Atrium Level Two, The Commerce Bldg. at 201 East Commerce Street in Youngstown. At the closing I will deliver to you a fully executed revised Limited Warranty Deed, a copy of which is attached. I will also deliver a replacement Easement Agreement and Assignment of License Agreements, each bearing the same date as the Deed.

John, you will need to bring the executed Partial Release of Mortgage to the closing which you previously received in escrow so that it can be filed for record at the time the Deed is recorded. You already have in your possession the license agreements that are being assigned to Allied.

Mr. John Ramun
November 9, 1993
Page 2

As you know, the purchase price balance of \$67,500 for the real estate - and the purchase price balance of \$90,000 for the track materials, ties and ballast, on the property being acquired by the City is to be paid tomorrow to Pittsburgh & Lake Erie Properties, Inc.

If you or Glenn Sedgwick have any questions, please call me today.

Very truly yours,


Gordon E. Neuenschwander

Attachments

LIMITED WARRANTY DEED

THAT, PITTSBURGH & LAKE ERIE PROPERTIES, INC., formerly known as The Pittsburgh and Lake Erie Railroad Company, a Delaware Corporation, successor in interest by merger of The Lake Erie and Eastern Railroad Company, the Grantor, who claims title by and through various instruments recorded in the Mahoning County Recorder's Office for the consideration of Ten Dollars (\$10.00) and other valuable consideration, paid, grants with limited warranty covenants to ALLIED ERECTING AND DISMANTLING, INC., an Ohio Corporation, the Grantee, whose mailing address will be 2100 Poland Avenue, Youngstown, Ohio, 44502, the following premises situated in the City of Struthers and the City of Youngstown, Mahoning County, Ohio, known as all or part of Out Lots Nos. 1630, 1217, 1215, 561, 571, 574, 577 and 559, and more particularly bounded and described as follows:

Parcel 1

BEGINNING at a Point of Beginning on the northerly boundary line of the Grantor's property, which point is located from the south west corner of City lot 5903 a distance of 2.10 feet ± south along the westerly line of City Lot 5904 to the Grantor's northerly property line and thence northwesterly along Grantor's northerly property line 70 feet to the said Point of Beginning, such Point being indicated on Plate Map 40 of the Mahoning County Tax Maps, a copy of which, marked Exhibit A. is attached hereto and incorporated herein; thence in a southwesterly direction at a right angle to the northerly boundary line of the Grantor's property a distance of 70 feet more or less to a point on the southerly line of the Grantor's property; thence along the southerly line of the Grantor's property as follows: (1) southeasterly 140 feet more or less to a point on the westerly line of City Lot 5905; (2) southeasterly 67 feet more or less along the westerly line of City Lot 5905 and the northerly boundary line of property of the former P.Y. & A. Ry. (now Conrail) Canfield Branch; thence along the dividing line between the Grantor's property and property of the former P.Y. & A. Ry. (now Conrail) Canfield Branch in the arc of a curved line to the right having a radius of 1940.1 feet, a distance of 723.4 feet to a point on the southerly boundary line of the Grantor's property; thence continuing along the southerly boundary line of the Grantor's property as follows: (1) southeasterly 343.7 feet; (2) southwesterly 106.47 feet; (3) southeasterly 108.45 feet along the dividing line between the Grantor's property and the property of the former P.Y. & A. Ry. (now Conrail) Canfield Branch; (4) northerly 140 feet more or less; (5) thence southeasterly 1192.5 feet along the southerly boundary line of the Grantor's property to a point common on the southerly boundary line of the Grantor's property and the westerly line of property of the former P.Y. & A. Ry. (now Conrail) Canfield Branch; thence along dividing line between the Grantor's property and the property of the former P. Y. & A. Ry. (now Conrail) Canfield Branch southeasterly 314 feet to a point on the northerly boundary line of the Grantor's property; thence northwesterly along the northerly boundary line of Grantor's property a distance of 2748 feet to the Point of Beginning, containing 5.8 acres more or less.

Parcel 2

BEGINNING at a Point of Beginning on the southerly line of the Grantor's property, which Point is located as follows from the point of intersection of the northerly line of Poland Avenue and the centerline of Powers Avenue (now vacated); northeasterly 123 feet along the center line of Powers Avenue to a point common to property of the Grantee and property of the former P.Y. & A. Ry. (now Conrail) Canfield Branch, and thence southeasterly 64 feet along the dividing line between property of the Grantee and property of the former P.Y. & A. Ry. (now Conrail) Canfield Branch to the aforesaid Point of Beginning, such Point being indicated on Plate Map 45 on the Mahoning County Tax Maps, a copy of which, marked Exhibit B, is attached hereto and incorporated herein; thence along the southerly line of the Grantor's property, said line also being the dividing line between the Grantor's property and the property of the Grantee, as follows: (1) southeasterly 508 feet; (2) northeasterly 30 feet; (3) southeasterly 3235 feet; (4) southwesterly 112 feet more or less; thence in the dividing line between property of the Grantor and the property now or formerly of Ohio Water Service the following two courses and distances: (1) southeasterly 101 feet more or less; (2) southwesterly 60 feet to a point on the northerly line of State Street; thence along the northerly line of State Street, also being Grantor's southerly property line, southeasterly 1843 feet more or less; thence in the dividing line between the Grantor's property and the property now or formerly of the Buckeye Land Company the following 3 courses and distances: (1) southeasterly 155 feet; (2) southeasterly 325 feet, (3) southwesterly 27 feet to a point on the northerly line of State Street; thence southeasterly along the northerly line of State Street, also being Grantor's southerly property line, 1845 feet; thence in a northeasterly direction at a right angle to said southerly property line 63 feet to the Grantor's northerly property line; thence along said northerly property line being the dividing line between the Grantor's property and the property of the former P.Y. & A. Ry. (now Conrail) in a northwest direction the following nine courses and distances: (1) northwesterly 276 feet more or less; (2) northeasterly 9 feet; (3) northwesterly 600 feet more or less; (4) northwesterly in a curved line to the right 784 feet more or less; (5) northwesterly 640 feet; (6) southeasterly 45 feet more or less; (7) southwesterly 14.61 feet; (8) northwesterly 309.62 feet; (9) northwesterly 623 feet more or less; thence southwesterly 120 feet more or less in the dividing line between Grantor's property and the property of Grantee, thence northwesterly along Grantor's northerly property line, also being the dividing line between Grantor's property and property of the Grantee, 4710 feet more or less to a point on the easterly line of the former P.Y. & A. Ry. (now Conrail) Canfield Branch; thence northwesterly along said easterly line, of former P.Y. & A. Ry. (now Conrail) Canfield Branch, 155 feet more or less to the Point of Beginning, containing 16.0 acres more or less.

RESERVING, however, to Grantor, its successors and assigns, a certain non-exclusive easement solely for the purpose of continuing the operation of a railroad over the main line located upon that portion of the above granted and bargained premises between the southeasterly end of Parcel 2 described above (Survey Station 45+00±) and the point of connection with the Youngstown & Southern Railway (Survey Station 136+00±), along the southerly boundary of Parcel 1 described above, a distance of approximately 1.913 miles, all in accordance with the terms of that certain Easement Agreement granted by Grantee to Grantor, its successors and assigns, bearing the same date as this Deed;

BEING all or part of the same property acquired by the Grantor or a predecessor of Grantor, as set out in the deed books and pages, recorded in the Office of Public Records of Mahoning County, Ohio, set forth on Exhibit C, attached hereto and incorporated herein; LESS any interim conveyances of parcels or parts of parcels to third parties, including the Grantee, since the date(s) of acquisition, as listed on Exhibit C-1 attached hereto and incorporated herein.

TO HAVE AND TO HOLD the above granted and bargained premises, with the appurtenances thereof, unto the said Grantee, its successors and assigns forever. And the said Grantor does for itself and its successors and assigns covenant with Grantee, its assigns and successors, that the granted premises is free from all encumbrances made by the Grantor, and it does warrant and will defend the same to the Grantee and its assigns and successors, forever, against the lawful claims and demands of all persons claiming by through, or under the Grantor, but against none other, EXCEPT that this conveyance is subject to that certain Easement granted by Grantor to Litel Telecommunications Corporation, now known as LCI International Worldwide Telecommunications, and all other easements, reservations, restrictions, and conditions of record as shown on print of plan dated February 2, 1992 or disclosed to Grantee by Grantor; roadway from and to Poland Avenue, shown in color orange on aforesaid print of plan; all applicable zoning and building ordinances; all public highways, roads and streets; and all tax assessments which are a lien on the premises on the date hereof, but which are not yet due and payable; and such matters as would be disclosed by an accurate survey of the premises.

IN WITNESS WHEREOF, said Corporation sets its hand and corporate seal in Pittsburgh, Pennsylvania this ____ day of November, 1993.

SIGNED IN THE PRESENCE OF:

PITTSBURGH & LAKE ERIE PROPERTIES, INC., formerly known as The Pittsburgh & Lake Erie Railroad Company

By: _____
President

STATE OF PENNSYLVANIA)
) S.S.
COUNTY OF ALLEGHENY)

Before me, a Notary Public in and for said County and State, personally appeared GORDON E. NEUENSCHWANDER, who acknowledged himself to be President of Pittsburgh & Lake Erie Properties, Inc., formerly known as The Pittsburgh and Lake Erie Railroad Company, a corporation, and that he did sign the foregoing Limited Warranty Deed, and that the same is his free act and deed.

In TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed my official seal at Allegheny County, Pennsylvania, this ____ day of _____.

NOTARY PUBLIC

EXHIBIT C

MAHONING COUNTY, OHIO

Railroad Key: L. E. & E. R. R. = Lake Erie & Eastern Railroad
 L. E. Y. & S. R. R. = Lake Erie, Youngstown & Southern Railroad

V9/SL1

PARCELS	GRANTOR	GRANTEE	INSTRUMENT	DATE	RECORD
1	P. Y. & A. Ry. Company	L. E. & E. R. R.	Agreement	09-04-14	-
2	H. G. Hamilton, etux	L. E. & E. R. R.	Deed	01-17-13	166-1
3	P. Y. & A. Ry. Company	L. E. & E. R. R.	Agreement	08-04-14	-
4	H. G. Hamilton, etux	L. E. & E. R. R.	Deed	01-03-13	179-603
5	Youngstown Sheet & Tube Co.	L. E. & E. R. R.	Agreement	-	-
6	County Commissioners	L. E. & E. R. R.	Petition	11-02-12	J-13-15
7	Wm. McCombe, etal	L. E. & E. R. R.	Deed	09-17-12	130-319
8	Nancy M. Liddle	J. M. Schoonmaker	Deed	09-13-12	181-363
-	J. M. Schoonmaker	L. E. & E. R. R.	Deed	04-07-16	199-823
9	David S. Loveland	L. E. & E. R. R.	Deed	09-07-12	179-402
10	Nancy M. Liddle, etvir	L. E. & E. R. R.	Deed	01-07-07	137-236
11	P. Y. & A. Ry. Company	L. E. & E. R. R.	Agreement	-	-
12	David S. Loveland, etux	L. E. & E. R. R.	Deed	11-28-06	-
13	L. E. & E. R. R.	Rep. Iron & Steel Co.	Deed	12-09-13	-
3	P. Y. & A. R. R.	L. E. & E. R. R.	Deed	12-26-17	321-322
-	Farmers Loan & Trust Co.	L. E. & E. R. R.	Q.C.D.	02-27-18	-
-	Central Trust Co. (Trustee)	L. E. & E. R. R.	Release	06-10-18	-
11	P. Y. & A. R. R.	L. E. & E. R. R.	Q.C.D.	12-28-17	321-322
-	Farmers Loan & Trust Co.	L. E. & E. R. R.	Q.C.D.	02-27-18	-
-	Central Trust Co. (Trustee)	L. E. & E. R. R.	Release	06-10-18	-
14	Youngstown Sheet & Tube Co.	L. E. & E. R. R.	Deed	12-15-24	329-30
15	Youngstown Sheet & Tube Co.	L. E. & E. R. R.	Deed	12-15-24	329-30
16	Youngstown Sheet & Tube Co.	L. E. & E. R. R.	Deed	12-15-24	329-30
17	Youngstown Sheet & Tube Co.	L. E. & E. R. R.	Deed	12-15-24	328-38

V9/SL2

1	Cynthia L. Blunt	L. E. & E. R. R.	Deed	11-28-06	132-610
2	Nancy L. Liddle	L. E. & E. R. R.	Deed	01-07-07	137-236
3	Marietta Cover	L. E. & E. R. R.	Deed	11-28-06	132-609
4	Lida L. Spalding, et vir, etal	L. E. & E. R. R.	Deed	12-07-06	188-337
5	Akron Soap Co.	L. E. & E. R. R.	Deed	07-26-12	178-124
6	Lida L. Spalding	L. E. & E. R. R.	Deed	12-07-06	188-337
7	P. Y. & A. R. R. Co. & Penna. Co.	L. E. Y. & S. R. R.	Agreement	-	-
8	Henry Wick, etal	L. E. Y. & S. R. R.	Deed	12-17-13	182-519
9	Henry Wick, etal	L. E. Y. & S. R. R.	Deed	05-07-04	117-547

EXHIBIT C

MAHONING COUNTY, OHIO

Page 2

<u>PARCELS</u>	<u>GRANTOR</u>	<u>GRANTEE</u>	<u>INSTRUMENT</u>	<u>DATE</u>	<u>RECORD</u>
1	Annie Hewitt	L. E. & E. R. R.	Deed	11-25-13	187-134
2	H. G. Hamilton, Trustees	L. E. & E. R. R.	Deed	12-17-13	186-414
3	Laboll Kline, et al.	L. E. Y. & S. R. R.	Deed	04-08-03	117-542
4	R. D. Burnett, Guardian	L. E. Y. & S. R. R.	Deed	05-18-03	118-539
-	Cassius M. Bartholomew, etux	L. E. Y. & S. R. R.	Deed	04-06-03	117-543
5	James Sauce, etux	L. E. Y. & S. R. R.	Deed	05-07-03	122-142
-	L. E. Y. & S. R. R.	Republic Iron & Steel Co.	Deed	02-16-12	176-242
6	Republic Iron & Steel Co.	L. E. Y. & S. R. R.	Deed	02-16-12	-
7	City of Youngstown	L. E. Y. & S. R. R.	Ordinance	12-08-02	-
8	H. G. Hamilton, etux, etal	L. E. Y. & S. R. R.	Deed	10-24-03	118-60
9	H. G. Hamilton, etux, etal	L. E. & E. R. R.	Deed	08-03-09	134-201
10	O. A. Engelhardt, etux	L. E. & E. R. R.	Deed	03-10-10	134-202
11	O. A. Engelhardt, etux	H. G. Hamilton, etux, etal	Deed	08-19-03	118-58
-	H. G. Hamilton, etux, etal	L. E. Y. & S. R. R.	Deed	10-24-03	118-60
12	Republic Iron & Steel Co.	L. E. Y. & S. R. R.	Deed	02-16-12	176-242
13	City of Youngstown	L. E. Y. & S. R. R.	Ordinance	12-08-02	-
14	Henry Wick, etal	L. E. & E. R. R.	Deed	08-03-09	134-201
15	O. A. Engelhardt, etux, etal	L. E. Y. & S. R. R.	Condemn	05-04-04	BK. 49-P. 241
16	Margaret C. Waddell, etal	L. E. & E. R. R.	Deed	04-23-14	186-506
18	Henry Wick, etal	L. E. Y. & S. R. R. CO.	Deed	05-07-04	117-567

EXHIBIT C-1

MANONING COUNTY - OHIO

CONVEYANCES

<u>GRANTOR</u>	<u>PARCEL NO.</u>	<u>DATE</u>	<u>GRANTEE</u>
L. E. & E. R.R.	7A-8A-9A	12-15-25	Buckeye Land Co.
L. E. & E. R.R.	12A	01-20-17	Barrett Co.
L. E. & E. R.R.	12C	05-31-50	Ohio Water Service
L. E. & E. R.R.	4A	04-10-48	Akron Soap Co.
L. E. & E. R.R.	3A-4B	07-08-48	Republic Steel Corp.
L. E. & E. R.R.	Various	1992	Allied Erecting and Dismantling, Inc.
L. E. & E. R.R.	15	1972	Republic Steel Corp.

EASEMENT AGREEMENT

This EASEMENT AGREEMENT, made this _____ day of November 1993, between the ALLIED ERECTING AND DISMANTLING COMPANY, INC., an Ohio Corporation, hereinafter referred to as "Grantor", and PITTSBURGH & LAKE ERIE PROPERTIES, INC., formerly known as The Pittsburgh and Lake Erie Railroad Company, a Delaware Corporation, hereinafter referred to as "Grantee".

NOW THEREFORE, for and in consideration of TEN DOLLARS (\$10.00), payable the first day of each year, does hereby, insofar as Grantor's title permits, grant bargain and convey unto Grantee, its successors and assigns, a perpetual, non-exclusive easement over that portion of the rail line located upon property acquired by the Grantor herein by Limited Warranty Deed bearing the same date as this Easement Agreement, between a point along the southeasterly boundary of the Grantor's property which adjoins the property of the former P. Y. & A. Ry. (now Conrail) in the City of Struthers (Survey Station 45+00±) to a connection with the property of the Youngstown & Southern Railway Company in the City of Youngstown (Survey Station 146+00±), a distance of approximately 1.913 miles, for the sole purpose of providing railroad operations thereover as a part of the operation of the former Youngstown & Southern Railway system.

The aforesaid easement is granted, delivered and accepted, however, upon the following terms and conditions which are mutually agreed to by the parties hereto:

1. Railroad operations over and upon the easement shall be conducted by such corporate party or parties to whom Grantee has or may assign the operation of The Youngstown and Southern Railway pursuant to authority granted by the Interstate Commerce Commission. As of the date hereof, said operations are and will be conducted in accordance with the applicable terms of that certain LEASE dated April 19, 1993, between Grantor, The Youngstown and Southern Railway Company and PL&W Railroad, Inc.
2. In the event any conditions exists upon Grantor's property or Grantor's operations adjacent to the easement which adversely affect safe and normal railroad operations over the easement, Grantor shall take steps, after verbal notification followed by written confirmation, with due diligence to make such changes in its property or operations as are necessary to permit safe and normal railroad operations to continue.

3. In the event that Grantor desires to occupy all or any portion of the easement area with its own facilities and/or operations, Grantor shall give Grantee written notice of the such event, and shall, at Grantor's expense, provide a substitute comparable route and tracks satisfactory to Grantee and its assigns, at another location upon and over Grantor's property, for the continued operation of a railroad between the beginning and ending points of the easement granted hereinabove. Upon the provision of a substitute easement, the provisions of the aforesaid Lease of April 19, 1993 shall apply to continued railroad operations thereover.
4. Upon any future abandonment of railroad operations over the easement pursuant to authority granted by the Interstate Commerce Commission or other applicable authority, the easement granted herein and this Easement Agreement shall be terminated.
5. The terms and conditions of this Easement Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective legal representatives and successors and assigns.
6. Grantee agrees to pay all costs and fees in conjunction with filing or recording of this instrument in the office of Public Records of Mahoning County, Ohio.

IN WITNESS WHEREOF, the Grantor and Grantee, intending to be legally bound, have caused this instrument to be duly executed the day and year first above written.

ALLIED ERECTING AND DISMANTLING COMPANY, INC.

ATTEST:

By _____
President

Secretary

PITTSBURGH & LAKE ERIE PROPERTIES, INC.

ATTEST:

By _____
President

Secretary

STATE OF OHIO)
) SS.
COUNTY OF MAHONING)

On this ____ day of _____ 1993, before me, the undersigned officer, a Notary Public, personally appeared, _____, who acknowledged himself to be _____ President of ALLIED ERECTING AND DISMANTLING COMPANY, INC., and that he, being authorized to do so, executed the foregoing instrument on behalf of the said ALLIED ERECTING AND DISMANTLING COMPANY, INC., for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this _____ of _____, 1993.

Notary Public

My Commission expires: _____

STATE OF PENNSYLVANIA)
) SS.
COUNTY OF ALLEGHENY)

On this ____ day of _____ 1993, before me, the undersigned officer, a Notary Public, personally appeared, Gordon E. Neuenschwander, who acknowledged himself to be President of PITTSBURGH & LAKE ERIE PROPERTIES, INC., and that he, being authorized to do so, executed the foregoing instrument on behalf of the said PITTSBURGH & LAKE ERIE PROPERTIES, INC., for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this ____ of _____, 1993.

Notary Public

My Commission expires: _____

B-3

EASEMENT AGREEMENT

This EASEMENT AGREEMENT, made this 17 day of SEPTEMBER, 1993, between the ALLIED ERECTING AND DISMANTLING COMPANY, INC., an Ohio Corporation, hereinafter referred to as "Grantor", and PITTSBURGH & LAKE ERIE PROPERTIES, INC., formerly known as The Pittsburgh and Lake Erie Railroad Company, a Delaware Corporation, hereinafter referred to as "Grantee".

NOW THEREFORE, for and in consideration of TEN DOLLARS (\$10.00), payable the first day of each year, does hereby, insofar as Grantor's title permits, grant bargain and convey unto Grantee, its successors and assigns, a perpetual, non-exclusive easement over that portion of the main line acquired by the Grantor herein by Deed bearing the same date as this Easement Agreement, between Survey Station 45+00± to a connection with the former Youngstown & Southern Railway Company in the vicinity of Survey Station 146+00± a distance of approximately 1.913 miles, for the sole purpose of providing railroad operations thereover as a part of the operation of the former Youngstown & Southern Railway system.

The aforesaid easement is granted, delivered and accepted, however, upon the following terms and conditions which are mutually agreed to by the parties hereto:

1. Railroad operations over and upon the easement shall be conducted by such corporate party or parties to whom Grantee has or may assign the operation of The Youngstown and Southern Railway pursuant to authority granted by the Interstate Commerce Commission. As of the date hereof, said operations are and will be conducted in accordance with the applicable terms of that certain LEASE dated April 19, 1993, between Grantor, The Youngstown and Southern Railway Company and PL&W Railroad, Inc.
2. In the event any conditions exists upon Grantor's property or Grantor's operations adjacent to the easement which adversely affect safe and normal railroad operations over the easement, Grantor shall take steps, after verbal notification followed by written confirmation, with due diligence to make such changes in its property or operations as are necessary to permit safe and normal railroad operations to continue.
3. In the event that Grantor desires to occupy all or any portion of the easement area with its own facilities and/or operations, Grantor shall give Grantee written notice of the such event, and shall, at Grantor's expense, provide a substitute comparable route and

tracks satisfactory to Grantee and its assigns, at another location upon and over Grantor's property, for the continued operation of a railroad between the beginning and ending points of the easement granted hereinabove. Upon the provision of a substitute easement, the provisions of the aforesaid Lease of April 19, 1993 shall apply to continued railroad operations thereover.

4. Upon any future abandonment of railroad operations over the easement pursuant to authority granted by the Interstate Commerce Commission or other applicable authority, the easement granted herein and this Easement Agreement shall be terminated.
5. The terms and conditions of this Easement Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective legal representatives and successors and assigns.
6. Grantee agrees to pay all costs and fees in conjunction with filing or recording of this instrument in the office of Public Records of Mahoning County, Ohio.

IN WITNESS WHEREOF, the Grantor and Grantee, intending to be legally bound, have caused this instrument to be duly executed the day and year first above written.

ALLIED ERECTING AND DISMANTLING COMPANY, INC.

ATTEST:

Louise V. Ramon
Secretary

By

John R. Ramon
President

PITTSBURGH & LAKE ERIE PROPERTIES, INC.

ATTEST:

Nancy L. Zmencik
Secretary

By

Gordon C. Hevenschraub
President

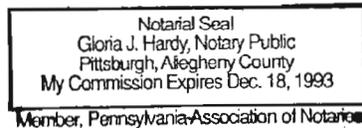
STATE OF PENNSYLVANIA)
) SS.
COUNTY OF ALLEGHENY)

On this 17 day of September 1993, before me, the undersigned officer, a Notary Public, personally appeared, John R. Ramona who acknowledged himself to be _____ President of ALLIED ERECTING AND DISMANTLING COMPANY, INC., and that he, being authorized to do so, executed the foregoing instrument on behalf of the said ALLIED ERECTING AND DISMANTLING COMPANY, INC., for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 17th of September 1993.

Gloria J. Hardy
Notary Public

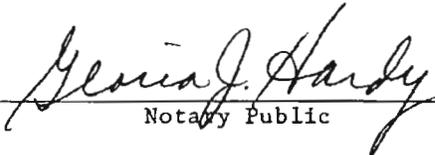
My Commission expires: _____



STATE OF PENNSYLVANIA)
) SS.
COUNTY OF ALLEGHENY)

On this 17 day of September 1993, before me, the undersigned officer, a Notary Public, personally appeared, Gordon E. Neuenschwander, who acknowledged himself to be President of PITTSBURGH & LAKE ERIE PROPERTIES, INC., and that he, being authorized to do so, executed the foregoing instrument on behalf of the said PITTSBURGH & LAKE ERIE PROPERTIES, INC., for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 17 of September, 1993.


Notary Public

My Commission expires: _____

Notarial Seal
Gloria J. Hardy, Notary Public
Pittsburgh, Allegheny County
My Commission Expires Dec. 18, 1993
Member, Pennsylvania Association of Notaries

B-4

AGREEMENT OF SALE

This letter shall constitute an agreement between The Pittsburgh and Lake Erie Railroad Company (P&LE) successor by merger of Lake Erie and Eastern Railroad Company and Allied Erecting & Dismantling Company, Inc. (Allied Erecting) for P&LE to sell and Allied Erecting to purchase four parcels of land, including all rail and other track materials thereon, situate in the City of Youngstown, County of Mahoning and State of Ohio (the Property) as more particularly shown on the print of plan dated 2/2/92, attached hereto; upon the following terms and conditions;

1. The consideration for the four parcels shall be \$90,000.00 cash or certified check payable at the time of closing.
2. The Property will be conveyed by Quit Claim Deed, identified as Parcels "A", "B", "C" and "D" on the plan attached hereto.
3. All taxes, charges, and assessments shall be prorated as of the date of closing and Allied Erecting will pay all realty transfer taxes, title search and survey, if desired by Allied Erecting.
4. Allied Erecting shall apply for all permits to acquire or subdivide the Property. All costs necessitated by such applications shall be borne by Allied Erecting.
5. Sale shall be subject to P&LE obtaining a partial release of mortgage against the Property.
6. P&LE reserves for the benefit of itself, its successors and assigns an 12 foot right of way for road purposes for ingress and

regress to its line of railroad, grade crossing, access to Poland Ave., and two easements for P&LE tracks between Survey Station 77+00± and Survey Station 84+00±, as more particularly shown on print of plan attached hereto; provided however if Allied Erecting should need to relocate said right of way, it shall provide, at its expense, a suitable alternative right of way. Allied Erecting may remove, grade or fill the existing track between SS 77± to SS 125± on the Property to allow the establishment of the said road. Said right of way shall comply with all applicable Public Utility regulations.

7. Allied Erecting shall install, maintain and repair a drainage ditch to be installed along the northerly side of Parcel "D", which shall handle drainage from the rail property of P&LE which passes between the property. Such installation maintenance and repair of the drainage ditch shall be preapproved by the P&LE's Chief Engineer and shall assure the stability of the rail property of P&LE.

8. Allied Erecting shall remove that certain underground storage tank located on Parcel "A" and provide any remediation that is necessary, at its own expense, and to the satisfaction of the Ohio Petroleum Underground Storage Tank Release Compensation Board.

9. The sale shall be subject to all easements of record attached to P&LE's January 27, 1992 letter, or shown on the print of plan attached hereto. However, Allied Erecting, at its expense, will order a commitment for title insurance, a copy of which shall be provided to P&LE. Allied shall give P&LE written notice of any defects in title or encumbrances no later than ten (10) days after receipt of the

commitment. None of the easements of record attached to P&LE's January 27, 1992 letter or shown on the print of plan attached hereto shall constitute a valid objection. P&LE shall have thirty (30) days following receipt of any objection by Allied Erecting to remove or cure any defect.

10. The sale of the Property shall be subject to an Easement granted by P&LE to Litel Telecommunications Corporation ("Litel"), dated June 20, 1985 for installing a fiber optic cable system and other facilities, as indicated on the print of plan attached hereto.

11. Allied Erecting may relocate, with the prior approval of P&LE's Chief Engineer, the track from the Property to P&LE property between Survey Station 77+00± and Survey Station 70+00± at its sole expense and may make the necessary connection with P&LE

12. P&LE shall grant easements over its property between survey station 109± and 125± for Allied Erecting to make truck and rail movements between Parcels A, B, C, D, subject to approval of P&LE Chief Engineer. P&LE shall grant an additional easement for the installation of track between Survey Station 77+00± and Survey Station 70±00± and the track being acquired by Allied Erecting between Survey Station 109± and Survey Station 120+50±, as approved by P&LE Chief Engineer, as shown in color green on the plan; said easement to continue so long as the track is in use.

13. Allied Erecting shall be responsible for maintaining, repairing or replacing the grade crossing which provides access from the Property to Poland Avenue, located at Survey Station 122+80±, at

its sole expense. Prior to any work being performed on said crossing, all plans shall be submitted to P&LE's Chief Engineer for approval and coordination of scheduling of such work.

14. Except as otherwise provided herein, as between Allied Erecting and P&LE Allied Erecting agrees to purchase the Property "as is" and without any express or implied representation or warranty from P&LE with respect to the condition or suitability of the Property, including but not limited to the condition of the soil, or other contaminants in the soil or improvements, and except for third party action. Allied Erecting further agrees to hold harmless P&LE from all liability that may hereinafter arise from the physical and or environmental condition of the Property, regardless whether the condition was known or unknown at the time of closing.

15. P&LE and its successors grant to Allied Erecting and its successors the first right of refusal to purchase the remaining land rail and track materials thereon located between Survey Station 77±00± and Survey Station 125± adjacent to Parcels A, B, C and D on the plan attached hereto in the event the main line is relocated or abandoned for the consideration of \$30,000.00 cash or certified check payable at time of closing and subject to the terms and conditions of this agreement.

16. Title to the Property shall be taken in the name of:

Allied Erecting and Dismantling Co., Inc.

17. All easements, covenants, and agreements made by the parties in this agreement will survive the closing as well as execution and delivery of the deed.

[IN WITNESS WHEREOF, the parties have caused this Agreement to be executed this 19th day of February, 1992.]

[ALLIED ERECTING AND DISMANTLING COMPANY, INC.]

Witness Donna L. McQuinn

By John R. Ramon
Title President

[THE PITTSBURGH AND LAKE ERIE RAILROAD]

Witness Nancy J. Zmewick

By Richard S. Henschwande
Title PRESIDENT

**AMENDMENT TO AGREEMENT OF SALE AND
RECIPROCAL EASEMENT AGREEMENT**

This AMENDMENT, made this 17th day of May, 1993, to the Agreement of Sale dated February 19, 1992, and the Reciprocal Easement Agreement, dated June 3, 1992, between THE PITTSBURGH AND LAKE ERIE RAILROAD COMPANY ("P&LE") and ALLIED ERECTING AND DISMANTLING COMPANY, INC. ("Allied").

TERMS

WHEREAS, the undersigned parties hereto have agreed to modify and amend the aforementioned agreements;

NOW, THEREFORE, in consideration of the mutual benefits hereinafter set forth, and intending to be legally bound, the parties hereby agree:

1. That Paragraph 15 of the Agreement of Sale shall be modified and amended to as follows:

P&LE and its successors grant to Allied Erecting and its successors the first right of refusal to purchase, for a consideration of \$75,000.00 in cash upon terms and conditions subject to this agreement, that portion of P&LE's main line including land, rail and materials thereon, located between the boundary line where the properties of P&LE and Consolidated Rail Corporation adjoin at Survey Station 45+00+ in the City of Struthers, Ohio, and Survey Station 153+00+ in the City of Youngstown, Ohio, said portion of main line being partially adjacent to Parcels A, B, C and D on the plan attached hereto, in the event the main line is relocated or abandoned, or the balance of the main line west and north of Survey Station 153+00+ is sold to the City of Youngstown, Ohio. Such right of first refusal shall be subject to (i) exercise by Allied's acceptance in writing within 10 days of receipt of written notice from P&LE to Allied issued anytime after the occurrence of either of the events specified hereinabove, whereupon Allied shall accompany its acceptance with a ten percent (10%) earnest money deposit to be followed by payment of the balance of the purchase price at closing to be held no later than 30 days from Allied's exercise of the right of first refusal granted herein, and (ii) a grant for a consideration of \$10 per year, to be

conveyed at the closing, from Allied to P&LE, its successors and assigns, of a perpetual, non-exclusive easement over that portion of the main line acquired by Allied between Survey Station 45+00+ to a connection with the former Youngstown & Southern Railway in the vicinity of Survey Station 136+00+ for the sole purpose of providing railroad operations thereover.

2. That Paragraph 6 of the Agreement of Sale and the Reciprocal Easement Agreement shall be modified and amended to provide that the referenced Rights of Way and/or Easements granted by Allied to P&LE shall cease and terminate if, and only if, use of the main railroad line shown on the print attached to the Agreement of Sale is discontinued by P&LE or the line is sold or transferred to any third party or successor entity.

3. P&LE and its successors grant to Allied Erecting and its successor the first right of refusal to purchase the Track Materials only consisting of all rail, O.T.M., R.R. ties, and salvagable ballast (slag) thereon located between Survey Station 153+00+ and Survey Station 424+00+ (Trumbull County/Mahoning County line) for the consideration of \$100,000.00 cash or certified check payable at time of closing and subject to the terms and conditions of this agreement. P&LE and its successors grant to Allied Erecting and its successors two years from the date of payment to remove the Track Material from the site.

Other than as modified above, the balance of the terms and conditions of the Agreement of Sale and Reciprocal

Easement Agreement remain in full force and effect and there is no other written or oral understanding or agreement that is not expressly set forth herein.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to Agreement of Sale to be executed this 17th day of MAY, 1993.

Sworn to and subscribed before me this 17th day of MAY, 1993

Lucille M. Mazocco
Notary Public



LUCILLE M. MAZZOCCA, NOTARY PUBLIC
STATE OF OHIO
COMMISSION EXPIRES DECEMBER 9, 1996

ALLIED ERECTING AND DISMANTLING
COMPANY, INC.

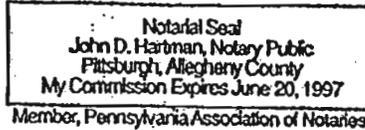
WITNESS:

Edward L. Sedgewick

By: John R. Ramon
John R. Ramon
Title: President

Sworn to and subscribed before me this 18th day of MAY, 1993

John D. Hartman
Notary Public



THE PITTSBURGH AND LAKE ERIE
RAILROAD COMPANY

WITNESS:

Margaret J. Zmerek

By: Gordon E. Neuenschwander
Gordon E. Neuenschwander
Title: President

B-5

AMENDED AND RESTATED LEASE AND CONTRACT FOR SALE OF REAL PROPERTY

This Amended and Restated Lease, made this 13th day of June, 1995, between THE PITTSBURGH & LAKE ERIE RAILROAD COMPANY ("P&LE") and THE YOUNGSTOWN AND SOUTHERN RAILWAY COMPANY ("Y&S"), whose address is Commerce Court, 4 Station Square, Pittsburgh, PA, 15219-1199, Lessor, and OHIO AND PENNSYLVANIA RAILROAD COMPANY, ("O&P"), whose address is 136 South Fifth Street, Coshocton, Ohio, 43812, Lessee, and PL&W RAILROAD, INC. ("PL&W"), whose address is 46351 State Route 14, Columbiana, Ohio, 44108, Predecessor Lessee.

I. PREMISES

A. Lessor has heretofore leased certain land and improvements consisting of the right of way, rail facilities, and equipment of the Y&S and P&LE, hereinafter called "the premises", pursuant to a Lease Agreement dated April 19, 1993, to the PL&W, Predecessor Lessee.

B. The parties hereto have agreed that Lessor and Lessee shall enter into this Amended and Restated Lease and Contract for Sale of Real Property whereby said premises shall be leased to O&P.

C. PL&W is willing to relinquish its rights and obligations under the April 19, 1993, Lease and to terminate its operations on said premises provided that said operations are assumed by and undertaken by O&P pursuant to the terms of this Amended and Restated Lease and Contract for Sale of Real Property. PL&W shall indemnify and hold O&P harmless from any and all activities

that took place on said leased premises during the PL&W lease term.

II. TERMS AND CONDITIONS

In consideration of the covenants and agreements herein contained and other good and valuable consideration, and intending to be legally bound, the parties agree as follows:

1. **Use.** Lessee shall use and occupy the premises solely for the purpose of conducting railroad common carrier operations and related purposes. The effective date for the transfer of rail operations shall be June 13th, 1995, and shall pertain to the premises which are described as follows:

Approximately 36+ miles of Y&S rail lines from Darlington, PA to Struthers, Ohio, and 2.65+ miles of P&LE rail lines in the City of Youngstown and Village of Struthers, Ohio, together with various rails, sidings, signals and other rail facilities including the Negley Shops.

2. **Term.** The terms of this Lease and Contract for Sale of Real Property shall be for a period of fifteen (15) months commencing on June 13th, 1995.

3. **Rent.** Lessee shall pay rent to the Lessor in the amount of ~~One~~ One Thousand Dollars (\$1,000.00) per month commencing on the 13th day of June, 1995, for the premises during the fifteen (15) month term of this Lease and Contract for Sale of Real Property and Lessee shall assume all costs of or charges for water, sewage, electricity, heat and other utilities furnished to the premises and paid by Lessor (within thirty (30) days after the presentation to Lessee of bills therefore) provided that Lessee

shall not assume responsibility for any said charges accruing during the term of the Predecessor Lessee. It is understood and agreed that should Lessee exercise its option to purchase the premises, Fifty Percent (50%) of the total lease payments paid to Lessor shall be applied to the agreed upon sale price for said premises. Lessee shall assume said utility expenses only for the term of this Lease and Contract for Sale of Real Property and the Predecessor Lessee, PL&W, and/or the Lessor shall hold O&P harmless and indemnify it from any and all utility costs other than during the term of this Lease and Contract for Sale of Real Property.

4. **Approval of Plans.** Lessee, prior to erecting any permanent structure on the premises, shall submit plans to, and secure approval in writing of, Lessor.

5. **Fire and Damage.** Lessee shall comply with fire prevention measures required by any applicable law or regulation. Lessee shall make no electrical installation or alterations in and to the improvements or electrical circuits (whether for power, light, heat or other purposes) located on the premises except by a duly licensed electrician, and shall make no installation of natural gas, propane, kerosene or other combustion fuel heating or cooling units, except by licensed heating or cooling contractor.

6. **Ordinances and Regulations.**

6.1 Lessee, at Lessee's sole cost and expense, shall comply with all applicable ordinances, rules, regulations,

requirements and laws of any governmental authority having jurisdiction over the premises or Lessee's intended use thereof, including but not limited to zoning, health, safety, building or environmental matters only as apply to Lessee's operations during the term of this Lease and Contract for Sale of Real Property. Lessee shall supply Lessor with copies of letters or certificates of approval of Lessee's use. Lessor hereby certifies that all of said matters are in compliance as of the date of this Lease and Contract for Sale of Real Property. Lessor and/or Predecessor Lessee further certify that no underground storage tanks exist on the leased premises and that no hazardous materials have been stored or disposed of, to include petroleum products, on said leased premises.

6.2 Lessee shall defend, indemnify and hold Lessor harmless from any violation thereof, any penalty, levy, fine or assessments therefrom, and all costs of defense of or compliance with any citation, order or violation notice(s), including any such penalties, levies, fines, assessments, compliance or remedial charge(s) arising after termination of this Amended and Restated Lease and Contract for Sale of Real Property. Said indemnification and hold harmless clause shall be limited to violations that are caused by O&P during the term of this Lease. O&P shall not assume nor be liable for any such violations of the Lessor or the Predecessor Lessee.

7. **Maintenance and Repairs.** Lessee will not create or permit any nuisance in, on or about the premises, and Lessee

shall maintain the premises in at least the same condition as existed on the date of this Lease and Contract for Sale of Real Property.

8. **Service and Utilities.** Lessor will be under no obligation to furnish the premises with water, gas, sewage, electricity, heat or other services and supplies that may be necessary or desirable in connection with Lessee's use and occupancy of the premises. The Lessee shall bear all costs of utilities used on the premises during the term of this Lease, including heat, electricity, hot water and sewer use charges, and shall hold Lessor harmless from any claims arising from the use of said utilities, provided, however, Lessee shall not assume any responsibility or be liable for any cost associated with expenses incurred during the term of the Predecessor Lessee. Lessee shall only be liable for said utilities and expenses incurred during the term of this Lease.

9. **Pipe and Wire Lines.** Lessor shall at all times have the right to maintain and/or construct, and to permit others to maintain and/or construct, overhead and/or underground pipe and/or wire lines now or hereafter installed upon or across the premises, and to use, repair, renew and remove the same.

10. **Claim of Title.**

10.1 Lessee shall not during the term of this Lease own or claim any right, title or interest in or to the premises, nor shall the exercise of this Lease for any length of time give rise to any right, title or interest in or to the premises,

except as otherwise set forth herein in paragraph 10.3.

10.2 Lessee shall pay all debts incurred to, and shall satisfy all liens of contractors, subcontractors, mechanics, laborers and materialmen incurred by Lessee during the term of this Lease in respect to any construction, alteration and/or repair in and to the premises, and any improvements thereon, and shall indemnify, defend and hold Lessor harmless from said debts and liens set forth in this paragraph incurred by Lessee during the term of this Lease against all legal costs and charges, including counsel fees reasonably incurred, in any suit involving any lien, the enforcement thereof, or encumbrance caused by the same, with respect to the premises or any part thereof, provided, however, that Lessee shall not assume any responsibility or be liable for any cost associated with obligations incurred during the term of the Predecessor Lessee nor any such cost incurred after the expiration of the term of this Lease. Further, Lessee shall have no authority to create any liens for labor or material on or against Lessor's interest in the premises and shall so specify in all contracts let by Lessee for any construction, erection, installation, alteration, maintenance or repair of any building or other improvement on the premises.

10.3 Lessor shall assign to Lessee all its right title and interest to any leases, licenses, easements, permits or other agreements related to the use or occupancy of the premises by third parties including the right to receive and collect rents or income therefrom. Lessor and/or Predecessor Lessee shall hold

O&P harmless and indemnify it from any debts or obligations of Lessor or the Predecessor Lessee with regard to said leases, licenses, easements, permits or other agreements.

11. Termination, Notices and Removal.

11.1 In the event of a breach of any of the covenants, terms and conditions hereof by Lessee, Lessor shall have the right to terminate this Lease and Contract for Sale of Real Property by written notice to Lessee and after a thirty (30) day period from receipt of said notice to allow Lessee to cure the breach.

11.2 Upon termination of this Lease and Contract for Sale of Real Property by expiration of term or any other reason, Lessee shall remove all buildings or structures (except tracks, rail facilities and other designated property of Lessor), within the time specified in any notice of termination or at the latest within fifteen (15) days after such termination. In effecting such removal, the premises shall be restored by Lessee to a condition no worse than existed on June 13th, 1995, including the removal of any new structures and facilities (whether on the surface or underground) to ground level, and the filling of all new excavations and holes created or caused by Lessee, which shall be tamped, compacted and graded uniformly. If Lessee shall fail to make removal of any such property, Lessee shall forfeit all right, title and interest in certain building(s), structure(s) and/or facility(ies) which shall vest absolutely in Lessor.

11.3 Lessee shall have the right to terminate this Lease and Contract for Sale of Real Property at any time during the term hereof by providing Lessor with thirty (30) days advance written notice thereof.

12. Liability and Indemnity.

12.1 **Leased Property.** Except as otherwise set forth in subparagraph 12.2:

(a) Lessor shall not be held liable for or on account of any loss of, damage to, or destruction of the Leased Property, any and all other personal property, improvements and fixtures located or maintained thereon, the property of Lessee, its employees or agents, the property of any other person, firm, partnership or corporation whatsoever, or for injury to or death of any employee, agent or individual which may result from Lessee's operation, use or interest in the properties aforesaid during the term of this Lease and Contract for Sale of Real Property, including, without limitation, all defects in the Leased Property and any and all loss, damage, destruction, injury or death arising out of or connected with Lessee's occupancy and use of the Leased Property during the term of this Lease and Contract for Sale of Real Property, it being understood and agreed that all risk of such loss, damage, destruction, injury or death shall be and is hereby assumed by Lessee; and Lessee shall forever protect, indemnify, defend, and hold harmless Lessor from and against any and all said liabilities or claims for any and all such loss, damage, destruction, injury, and death during the

term of this Lease and Contract for Sale of Real Property, and shall and will execute and deliver, or cause to be executed and delivered, to Lessor, upon request, a full and complete release, satisfaction, and discharge of all claims therefor, and shall pay, or cause to be paid, any and all costs and expenses incurred in clearing of wrecks and repairs of equipment, track, and property incurred by reason of Lessee's operations on the Leased Property, provided, however, that Lessee shall not be required to protect, defend, indemnify or hold harmless Lessor hereunder if the effect of such would violate or void the terms of any insurance policy or coverage maintained by Lessee, or if such liabilities or claims arise from acts or omissions of the Predecessor Lessee during the term of the April 19, 1993, Lease.

(b) Lessor shall promptly notify Lessee of any claim asserted against Lessor for which Lessee may be responsible under paragraph 12.1 and, in the event suit is filed, deliver to Lessee true copies of any process, pleading or notice in that suit. Lessee shall defend any such claim with attorneys of its own selection. Lessor shall have the right, in the event it sees fit, to participate in such defense at its own expense. Failure to notify Lessee within adequate time for Lessee to file the requisite response or responsive pleading shall waive any responsibility of Lessee for said claims or litigation and Lessor shall be liable to Lessee for any liability of Lessee thereunder.

12.2 Lessor's Equipment.

(a) Lessor acknowledges that during such time that its

railcar Equipment is stored on the Leased Property until any unit of the same is coupled to Lessee's engine for movement, Lessee shall not be a common carrier, bailee or warehouseman with respect to such Equipment. Lessor acknowledges and agrees that during the storage period it shall assume the risk of loss and/or damage to the Equipment and shall not assert any claim against Lessee for such loss or damage except where caused solely from the negligence of the Lessee. In no event, however, will Lessee have any liability for indirect or consequential damages.

(b) With respect to claims for bodily injury or death or damage to property (including attorney's fees and costs) sustained by individuals or parties other than the corporate parties to this Agreement and Contract for Sale of Real Property ("Third Party Claims") involving Lessor's Equipment stored on the Leased Property.

(i) Lessor shall indemnify and hold Lessee harmless in full from and against all Third Party Claims attributable solely to the negligence of the Lessor;

(ii) Lessee shall indemnify and hold Lessor harmless in full from and against all Third Party Claims attributable solely to the negligence of the Lessee; and

(iii) In the event third Party Claims are attributable in whole or in part to the acts or omissions of any Third Party, neither Lessee or Lessor shall be required to indemnify or defend the other.

The above indemnification provisions shall not apply to

Lessee's movement of Lessor's equipment for compensation which shall be governed by contractual and statutory obligations of railroad common carriers.

(c) Lessee shall promptly notify Lessor of any claim asserted against Lessee for which Lessor may be responsible under this Section and, in the event suit is filed, deliver to Lessor true copies of any process, pleading or notice in that suit. Lessor shall defend any such claim with attorneys of its own selection. Lessee shall have the right, in the event it sees fit, to participate in such defense at its own expense.

12.3 Condition of Leased Property. Except as otherwise set forth in subparagraph 12.2 and otherwise provided herein concerning the shop property at Negley, Ohio, Lessee accepts at its sole risk the Leased Property in an "AS-IS" condition as of the commencement date of this Amended and Restated Lease Agreement and Contract for Sale of Real Property. Lessee hereby acknowledges that Lessor neither has made nor makes any representation or warranty as to the physical condition of the Leased Property. Lessee shall not by reason of the physical condition of the Leased Property, have or make against the Lessor any claim or demand and Lessee shall forever protect, defend, indemnify, and hold harmless Lessor from and against any claim, loss, damage, or injury whatsoever arising during the term of this Amended and Restated Lease Agreement and Contract for Sale of Real Property by reason of the physical condition of the Leased Property, including, without limitation, any consequential

damage arising from the physical condition of the premises.

12.4 Wherever in this Amended and Restated Lease Agreement and Contract for Sale of Real Property one party agrees to forever protect, defend, indemnify and hold harmless the other party from and against any liability, cost or expense said agreement shall be deemed to include any loss, damage, injury or death, howsoever occasioned, caused in whole or in part and to whatever nature or degree by the fault, failure, negligence, misconduct, nonfeasance or misfeasance of the indemnitor, the indemnitee or its or their officers, agents and employees and/or any other person or persons whatsoever provided, however, that Lessee shall not be required to protect, defend, indemnify or hold harmless Lessor hereunder if the effect of such would violate or void the terms of any insurance policy or coverage maintained by Lessee.

13. Insurance.

13.1 Prior to commencement of occupation or use of the premises for activities provided herein, Lessee, at its sole cost and expense, shall procure and shall maintain during continuance of this Lease and Contract for Sale of Real Property Public Liability Insurance, designating Lessor as a named Insured, covering liability assumed by Lessee under this Lease with a combined single limit of not less than One Million (\$1,000,000.00) Dollars for personal injury and property damage per occurrence. Lessee shall furnish Lessor a certificate of insurance referring to this Lease and Contract for Sale of Real

Property by date, name of Lessor, description of Lease and location covered. The certificate shall be endorsed to provide for thirty (30) days' notice to Lessor prior to termination of or change in the coverage provided.

13.2 If Lessee contracts for new construction or structural alterations to the premises, Lessee shall provide or shall cause its contractor to provide, at no cost to Lessor, Protective Liability Insurance, designating Lessor as a named insured, with a limit of not less than One Million Dollars (\$1,000,000.00) per occurrence subject to a Three Million Dollar (\$3,000,000.00) aggregate limit for all bodily injury and property damage occurrences during each annual policy period. The original protective liability policy shall be submitted to and approved by Lessor.

13.3 During the term of this Lease and Contract for Sale of Real Property, Lessee, at its sole cost and expense, shall procure and maintain Physical Damage Insurance on the building(s) and structure(s) described herein, covering the perils of fire, lightning and extended coverage in a total value of Fifty Thousand Dollars (\$50,000.00), designating Lessor also as named insured. If the policy also covers Lessee's contents or chattels, the policy shall designate both Lessor and Lessee as named insureds, as their respective interests may appear.

14. Damage by Fire. In the event the premises shall be destroyed by fire or by any force majeure, Lessee shall have the option of repairing or reconstructing the premises or of

terminating this Lease and Contract for Sale of Real Property. Lessee shall give prompt notice to Lessor of its election in this regard and, if the Lessee elects to repair or reconstruct, the rental shall not be abated.

15. Condemnation. Should the premises or any part thereof be condemned, appropriated and/or acquired for public use, then this Lease and Contract for Sale of Real Property, at the option of Lessor, shall terminate with respect to that part of the premises taken. No part of any damages or award shall belong to Lessee, except to the extent of any specific award from the governmental authority for improvements and/or facilities of Lessee. Lessor's land shall be valued as of such date (or other legal date of valuation) as vacant land, without consideration of this Lease and Contract for Sale of Real Property or Lessee's improvements on said land as an enhancement or detriment to said land value. Improvements and/or facilities of Lessee not so condemned, appropriated and/or acquired shall be subject to Section 11 hereof.

16. Successors and Assigns.

16.1 The terms, covenants and provisions hereof shall inure to the benefit of and be binding upon the successors and assigns of Lessor and the successors and assigns of Lessee.

16.2 However, Lessee shall not transfer, assign, encumber or sublet this lease or any part of the premises or any rights and privileges herein granted except to a subsidiary, parent or common controlled affiliate. This covenant shall also

apply whether such sale or transfer is made voluntarily by Lessee or involuntarily in any proceeding at law or in equity to which lessee may be a party whereby any of the rights, duties and obligations of Lessee shall be sold, transferred, conveyed, encumbered, abrogated or in any manner altered, without the prior notice to and consent of Lessor. In the event of any such unauthorized sale, transfer, assignment, sublease or encumbrance of this Lease and Contract for Sale of Real Property, or any of the rights and privileges hereunder, Lessor, at its option, may immediately terminate this Lease by giving Lessee or any such assignee written notice of such termination and Lessor may thereupon enter and retake possession of the premises.

16.3 It is expressly understood and agreed that in the event of any assignment for the benefit of creditors or in the event a petition in bankruptcy shall be filed by Lessee, or if Lessee shall be adjudged bankrupt or insolvent by any court, or if a trustee in bankruptcy or a receiver of Lessee or Lessee's property shall be appointed in any suit or proceeding brought by or against Lessee, and if at such time this Lease and Contract for Sale of Real Property is in default by Lessee, then and in such event Lessor, at its option, may (1) terminate this Lease and Contract for Sale of Real Property at the end of the following month by notice or (2) may request affirmance or rejection of this Lease and Contract for Sale of Real Property under federal bankruptcy law by giving Lessee or any such assignee, trustee, or receiver written notice of such termination

or demand for election. If Lessee or such assignee, trustee or receiver fails to elect affirmance and fails to furnish adequate assurances of correction of existing debt and continued performance under this Lease, Lessor may apply to the appropriate court for an order compelling removal of Lessee. If Lessee or such assignee, trustee or receiver shall reject this Lease, it shall vacate the premises as in Section 11 above. If Lessee or such assignee, trustee or receiver shall affirm this Lease, it shall thereupon be bound by all terms hereof, including payment of all rentals from the date of Lessor's notice of demand for election and remedies of Lessor for nonpayment or other breach as hereinabove (including the provisions of this Section 15.1 and 15.2).

It is expressly understood and agreed that in the event of any assignment for the benefit of creditors or in the event of a petition in bankruptcy, or in the event a petition in bankruptcy shall be filed by Lessor or if Lessor shall be adjudged bankrupt or insolvent by any court, or if a Trustee in bankruptcy or a receiver of Lessor or Lessor's property shall be appointed in any suit or proceeding brought against Lessor, then and in such event, Lessee, at its option, may (1) terminate this Lease immediately or (2) may request affirmance or rejection of this Lease under Federal Bankruptcy law by giving Lessor or any such assignee, trustee or receiver written notice of such termination or demand for election. If Lessor or such assignee, trustee, or receiver fails to elect affirmance and fails to

furnish adequate assurances of correction of existing debt and continue performance under the Lease, Lessee may apply to the appropriate court for an order compelling the termination of this Lease. If Lessor or such assignee, trustee or receiver shall reject this Lease, it shall permit Lessee at least thirty (30) days to vacate said premises.

16.4 The terms and conditions of a separate Assignment and Assumption Agreement dated June 13th, 1995, and a separate Agreement for Apportionment of Revenues and Expenses between Lessor and Lessee are hereby incorporated by reference into this Lease.

17. **Severability**. It is understood and agreed that this Lease and Contract for Sale of Real Property is executed by all parties under current interpretation of any and all applicable federal, state, county, municipal or other local statute, ordinance or law. Further, it is understood and agreed that each and every separate division (paragraph, clause, item, term, condition, covenant or agreement) herein contained shall have independent and severable status from each other separate division or combination thereof for the determination of legality so that if any separate division herein is determined to be unconstitutional, illegal, violative of trade or commerce, in contravention of public policy, void, voidable, invalid or unenforceable for any reason, that separate division shall be treated as a nullity but such holding or determination shall have no effect upon the validity or enforceability of each and every

other separate division herein contained or any other combination thereof.

18. Breach or Waiver. If under the provisions hereof Lessor shall institute proceedings and a compromise or settlement thereof shall be made, the same shall not constitute a permanent or general waiver of any covenant herein contained nor of any of Lessor's rights hereunder. No waiver by Lessor of any breach of any covenant, condition or agreement herein contained shall operate as a permanent waiver of such covenant, condition or agreement itself or of any subsequent breach thereof.

19. Fiber Optics. It is the responsibility of the Lessee to have knowledge of, locate, and protect against damage to fiber optic cables along, across or under the Lessor's property and right of way. Any damage to or disruption of any fiber optic cable will be the sole responsibility of Lessee, which will indemnify and hold harmless the Lessor for any expenses resulting therefrom. Before any construction may commence, the following number, where applicable, must be called: DIG SAFE 1-800-362-2764 provided that calling such number or numbers shall not release or otherwise diminish the remaining obligations of Lessee hereunder.

20. Purchase Contract. Prior to the expiration of this Lease and Contract for Sale of Real Property, Lessee shall purchase the premises and such other equipment as identified on Appendix I, in accordance with the terms and conditions contained therein which are incorporated herein by reference and shall be

legally binding on the parties upon execution of this Lease and Contract for Sale of Real Property. During the term of this Lease and Contract for Sale of Real Property and under any agreement of sale Lessor warrants and guarantees that it will take no actions to impair Lessee's ability to interchange traffic with CSXT and/or Three Rivers Railway Co. in Gateway Yard and with Conrail in Youngstown, Ohio.

21. **Absolute Net Lease.** It is the understanding and agreement of the parties hereto that this is an absolute net lease; and that, except as otherwise expressly provided in this Lease Agreement and Contract for Sale of Real Property, as between the parties hereto, irrespective of law or custom in the absence of this Lease Agreement and Contract for Sale of Real Property, Lessee shall have and hereby assumes all duties and obligations with relation to the repair, maintenance, existence and operation of the Leased Property, including any and all improvements and fixtures hereafter located thereon during the term of this Lease. Except as otherwise expressly provided in Section 12, Lessee shall forever protect, indemnify and hold harmless Lessor from and against any expense, costs, liability or obligation whatsoever which arises from the activities of Lessee during the term of this Lease and Contract for Sale of Real Property solely out of the Leased Property, including any and all improvements or fixtures hereafter located thereon.

22. **Taxes, Assessments, and Utilities.** Lessee shall report the Leased Property for the purpose of real property tax

assessment and shall bear and pay all property taxes, assessments, both general and special, license fees, levies and all other charges, general and special, ordinary and extraordinary, of whatever name, nature and kind, together with any penalties, fines, additions to tax or interest thereon, that may be imposed, levied, assessed or charged against the Leased Property, or any portion thereof, including any and all improvements or fixtures hereafter located thereon or that may be equitably apportioned thereto, attributable to the period of time that this Amended and Restated Lease Agreement and Contract for Sale of Real Property, and any extension thereof, is in effect. Lessee shall have the right, after prior notice to Lessor, to contest, object, protest, or appeal to any administrative or judicial authority as to any tax, license fee, special or general assessment, or other charge levied by any taxing or similar authority. Lessor shall have the right to participate in any such contest, objection, protest or appeal to the extent it deems appropriate. It is agreed by the parties hereto that any existing taxes or delinquencies thereon at the commencement of this Lease and Contract for Sale of Real Property shall be the responsibility of the Lessor and/or the Predecessor Lessee.

23. **Hazardous Materials**. Hazardous materials shall not be stored in, about or upon the Leased Property without the prior written consent of Lessor. As used herein, the term "hazardous materials" shall have the same meaning as provided in the Transportation Safety Act of 1974, Title I - Hazardous Materials,

cited as the "Hazardous Materials Transportation Act," which defines a hazardous material as "a substance or material in a quantity and form which may pose an unreasonable risk to the health and safety or property when transported in commerce" and as used herein, the term hazardous materials shall include such materials as designated by the Secretary of Transportation as hazardous materials which may now or hereafter be listed in the tables set forth in Title 49 C.F.R. Section 172.10. Nothing contained in this Section shall be construed to limit the transportation of hazardous materials to the extent permitted by law.

24. **Abandonment and Termination.**

24.1 In the event Lessee desires to abandon its operations or to discontinue rail service or in the event this Lease Agreement and Contract for Sale of Real Property is terminated in whole or in part by expiration of its term or for any other reason ("Lease Termination"), Lessee shall obtain necessary authorization from the Interstate Commerce Commission ("ICC"), or such other regulatory or judicial authority as may be appropriate, to obtain abandonment authority. Said authorization for abandonment authority shall not affect the termination of this Lease and Contract for Sale of Real Property.

24.2 In the event that Lessee is unable to obtain satisfactory financing for start-up capital, Lessee shall have the right upon fifteen days prior written notice to Lessor to file an abandonment application with the ICC and this Lease

Agreement and Contract for Sale of Real Property shall automatically terminate as of the effective date of the ICC abandonment order.

24.3 The termination of this Lease Agreement and Contract for Sale of Real Property for any reason shall not relieve or release either party hereto from any obligation or any liability which may have arisen or been incurred by such party prior to termination.

25. General Provisions.

25.1 A determination that any part of this Lease and Contract for Sale of Real Property is invalid shall not affect the validity or enforceability of any other part of this Agreement and Contract for Sale of Real Property.

25.2 This Agreement and Contract for Sale of Real Property shall be governed by the laws of the State of Ohio.

25.3 As used in this Agreement and Contract for Sale of Real Property, the words, "Lessor" and "Lessee" shall include the respective subsidiaries, directors, officers, agents, and employees of Lessor and Lessee.

25.4 This Agreement and Contract for Sale of Real Property is for the exclusive benefit of the parties and not for the benefit of any other party. Nothing herein contained shall be taken as creating or increasing any right in any third party to recover by way of damages or otherwise against Lessor and Lessee.

25.5 Section headings are inserted for convenience

only and shall not affect the construction or interpretation of this Agreement and Contract for Sale of Real Property.

25.6 This Agreement and Contract for Sale of Real Property and Appendix I referred to herein contain the entire agreement of the parties and supersedes any prior written or oral understanding, agreements or representations.

25.7 This Agreement and Contract for Sale of Real Property may not be amended, waived or discharged except by an instrument in writing signed by the parties.

25.8 All words, terms, and phrases used in this Agreement and Contract for Sale of Real Property shall be construed in accordance with their generally applicable meaning in the railroad industry.

25.9 Except as otherwise provided in this Agreement, all notices to be sent from one party to the other shall be in writing and mailed by United States certified mail, postage prepaid, overnight express or telefax. Notices directed to Lessor and Lessee shall be sent to their respective addresses listed in the preamble of this Lease and Contract for Sale of Real Property.

25.10 All parties hereto hereby represent that they are corporations in good standing and will provide each to the other corporate minutes authorizing the execution of this agreement and the agreements incorporated herein.

25.11 Provided, however, that regardless of any other terms or provisions herein, it is agreed by all parties hereto

that O&P shall not be liable for any debts or other obligations of any of the other parties to this transaction, whether they are incurred prior to, during or after this Lease Agreement and Contract for Sale of Real Property.

III. EXECUTION

IN WITNESS WHEREOF, the parties hereto have caused this Lease to be executed, in duplicate, as of the day and year first above written.

THE PITTSBURGH & LAKE ERIE RAILROAD COMPANY

THE YOUNGSTOWN & SOUTHERN RAILWAY COMPANY

Maurice J. Emencill
Witness
[Signature]
Witness

By Gordon E. Neuenschwander
Gordon E. Neuenschwander
Title: PRESIDENT

OHIO AND PENNSYLVANIA RAILROAD COMPANY

Walter R. Brown II
Witness
Donald C. Thomson
Witness

By Jerry Joe Jacobson
Jerry Joe Jacobson
Title: C.E.O.

PL&W RAILROAD COMPANY

Patricia M. Zapp
Witness
Renee M. Traeger
Witness

By Reno A. Davis
Reno A. Davis
Title: Attorney-in-Fact

ASSIGNMENT AND ASSUMPTION AGREEMENT AND CONTRACT FOR SALE
OF REAL PROPERTY

For value received, YOUNGSTOWN AND SOUTHERN RAILWAY COMPANY ("Lessor"), a corporation of the Commonwealth of Pennsylvania, having a mailing address at Commerce Court, 4 Station Square, Pittsburgh, PA, 15219-1199, hereby assigns, transfers and sets over to OHIO AND PENNSYLVANIA RAILROAD COMPANY, ("Lessee"), a corporation of the State of Ohio having a mailing address at 136 South Fifth Street, Coshocton, Ohio, 43812, who heretofore accepts and assumes the same, all of the Lessor's right, title and interest in and to all leases, license, agreements, drawings and any and all documents, relating to all of Lessor's line of railroad situate in Ohio and Pennsylvania, and identified in an Amended and Restated Lease Agreement and Contract for Sale of Real Property dated June 13th, 1995, (herein collectively referred to as the "documents") between Lessor and Lessee for Lessor's lines of railroad in Ohio and Pennsylvania.

Lessee hereby expressly releases and holds Lessor harmless from and against all such obligations, responsibilities, liabilities, duties and any costs arising from the documents during the term of said Amended and Restated Lease Agreement and Contract for Sale of Real Property, except as otherwise agreed to by the Lessor and Lessee in their Amended and Restated Lease Agreement and Contract for Sale of Real Property.

Lessor hereby expressly releases and holds Lessee harmless from and against all such obligations, responsibilities,

liabilities, duties and any costs arising from the documents prior to the effective date of this Agreement and Contract for Sale of Real Property, except as otherwise agreed to by Lessor and Lessee in the Amended and Restated Lease Agreement and Contract for Sale of Real Property.

In the event that the Amended and Restated Lease Agreement and Contract for Sale of Real Property dated June 13th, 1995, is terminated, this Assignment and Assumption Agreement shall also terminate and Lessor shall be entitled to all its right, title and interest to any agreements or documents assigned to the Lessee hereunder.

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have caused this Agreement to be executed this 13th day of June, 1995.

Nancy J. Zmencik
Witness
J. Hartman
Witness

THE YOUNGSTOWN & SOUTHERN RAILWAY
COMPANY

By Gordon E. Neuenschwander
Gordon E. Neuenschwander

Title: PRESIDENT

William R. ...
Witness
Donald C. Thomson
Witness

OHIO AND PENNSYLVANIA RAILROAD
COMPANY

By Jerry Joe Jacobson
Jerry Joe Jacobson

Title: CEO

Patricia M. Zapp
Witness
Renee M. Traeger
Witness

PL&W RAILROAD COMPANY

By Reno A. Davis
Reno A. Davis

Title: Attorney in Fact

corporat\client\opr\assign

AMENDED AND RESTATED LEASE AND CONTRACT FOR SALE OF REAL PROPERTY

APPENDIX I

Re: Ohio and Pennsylvania Railway Company, Inc.
--Asset Acquisition

June 13, 1995

Mr. Gordon E. Neuenschwander
President
P&LE Properties, Inc.
Commerce Court
4 Station Square
Pittsburgh, PA 15219-1199

Dear Gordon:

The purpose of this letter is to confirm our agreement concerning the purchase of and the purchase price to be paid by Ohio and Pennsylvania Railroad Company, Inc. (O&P) for various Youngstown and Southern Railway Company (Y&S) and Pittsburgh & Lake Erie Railroad Company (P&LE) assets in accordance with a separate Amended and Restated Lease Agreement and Contract for Sale of Real Property dated June 13, 1995, wherein these assets are fully described and identified.

The following items shall comprise the assets to be acquired and the agreed price for each.

1. All Y&S rail facilities and rights-of-way identified in the Amended and Restated Lease Agreement and Contract for Sale of Real Property together with all Amended and Restated Lease Agreement and Contract for Sale of Real Property from the point of connection with the Y&S to the point of connection with interchange tracks of CSXT or its subsidiary in Gateway Yard and such other rights, title and interests as may be necessary to afford reasonable interchange rail traffic with Conrail and CSXT to and from said rail facilities - \$700,000.00.

2. Land and buildings associated with the Negley Shops as identified in the Amended and Restated Lease Agreement and Contract for Sale of Real Property - \$30,000.00

TOTAL PURCHASE PRICE - \$730,000.00

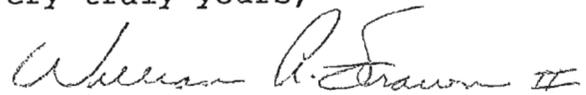
The Purchase price shall be paid in cash at the time of closing.

The existence of this letter and the terms thereof shall be confidential and may not be disclosed to any party without the prior written consent of the other parties.

This letter agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

Please indicate your agreement to the above terms by countersigning this letter in the space provided.

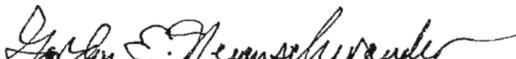
Very truly yours,



William A. Strawn II
President
OHIO AND PENNSYLVANIA RAILROAD
COMPANY, INC.

Terms of Letter of Intent Accepted:

THE PITTSBURGH AND LAKE ERIE
RAILROAD COMPANY
THE YOUNGSTOWN & SOUTHERN
RAILROAD COMPANY

By: 
Gordon E. Neuenschwander

Dated: 6-13-95

B-6

KNOW ALL MEN BY THESE PRESENTS

That **CONSOLIDATED RAIL CORPORATION**, a Corporation of the Commonwealth of Pennsylvania, having an office at Two Commerce Square, 2001 Market Street, Philadelphia, Pennsylvania, 19101-1419, hereinafter referred to as the Grantor, for the consideration of ONE DOLLAR (\$1.00) and other good and valuable consideration, received to the full satisfaction of **OHIO & PENNSYLVANIA RAILROAD COMPANY**, a Corporation of the State of Ohio, having a mailing address of 136 South Fifth Street, Coshocton, Ohio 43812, hereinafter referred to as the Grantee, does remise, release and forever quitclaim unto the said Grantee, the successors and assigns of the said Grantee, all its right, title and interest of, in and to the following described Premises:

ALL THAT CERTAIN property of the Grantor, together with all of the improvements and appurtenances thereon, being a portion of the line of railroad known as the Canfield Branch, which property is situate in the City of Youngstown, County of Mahoning and State of Ohio, generally described in Exhibit "A" and generally indicated by "PS" on Grantor's Case Plan No. 71290, dated February 15, 1995 and revised June 2, 1995, which is attached hereto in Exhibit "B", hereinafter referred to as "Premises".

EXCEPTING AND RESERVING, thereout and therefrom and unto the said Grantor, all right, title and interest in and to any and all minerals, materials and fossil fuels, including but not limited to all coal, coal fill, gas and oil (hereafter referred to as "minerals") located in, on, through, under and beneath the Premises; and together with the rights and easements of immediate and unimpeded ingress and egress on, across and over said Premises for the purpose of testing and removing said minerals; and together with the right to lay pipes in, on, and under the surface of said Premises to effectuate such removal; and further together with the right to sell and collect any and all rents, profits and royalties from said minerals.

UNDER and SUBJECT, however, to (1) whatever rights the public may have to the use of any roads, alleys, bridges or streets crossing the Premises, (2) any streams, rivers, creeks and water ways passing under, across or through the Premises, and (3) any easements or agreements of record or otherwise affecting the Premises, and to the state of facts which a personal inspection or accurate survey would

disclose, and to any pipes, wires, poles, cables, culverts, drainage courses or systems and their appurtenances now existing and remaining in, on, under, over, across and through the Premises, together with the right to maintain, repair, renew, replace, use and remove same.

THIS INSTRUMENT is executed and delivered by Grantor, and is accepted by Grantee, subject to the covenants set forth below, which shall be deemed part of the consideration of this conveyance and which shall run with the land and be binding upon, and inure to the benefit of, the respective legal representatives, successors and assigns of Grantor and Grantee. Grantee hereby knowingly, willingly, and voluntarily waives the benefit of any rule, law, custom, or statute of the State of Ohio now or hereafter in force with respect to the covenants set forth below.

(1) Grantor shall neither be liable nor obligated to construct or maintain any fence or similar structure between the Premises and adjoining land of Grantor nor shall Grantor be liable or obligated to pay for any part of the cost or expense of constructing or maintaining any fence or similar structure, and Grantee hereby forever releases Grantor from any loss or damage, direct or consequential, that may be caused by or arise from the lack or failure to maintain any such fence or similar structure.

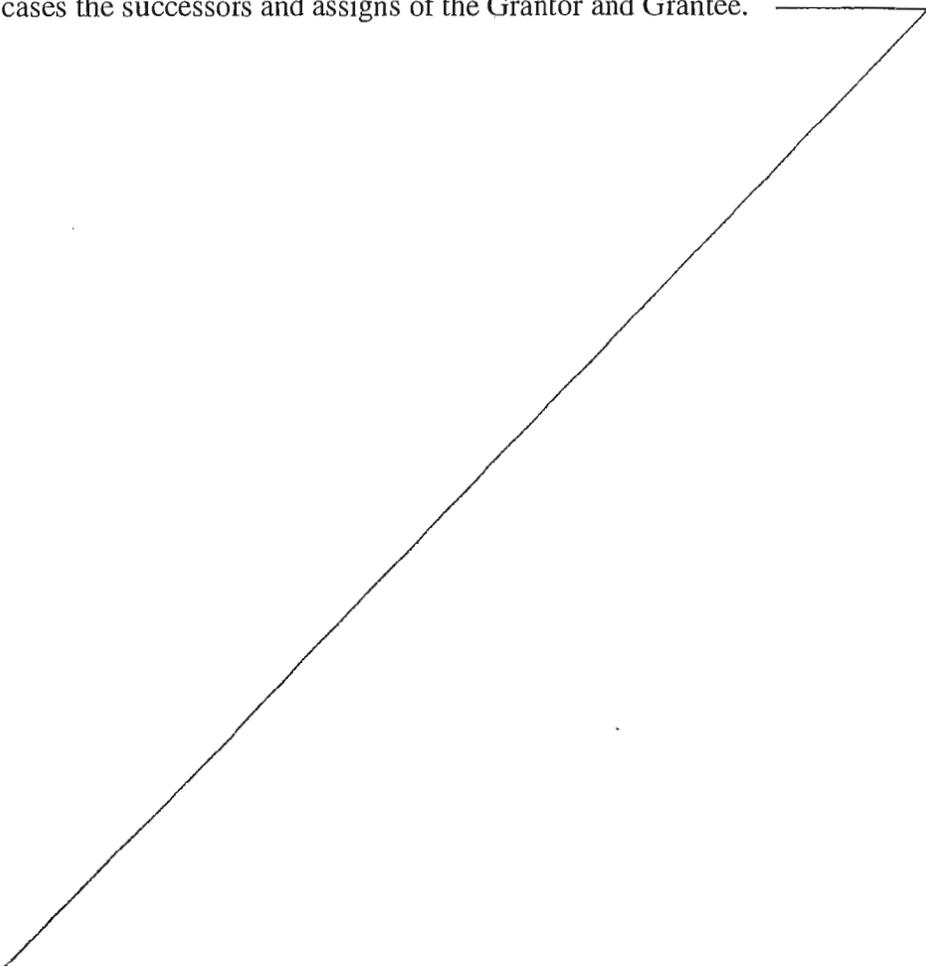
(2) No right or means of ingress, egress or passageway to or from the Premises is hereby granted, expressly or by implication, and Grantor shall not be liable or obliged to provide or obtain for Grantee any such means of ingress, egress or passageway.

(3) Should a claim adverse to the title hereby quitclaimed be asserted and/or proved, no recourse shall be had against the Grantor herein.

(4) Grantee by the acceptance of this Instrument, does hereby accept all existing and prospective responsibility for removal and/or restoration costs for any and all railroad bridges and grade crossings and their appurtenances that may be located on, over or under the Premises; and Grantee further covenants and agrees that it will also assume any obligation and/or responsibility as may have been or may hereafter be imposed on Grantor by any Public Utility Commission or any other governmental agency having jurisdiction for any and all bridge structures and grade crossings and their appurtenances, including but not limited to the removal, repairing or restoration of same in accordance with the requirements of said Commission or other governmental agency; and Grantee further agrees to indemnify, defend and hold Grantor harmless against all costs, penalties, expenses, obligations, responsibility and requirements associated with said bridge structures and grade crossings and their appurtenances.

(5) Grantor shall not be liable or obligated to provide for or supply directly or indirectly, for money or otherwise, any type of utility service to Grantee, even if the Premises are supplied utility service or services from or through Grantor owned or Grantor retained utility service facilities at the time said Premises are conveyed to Grantee; and that if Grantor at its sole discretion elects to provide any utility service or services for money or otherwise to said Premises during the period during which Grantee is arranging at Grantee's own expense for provision of utility service or services direct from public utilities, Grantee shall have no continuing right to use such service or expectation that Grantor must continue to provide it. It is further understood that Grantee's use of any utilities that are supplied through Grantor's utilities or billed to Grantor by any public utility for Grantee's use shall be at the sole cost and expense of Grantee and if Grantee fails to relocate or arrange for a separation of utility services, Grantor may arrange for a separation of the utility services at Grantee's sole cost and expense.

THE words "Grantor" and "Grantee" used herein shall be construed as if they read "Grantors" and "Grantees", respectively, whenever the sense of this instrument so requires and whether singular or plural, such words shall be deemed to include at all times and in all cases the successors and assigns of the Grantor and Grantee.



IN WITNESS WHEREOF the said Grantor hereunto sets its name

and Corporate seal by M. Virginia Ebert, its Assistant Vice President-Real Estate, and WILBERTA C. JACKSON, its Assistant Secretary, this 16th day of June A.D. 1995.

SIGNED and ACKNOWLEDGED in the presence of: CONSOLIDATED RAIL CORPORATION By:

Nancy B. Reynolds M. Virginia Ebert
NANCY B. REYNOLDS M. Virginia Ebert, Assistant Vice President-Real Estate

Sandra K. Rhodes Attest: Sandra K. Rhodes

Nancy B. Reynolds Wilberta C. Jackson
NANCY B. REYNOLDS Assistant Secretary WILBERTA C. JACKSON

Sandra K. Rhodes
Sandra K. Rhodes

COMMONWEALTH OF PENNSYLVANIA)
: SS
COUNTY OF PHILADELPHIA)

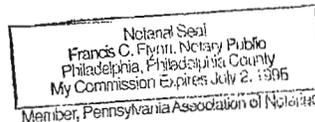
BEFORE ME, a Notary Public in and for said Commonwealth and County, personally appeared the above named CONSOLIDATED RAIL CORPORATION, by M. Virginia Ebert, its Assistant Vice President-Real Estate and WILBERTA C. JACKSON its Assistant Secretary, who acknowledged that they did sign the foregoing Instrument and that the same is the free act and deed of said Company and the free act and deed of each of them personally and as such officers.

IN TESTIMONY WHEREOF, I have hereunto set my hand and official seal, at Philadelphia, Pennsylvania, this 16th day of June A. D., 1995.

Francis C. Flynn
Notary Public

THIS INSTRUMENT PREPARED BY:

Francis C. Flynn
Consolidated Rail Corporation
19-B, Two Commerce Square
2001 Market Street
Philadelphia, Pennsylvania 19101-1419



CASE NO. 71290

DEED TO

OHIO & PENNSYLVANIA RAILROAD COMPANY

EXHIBIT "A"

Mahoning County, Ohio

Canfield Branch, Line Code 2423 (a.k.a. 2462)

ALL THAT CERTAIN property of the Grantor, being a portion of the line of railroad known as the former Penn Central E&A Branch (a.k.a. the Canfield Branch), and identified as Line Code 2423 (a.k.a. 2462) in the Recorder's Office of Mahoning County, Ohio in Volume 1408 at page 697, situate in the City of Youngstown, County of Mahoning and State of Ohio, being further described as follows:

BEGINNING at approximately Railroad Mile Post 0.96, being 30 feet southerly of the LE&E Connecting Track, also being the westerly boundary of Grantor's conveyance to Allied Erecting & Dismantling Company, Inc. by deed dated October 12, 1994; thence extending in a general westerly direction to approximately Railroad Mile Post 1.22, the place of ENDING, all as indicated in Exhibit "B".

TOGETHER with that piece or parcel of land, located 550 feet, measured northwesterly along a line 20 feet northeasterly of and parallel to the centerline of the now or formerly Youngstown and Suburban Railway Company, from the westerly line of Powersdale Avenue, all as indicated in Exhibit "B".

BEING a part or portion of the same premises which Robert Hellawell, as Trustee of the Property of Pittsburgh, Youngstown and Ashtabula Railway Company, Debtor, by Conveyance Document No. PY&A-CRC-RP-2, dated March 31, 1976 and recorded on November 9, 1978, in the Recorder's Office of Mahoning County, Ohio, as Document No. 76899 in Deed Book Volume 1407 at page 692&c., granted and conveyed unto Consolidated Rail Corporation.

THIS EXHIBIT "A" CONTAINS 1 PAGE, OF WHICH THIS IS PAGE 1 OF 1.

CASE NO. 71290

DEED TO

OHIO & PENNSYLVANIA RAILROAD COMPANY

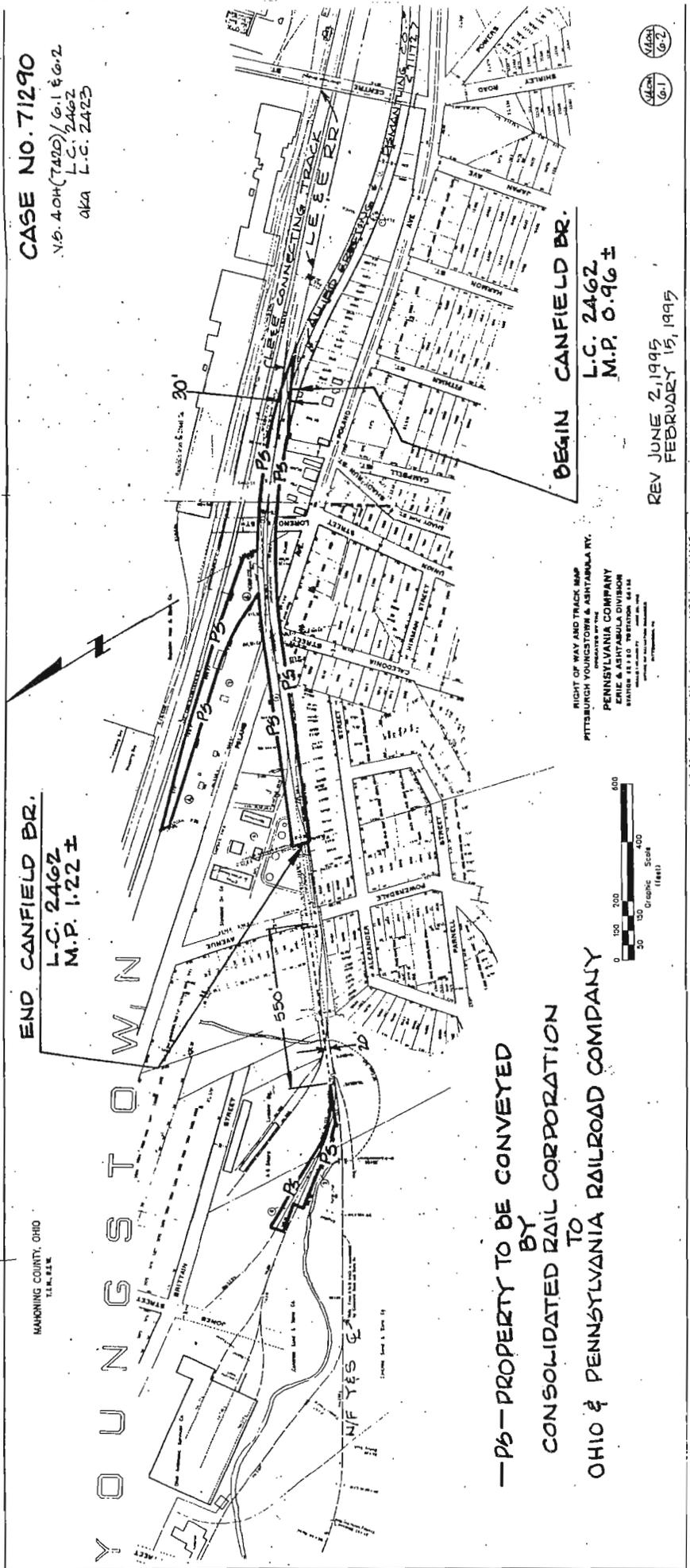
EXHIBIT B

MAP ADDENDUM

THIS EXHIBIT "B" CONTAINS 1 MAP.

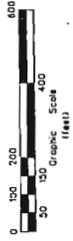
END CANFIELD BR.
L.C. 246Z
M.P. 1.22 ±

CASE NO. 71290
V.S. 404(7420) 6.1 & 6.2
L.C. 246Z
AKA L.C. 2423



—P₆— PROPERTY TO BE CONVEYED
BY
CONSOLIDATED RAIL CORPORATION
TO
OHIO & PENNSYLVANIA RAILROAD COMPANY

RIGHT OF WAY AND TRACK MAP
PITTSBURGH FOUNDSTOWN & ASHTABULA RY.
PENNSYLVANIA COMPANY
ERIE & ASHTABULA DIVISION
STATION #1130 TERMINATION 6414



REV JUNE 2, 1995
FEBRUARY 15, 1995

L.C. 246Z
M.P. 0.96 ±

BEGIN CANFIELD BR.

61
62

71290

DEED

CONSOLIDATED RAIL CORPORATION

-to-

OHIO & PENNSYLVANIA RAILROAD COMPANY

Land known as the Canfield Branch and
situate in the City of Youngstown, County
of Mahoning and State of Ohio.

Prep: Descp:
Chkd: Compd:
Apvd:

71290

BILL OF SALE

CONSOLIDATED RAIL CORPORATION

-to-

OHIO & PENNSYLVANIA RAILROAD COMPANY

Prep: Desc.
Apvd: Compd:
Chkd:

KNOW ALL MEN BY THESE PRESENTS, that
CONSOLIDATED RAIL CORPORATION, a Corporation of the Commonwealth of Pennsylvania, with an office at Two Commerce Square, 2001 Market Street, Philadelphia, Pennsylvania 19101-1419, hereinafter referred to as "Conrail", for and in consideration of the sum of ONE DOLLAR (\$1.00) and other good and valuable consideration, to it in hand paid, does hereby GRANT, SELL and TRANSFER unto **OHIO & PENNSYLVANIA RAILROAD COMPANY**, a Corporation of the State of Ohio, with a mailing address of 136 South Fifth Street, Coshocton, Ohio 43812, hereinafter referred to as the "O&PRR", all its right, title and interest, insofar as its title or right permits it so to do, in all the personal property located on the property known as the Canfield Branch, as more particularly described in a deed of even date herewith, between Conrail and O&PRR, conveying said Canfield Branch to O&PRR, including but not limited to all rail, other track materials and all other property and appurtenances, both fixed and moveable, located on the Canfield Branch and which constitutes personal property under the laws of the State of Ohio, except the radio base stations, radio controllers and related facilities and rolling stock, which are retained by Conrail, and any other personal property which the parties hereto have agreed or may agree may be retained by Conrail, subject however upon and to the covenants, conditions and restrictions hereinafter contained, to which O&PRR, for itself, its successors and assigns, agrees to be bound as part of the consideration hereof.

FIRST: That the said personal property is conveyed by Conrail and accepted by O&PRR as is and where is, and without any warranties or representations of any nature or kind expressed or implied by Conrail.

SECOND: That O&PRR as of the date of this Bill of Sale, will assume all liability for future maintenance, repair or removal of said personal property, and shall protect, indemnify and hold harmless Conrail from and against any liability associated with the said personal property and any future maintenance, repair, improvement, replacement,

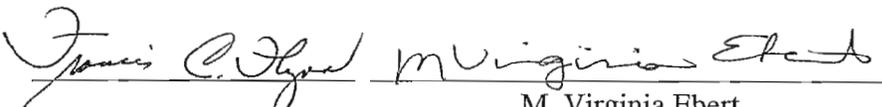
removal or other expenses, whether required by any court or governmental agency, or otherwise.

THIRD: That Conrail shall have the right for a reasonable period of time after the date of this Bill of Sale to enter upon the Canfield Branch for the purposes of ingress, egress and regress to remove all its railroad equipment not conveyed hereby, including rail and other track materials, radio base stations, radio controllers and their related facilities, and all rolling stock and all other personal property which the parties have agreed or may agree shall be retained by Conrail.

THE words "Conrail" and " O&PRR ", as used herein, shall be deemed to include at all times and in all cases their respective successors or assigns.

IN WITNESS WHEREOF, CONSOLIDATED RAIL CORPORATION has executed this Instrument on this *16th* day of *June*, 19*95*

WITNESS: CONSOLIDATED RAIL CORPORATION
BY:



M. Virginia Ebert,
Assistant Vice President-Real Estate

THIS INSTRUMENT PREPARED BY:

Francis C. Flynn
Consolidated Rail Corporation
19-B, Two Commerce Square
2001 Market Street
Philadelphia, PA 19101-1419

B-7

KNOWN all MEN by these Presents, That PITTSBURGH & LAKE ERIE PROPERTIES, INC.

Delaware

, a Corporation, the Grantor,

for the consideration of Thirty Thousand Dollars

(\$ 30,000.00) received to its full satisfaction of OHIO AND PENNSYLVANIA

RAILROAD COMPANY, the Grantee

whose TAX MAILING ADDRESS will be 136 South Fifth Street, Coshocton, Ohio

does give, grant, bargain, sell and convey unto the said Grantee, its successors

and assigns the following described premises, situated in the City of

Struthers, Mahoning County, Ohio, known as Parcel 38-005-210 OL 23, being more

particularly bounded and described as follows:

BEGINNING at the point of intersection of the monumented base line of the Youngstown Branch at Station 1+81.5 and the monumented base line of the former Pittsburgh and Lake Erie Railroad at Station 3303+07.27; thence N 68°11'32"W along the monumented base line of the Youngstown Branch 200 feet to Station 3+81.5 of said Youngstown Branch and the place of true beginning.

Thence by the land of the Grantor southeasterly in a line 12 feet distant from and parallel to the centerline of the river track 80 feet more or less to a point being 29 feet southwesterly from and at a right angle to the monumented base line of the Youngstown Branch; thence northwesterly through the land of the Grantor by a line 29 feet south of and parallel to said monumented base line 340 feet more or less to a point in the center of the Mahoning River; thence in the dividing line between the land of the Grantor and the land now or formerly of the Struthers Furnace Company said line being 29 feet south of and parallel to said monumented base line 1862 feet more or less to a point opposite Station 25+20.76' thence along the dividing line between the land of the Grantor and the land now or formerly Youngstown Sheet and Tube Company 29 feet southerly from and parallel to the monumented base line 665 feet more or less to a point on the easterly line of the land now or formerly the Struthers Iron and Steel Company; thence along the dividing line between the land of the Grantor and the land now or formerly the Struthers Iron and Steel Company northwesterly 107 feet more or less to a point 45 feet distant from and at a right angle to the monumented base line at Station 32+75; thence continuing in said dividing line 45 feet distant from and parallel to said monumented base line northwesterly 111 feet more or less to a point on the right of way line of the now or formerly Pittsburgh Youngstown and Astabula Railway; thence along the dividing line between the land of the Grantor and the land of the now or formerly Pittsburgh Youngstown and Ashtabula Railway N 48°14'39"W 487.2 feet more or less to a corner point; thence S 53°58'30"E in the dividing line between the land of the Grantor and the land now or formerly Ohio and Pennsylvania Belt Line Railroad the following two courses and distances: 1) S 58°58'30" E 304.75 feet to a point of tangency; thence by a curve to the left having a radius of 1257.6 feet an arc distance of 275.2 feet to a point common to the land now or formerly of the Youngstown Sheet and Tube Company.

Thence easterly in the dividing line between the land of the Grantor and the land of the Youngstown Sheet and Tube Company said line being 16 feet northerly from and parallel to the monumented base line 765 feet more or less to a point common to the land now or formerly of the Struthers Furnace Company; thence easterly in the dividing line between the land of the Grantor and the land now or formerly Struthers Furnace Company said line being 16 feet north of and parallel to the monumented base line 1790 feet more or less to a point in the Center of the Mahoning River; thence continuing in said parallel line by other land of the Grantor 300 feet more or less to a point; thence southeasterly by a line 12 feet distant northeasterly from and parallel to said river track 55 feet more or less to a place of beginning containing 3.54 acres more or less, including the through Girder Bridge located thereon.

The monumented baseline of the Youngstown Branch referred to above is described as follows:

Beginning at the intersection of the monumented base line of the Youngstown Branch at Station 1+81.5 with the monumented base line of the former Pittsburgh and Lake Erie Railroad at Station 3303+07.27; thence N 68°11'32"W to a point of spiral tangent at Station 10+06.5' thence by a 0°20' curve spiral to the left to a point of compound curve at Station 11+00.5; thence by a curve to the left having a radius of 1219.40 feet to a point of compound curve at Station 16+70; thence by a 0°20' spiral curve to the left to a point of spiral tangent at Station 17+64.0;

Vertical text on the right side of the page: 'This Conveyance has been Complied with Section 319.202', 'Fee \$34.00', 'Receipt #4133', '1988-05', 'Notary Public', 'Mahoning County, Ohio', 'DITTON'.

WARRANTY DEED

From

PITTSBURGH & LAKE ERIE

PROPERTIES, INC.

To

OHIO AND PENNSYLVANIA

RAILROAD COMPANY

Received for Record

19

at _____ o'clock _____ m.

Recorded _____ 19

in _____ County Records

Volume _____, Page _____

Recorder

Entered for Transfer

19

thence S 80°37'28"W to a point of spiral tangent at Station 25+80.14; thence by a 0°20' spiral curve to the right to a point of compound curve at Station 26+70.14; thence by a curve to the right having a radius of 1273.57 feet to a point of compound curve at Station 35+40.44; thence by a 0°10' spiral curve to the left to a point of spiral tangent at Station 35+85.44; thence N 57°10'32"W to a point on the dividing line between the land of the Grantor and the land now or formerly Pittsburgh Youngstown and Astabula Railroad at Station 37+38.37 on the monumented base line of the Youngstown Branch.

RESERVING unto CSX Transportation and Pittsburgh & Lake Erie Properties, Inc., their successors and assigns, access over the Girder Bridge, to and from their respective adjoining properties.

BEING all or part of the property acquired by the predecessor of the Grantor herein, by the following deeds of record in the Recorder's Office of Mahoning County, Ohio:

<u>Grantor</u>	<u>Date</u>	<u>Book</u>	<u>Page</u>
Elizabeth Blackburn, et al	11-15-1909	149	525
Struthers Furnace Co.	01-23-1915	204	450
Ohio & Penna. Belt Line RR Co.	11-08-1914	209	27
Youngstown Sheet & Tube Co.	03-29-1918	269	340

This conveyance is expressly made under and subject to all occupations, easements or rights-of-way, as evidenced by instruments of record or as may be apparent on the premises.

Grantee to have the right to use and maintain the track connection to what is known as Grantor's "River Track" as long as needed for their operations.

TO HAVE AND TO HOLD the above granted and bargained premises, with the appurtenances thereunto belonging unto the said Grantee, its successors and assigns forever. And PITTSBURGH & LAKE ERIE PROPERTIES, INC., the said Grantor, does for itself and its successors and assigns, covenant with the said Grantee, its successors and assigns, that at and until the ensembling of these presents, it is well seized of the above described premises, as a good and indefeasible estate in FEE SIMPLE, and has good right to bargain and sell the same in manner and form as above written, that the same are free and clear from all incumbrances whatsoever

and that it will WARRANT AND DEFEND said premises, with the appurtenances thereunto belonging to the said Grantee, its successors and assigns forever, against all lawful claims and demands whatsoever

In Witness Whereof, said corporation hereunto sets its hand and corporate seal, by G. E. Neuenschwander its President and Nancy L. Zemencik its Secretary this

Thirty-First day of August in the year of our Lord One Thousand Nine Hundred and Ninety-Five

Pittsburgh & Lake Erie Properties, Inc
Gordon E. Neuenschwander

Signed and acknowledged in presence of

ATTEST:

Nancy J. Zizearick



THE STATE of Pennsylvania Before me a Notary Public in and for said County and State, personally appeared the above named GORDON E. NEUENSCHWANDER for by Pittsburgh & LAKE ERIE PROPERTIES, INC its President and NANCY L. ZEMENCIK its Secretary who

acknowledged that they did sign the foregoing instrument, and that the same is the free act and deed of said Corporation, and the free act and deed of each of them personally and such officers.



In testimony whereof, I have hereunto set my hand and official seal, at Pittsburgh, this 31st day of August, A.D. 19 95

Notarial Seal
John D. Hartman, Notary Public
Pittsburgh, Allegheny County
My Commission Expires June 20, 1997
Member, Pennsylvania Association of Notaries
John D. Hartman

B-8

INTERIM TRACK LEASE AND OPERATING AGREEMENT

THIS INTERIM TRACK LEASE AND OPERATING AGREEMENT (An Interim Agreement) is made as of the 3rd day of December, 2004 by and among the COLUMBIANA COUNTY PORT AUTHORITY (A PORT AUTHORITY), the OHIO AND PENNSYLVANIA RAILROAD (A O&P), an Ohio corporation, and Richard L. Cox, Trustee of the CENTRAL COLUMBIANA and PENNSYLVANIA RAILWAY, INC. ("CCPR").

RECITALS

WHEREAS, PORT AUTHORITY is the owner of a certain line of railroad (A Line) as described in Exhibit A to that certain Track Lease and Operating Agreement dated as of April 6, 2000, as amended, by and between the PORT AUTHORITY and CCPR (hereinafter the A Lease); and

WHEREAS, CCPR currently provides rail transportation services over the Line pursuant to the Lease; and

WHEREAS, on June 14, 2004, CCPR filed a voluntary petition for relief under Chapter 11 of the United States Code; and

WHEREAS, Richard L. Cox was duly appointed and now acts as Trustee of CCPR in bankruptcy (A Trustee), such appointment being effective July 15, 2004; and

WHEREAS, the Trustee intends to enter into an agreement with O&P to sell and assign to O&P all of CCPR's rights in and under the Lease, which sale and assignment is subject

to approval by the U.S. Bankruptcy Court, Eastern District of Arkansas, Little Rock Division (ACourt@); and

WHEREAS, pending such Court approval, the PORT AUTHORITY, O&P and CCPR desire to enter into an agreement to permit O&P to commence freight rail operations on the Line on an interim basis and allow CCPR to cease rail operations concurrently;

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt of which hereby is acknowledged, the parties, intending to be legally bound, hereby agree as follows:

SECTION ONE

LEASE AND OPERATING RIGHTS

1.1_ As of the effective date referenced in Section Two, and subject to the terms of this Interim Agreement, PORT AUTHORITY agrees to CPPR subletting and demising to O&P all track, structures and other facilities that comprise the Line as defined in the Lease, and grants to O&P full and complete possession, use and control thereof.

1.2 For the Term of this Interim Agreement, O&P-s possession, use and control of the Line shall be exclusive; provided however, that for a period of twenty (20) days from the effective date hereof, and at its sole risk, liability and expense, CCPR shall have the right to operate on the Line as necessary to remove equipment and other CCPR personalty from the Line. CCPR-s use of the Line for this purpose shall be without charge, and shall not interfere with O&P-s operations.

SECTION TWO

TERM

This Interim Agreement shall take effect as of the date first hereinabove written, and shall remain in effect until superseded by a Court-approved agreement between the Trustee and O&P for the sale and permanent assignment of CCPR-s rights under the Lease to O&P; provided, however, that if such agreement is not entered into and approved by the Court by December 31, 2004, then subject to any necessary regulatory approvals or exemptions, O&P shall have the right at its sole option to terminate this Interim Agreement and cease rail operations over the Line upon thirty (30) days prior notice to PORT AUTHORITY.

SECTION THREE

REGULATORY APPROVAL

3.1 Promptly upon execution of this Interim Agreement and at its sole expense, O&P shall file for and use its best efforts to secure such regulatory approvals or exemptions (including specifically approval or exemption by the federal Surface Transportation Board pursuant to 49 U.S.C. ' ' 10902 and 10502) as are necessary to enable O&P to conduct rail freight operations over the Line.

3.2 PORT AUTHORITY shall cooperate fully with O&P as necessary to support O&P-s procurement of any necessary regulatory approvals or exemptions.

SECTION FOUR

OPERATING TERMS AND CONDITIONS

4.1 Except as provided in Section 4.2 below and otherwise in this Interim Agreement, O&P-s operations over the Line during the Term hereof shall be governed by and conducted in accordance with the Terms of the Lease, which are hereby incorporated herein by reference.

4.2 With respect to O&P-s operations over the Line pursuant to this Interim Agreement and the terms of the Lease, O&P, CCPR and the PORT AUTHORITY agree as follows:

(1) The First Amendment to the Lease, dated as of November 20, 2003, shall have no application or effect hereunder. O&P-s rental obligations shall be solely those set forth in Section Three of the Lease as in effect prior to the First Amendment.

(b) Sections 6.01 and 6.02 of the Lease shall have no application or effect hereunder. In lieu thereof, during the Term of this Interim Agreement and at its sole cost and expense, O&P agrees to maintain the Line at least in the condition that exists as of the effective date hereof, normal wear and tear excepted. The parties acknowledge that as of such date, most track on the Line does not meet FRA Class I standards, and instead is classified as Aexcepted@ track under prevailing FRA regulations.

12/03/2004 10:52 5016249387

RICHARD L COX PA

PAGE 02
P.01

DEC-03-2004 11:02 AM COL. CTY. PORT. AUTHORITY 350 427 1621

12-03-04 10:52 OO PORT AUTHORITY

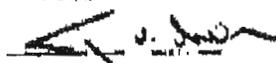
12/03/2004 10:52 AM COL. CTY. PORT. AUTHORITY

IN WITNESS WHEREOF, the parties hereto have caused this Agreement

to be executed by their duly authorized representatives as of the date hereinafore

written.

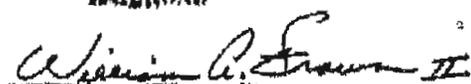
COLUMBIANA COUNTY
PORT AUTHORITY

By: 

Title: CEO

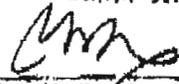

WITNESS

OHIO & PENNSYLVANIA
RAILROAD

By: 

Title: President
WILLIAM A. STRAWN II


WITNESS


Richard L. Cox, Trustee
CENTRAL COLUMBIANA and
PENNSYLVANIA RAILROAD, INC.,
In The Matter of U.S.B.C. E-12, Arkansas-
Case No. 4:04-bk 16887M, Chapter 11

12-03-04

10:52

RECEIVED FROM: 5016249387

LATE
SERVICE DATE

JUN 23 1995

EC

INTERSTATE COMMERCE COMMISSION

DECISION

Finance Docket No. 32711

OHIO & PENNSYLVANIA RAILROAD COMPANY--LEASE AND OPERATION EXEMPTION--PALE PROPERTIES, INC.

Finance Docket No. 32711 (Sub-No. 1)

OHIO & PENNSYLVANIA RAILROAD COMPANY--ACQUISITION, LEASE, AND OPERATION EXEMPTION

Decided: June 23, 1995

On June 20, 1995, Ohio & Pennsylvania Railroad Company (OPRC), a non-carrier, filed an amended verified notice under 49 CFR Part 1150, Subpart D--Exempt Transactions, to (1) lease from PALE Properties, Inc., 19.24 miles of rail line between milepost 0.0 at Youngstown, OH, and milepost 35.7 at Washington, PA, including short segments of lines in Youngstown (1.9 miles) and Hegley (2.0 mile), OH, and between Youngstown and Struthers, PA (0.84 mile); (2) purchase from Consolidated Rail Corporation (Conrail) a 0.36-mile segment of line between mileposts 0.96 and 1.22 in Youngstown; and (3) acquire incidental trackage rights over an approximately 8-mile line between Youngstown and Boardman, OH.

In Finance Docket No. 32711, the Commission served and published in the Federal Register (60 FR 31322) on June 14, 1995, a notice covering only the transaction described in (1), above. This action was taken in reliance on the verified notice which OPRC filed in the lead docket on May 22, 1995. OPRC asserts, in its amended verified notice, that the omission from the verified notice in the lead docket of any mention of the transactions described in (2) and (3), above, was inadvertent.

On June 21, 1995, OPRC filed a petition under 49 CFR 1137.1 for emergency relief. OPRC requests that the exemption be deemed effective at least as of June 20, 1995, the filing date of its amended verified notice, so that it may avoid having to cease operations until June 27, 1995. OPRC has commented all three transactions and is operating. OPRC assertedly has reason to believe that, as of June 20, 1995, Conrail will refuse to interchange with it until after June 27, 1995. Cessation of OPRC's operations until then assertedly will cause hardship and economic loss to OPRC and its customers. OPRC serves 11 customers in three counties. These customers collectively employ 231 persons, whose jobs assertedly are at risk if rail service is unavailable.

We will grant relief in the form of a waiver. Waiving the 7-day pre-effectiveness requirement, and making the exemption effective on service of this decision, will not contravene any element of the rail transportation policy of 49 U.S.C. 10101a.

¹ The transactions described in (2) and (3) will be accomplished by assignment of a contract between PALE Railroad, Inc., and Conrail to OPRC for consideration.

² A rail finance class exemption normally becomes effective 7 days after the verified notice is filed. June 27 would be the seventh day after the filing of OPRC's amended verified notice.

It is ordered:

1. The notice in Finance Docket No. 22711 served and published in the Federal Register on June 14, 1995, is void.
2. Waiver is granted as described above.
3. The exemption in Finance Docket No. 22711 (Sub-No. 1) is effective on the service date of this decision. A notice of exemption in this docket will be published in the Federal Register.

By the Commission, Chairman Morgan, Vice Chairman Owan, and Commissioners Simons and McDonald.

Vernon A. Williams
Secretary

(SEAL)

B-10

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EB

SERVICE DATE LATE RELEASE - SEPTEMBER 3, 1999

SURFACE TRANSPORTATION BOARD

DECISION AND NOTICE OF INTERIM TRAIL USE OR ABANDONMENT

STB Docket No. AB-556 (Sub-No. 2X)

RAILROAD VENTURES, INC.--ABANDONMENT EXEMPTION--BETWEEN
YOUNGSTOWN, OH, AND DARLINGTON, PA, IN MAHONING AND COLUMBIANA
COUNTIES, OH, AND BEAVER COUNTY, PA

STB Docket No. AB-555 (Sub-No. 2X)¹

THE OHIO & PENNSYLVANIA RAILROAD COMPANY--ADVERSE DISCONTINUANCE
OF SERVICE EXEMPTION--BETWEEN YOUNGSTOWN, OH, AND DARLINGTON, PA, IN
MAHONING AND COLUMBIANA COUNTIES, OH, AND BEAVER COUNTY, PA

Decided: September 2, 1999

By petition filed on May 19, 1999,² Railroad Ventures, Inc. (RVI), seeks an exemption under 49 U.S.C. 10502 from the provisions of 49 U.S.C. 10903 to abandon a 35.7-mile line from milepost 0.0 at Youngstown, OH, to milepost 35.7 at Darlington, PA, and a connecting 1-mile line segment near Negley, OH. RVI also petitioned for an exemption under 49 U.S.C. 10502 from the provisions of 49 U.S.C. 10903 for The Ohio & Pennsylvania Railroad Company (OPRC) to discontinue its service obligations over the line.³ Comments in opposition were filed jointly by Darlington Brick and Clay Products Company (Darlington Brick) and Insul Products, Inc. (Insul) (collectively protestants), and by the Board of Commissioners of Beaver County (Beaver County). RVI replied. We will grant the petition for exemption.

¹ These proceedings are consolidated in this decision.

² Notice was served and published in the Federal Register on June 8, 1999 (64 FR 30560) (June 8 notice).

³ OPRC has a lease with RVI to provide service over this line, but has not provided service since 1996. Although the proposed discontinuance is styled as an adverse discontinuance because it was filed by RVI, the owner of the line, instead of by OPRC, the carrier authorized to operate over the line, the interests of the parties are not adverse. OPRC agrees that its lease and service obligations should be discontinued and it previously sought on its own behalf a discontinuance exemption, which was rejected. Moreover, the President of OPRC submitted a verified statement, attached as Exhibit 9 to RVI's petition, stating that OPRC has no objection to the discontinuance.

BACKGROUND

The circumstances surrounding RVI's purchase of the subject line,⁴ OPRC's lease to operate over the line, and their subsequent attempts to abandon the line and discontinue service were set out in the June 8 notice, as well as in prior decisions,⁵ and need not be reiterated here. Having rejected without prejudice to refiling RVI's last attempt to abandon this line in RVI II, we now have before us, in this petition for exemption, sufficient information to determine what rehabilitation is required to restore service, what the costs of the rehabilitation would be, and an accurate estimate of the line's revenue potential.⁶

PRELIMINARY MATTERS

In its petition, RVI has attempted to provide information consistent with our regulations for abandonment applications in 49 CFR part 1152. To the extent that it has been unable to comply, RVI seeks several waivers of specific rules, which it styles as requests for exemptions. These include waivers of 49 CFR 1152.22, related to the contents of abandonment applications, and the

⁴ The subject line formerly was part of the Youngstown & Southern Railroad Company, a nonoperating railroad and a wholly owned subsidiary of the Montour Railroad Company, itself a nonoperating railroad and successor in interest to The Pittsburgh and Lake Erie Railroad Company.

⁵ See Railroad Ventures, Inc.--Acquisition and Operation Exemption--Youngstown & Southern Railroad Company, STB Finance Docket No. 33385 et al. (STB served July 15, 1997) (RVI I), and Railroad Ventures, Inc.--Abandonment Exemption--Between Youngstown, OH, and Darlington, PA, in Mahoning and Columbiana Counties, OH, and Beaver County, PA, STB Docket No. 556 (Sub-No. 1X) et al. (STB served Jan. 22, 1999) (RVI II).

⁶ Although this information is not generally included in a petition for exemption, RVI was required to produce the data if it chose to file a petition for exemption instead of an abandonment application. See RVI II, slip op. at 5. This was due to concerns that service was not being restored, which ultimately led to biweekly reporting by RVI to our Office of Compliance and Enforcement (OCE). See RVI I, slip op. at 4. The data provided by RVI will assist us in reaching an informed decision on whether to approve the abandonment and will help parties who might be interested in purchasing the line under 49 U.S.C. 10904 to restore service. See RVI II, slip op. at 5.

notice requirements of 49 CFR 1152.20 and 1152.21.⁷ RVI also requests that it not be required to present a formal appraisal for the entire right-of-way.

RVI's requests for waivers of the abandonment application filing requirements are unnecessary. RVI II did not require full compliance with the filing requirements for abandonment applications, only that RVI provide certain information if it refiled with a petition for exemption, which it has done. As for RVI's request that it not be required to submit a formal appraisal of its right-of-way, RVI has submitted an extensive appraisal, with substantial documentation, which was prepared by David L. Handel, and it is sufficient for our purposes.

DISCUSSION AND CONCLUSIONS

Under 49 U.S.C. 10903, a rail line may not be abandoned or service discontinued without our prior approval. Under 49 U.S.C. 10502, however, we must exempt a transaction or service from regulation when we find that: (1) continued regulation is not necessary to carry out the rail transportation policy of 49 U.S.C. 10101; and (2) either (a) the transaction or service is of limited scope, or (b) regulation is not necessary to protect shippers from the abuse of market power.

The exemption process is designed to minimize regulatory burdens. An exemption is appropriate when we have sufficient information to reach an informed decision. Typically, the types of abandonment and discontinuance transactions that are exempted are those where the shippers do not contest the abandonment or, if they do contest it, revenue from their traffic is clearly marginal compared to the cost of operating the lines.

RVI, with OPRC's assistance, has provided sufficient information for us to determine that this line of railroad cannot be operated at a profit. OPRC began operations in July 1995. During OPRC's operations in 1995, the line had eight active shippers that generated 319 carloads.⁸ In

⁷ Because RVI complied with these notice requirements in its previous abandonment request, served copies of its petition on the parties of record in the previous proceedings, and stated that it will serve a copy of its petition on any other interested party requesting it, RVI was not required to republish notice of the proposed abandonment and discontinuance. June 8 notice at 4 n.4.

⁸ In 1995, Mahoning Valley Plastics shipped 33 carloads of plastic pellets, Darlington Brick shipped 23 carloads of brick and clay products, Grief Bros. Corp. shipped 19 carloads of paper rolls, Darlington Pipe shipped 2 carloads of pipe, Donohue Railcar Parts Co. shipped 5 carloads of wheel sets and rail/truck components, Allied Scrap shipped 75 carloads of scrap paper, Lumber City shipped 9 carloads of lumber products, Magneco/Metrel shipped 25 carloads of blast furnace

(continued...)

1996, the last year OPRC operated the line, it had three active shippers that generated 120 carloads.⁹ Based on OPRC's operations from July through December 1995, RVI approximates revenues at \$59,000 and expenses at \$209,000.¹⁰ From January through November 1996, RVI approximates revenues at \$22,000 and expenses at \$79,000. This results in operating losses of approximately \$150,000 for 1995 and \$57,000 for 1996. No party disputes these figures. While protestants state that we should critically analyze the financial evidence submitted by RVI, they have not specifically challenged it.¹¹

The June 8 notice, slip op. at 3 n.3, pointed out that RVI's rehabilitation costs were not stated with any certainty and that several items appeared questionable. Although protestants and Beaver County have not addressed the issue, RVI has in its reply. It explains the discrepancies in the range of rehabilitation estimates that it provided, as discussed in the next paragraph.

According to RVI, the \$800,000 rehabilitation figure is contained in a 1997 report prepared by Kennedy Railroad Builders, Inc., which estimates rehabilitation costs for only 26 miles of the line from North Lima, OH, to Darlington. Approximately \$425,000 of the \$800,000 represents the cost of installation of a switch to the main line at Columbiana, OH (formerly operated by the Consolidated Rail Corporation). The \$1.8 million rehabilitation figure is also a 1997 projection, which was provided by Ohio Rail Development Commission (ORDC),¹² and, according to RVI, represents the minimum repairs needed for the entire line. Both of these estimates are intended to corroborate what RVI considers the best evidence of current rehabilitation costs, and that is the \$4.5

⁸(...continued)
refractory brick, and Associated Paper Stock shipped 128 carloads of paper products.

⁹ In 1996, Darlington Brick shipped 18 carloads of brick and clay products, Grief Bros. Corp. shipped 12 carloads of paper rolls, and Associated Paper Stock shipped 90 carloads of paper products.

¹⁰ RVI includes in expenses costs related to train crews, locomotives and fuel, track maintenance, car hire, and other operating expenses.

¹¹ Protestants complain that RVI has not provided more details about plans of L.A.S. Recycling, Inc. (L.A.S.), to open a land fill site for construction debris in an area south of Negley, OH. Protestants submit that L.A.S. plans to ship 2,000 to 4,000 cars of new traffic annually over the line. RVI in its petition explains that it only recently became aware of L.A.S.'s plans, but that in any event the site is not served by RVI's line. We note that L.A.S. has not protested the abandonment.

¹² ORDC is a state agency charged with promoting economic development, rail branch line preservation, highway and rail safety, and passenger and commuter rail planning and development.

million rehabilitation figure contained in a 1999 appraisal of the line prepared by R/W Specialists, Inc. RVI submits that, whichever figure is used, the line cannot generate sufficient revenue to justify that level of investment. We agree and accept RVI's explanation.

More detailed scrutiny of the proposed abandonment and discontinuance of service under 49 U.S.C. 10903 is not necessary to carry out the rail transportation policy. By minimizing the administrative expense of the application process, an exemption will reduce regulatory barriers to exit [49 U.S.C. 10101(7)]. Moreover, an exemption will foster sound economic conditions and encourage efficient management by relieving RVI from the costs of owning (including rehabilitation) and OPRC from the costs of operating the line. [49 U.S.C. 10101(5) and (9)]. Other aspects of the rail transportation policy are not affected adversely.

Although protestants and Beaver County desire to retain the line for continued rail service, the shippers on the line have access to alternative motor carrier service. Accordingly, we find that regulation is not necessary to protect shippers from the abuse of market power. Given our market power finding, we need not determine whether the proposed transaction is limited in scope.

Under 49 U.S.C. 10502(g), we may not use our exemption authority to relieve a carrier of its statutory obligation to protect the interests of its employees. Accordingly, as a condition to granting OPRC's exemption for discontinuance of service, we will impose the labor protective conditions in Oregon Short Line R. Co.--Abandonment--Goshen, 360 I.C.C. 91 (1979), in STB Docket No. AB-555 (Sub-No. 2X). On the other hand, we do not normally impose employee protective conditions when, as here, a carrier abandons its entire line unless the evidence shows the existence of: (1) a corporate affiliate that will continue substantially similar rail operations; or (2) a corporate parent that will realize substantial financial benefits over and above relief from the burden of deficit operations by its subsidiary railroad. See Wellsville, Addison & Galetton R. Corp.--Abandonment, 354 I.C.C. 744 (1978); and Northampton and Bath R. Co.--Abandonment, 354 I.C.C. 784 (1978) (Northampton). Because RVI proposes to abandon its entire line of railroad and has no railroad employees and because no one has attempted to show that the situation under Northampton exists for imposing labor protection in this proceeding, we will not impose labor protective conditions in STB Docket No. AB-556 (Sub-No. 2X).

RVI has resubmitted, with its petition, the environmental report originally submitted in RVI II, and has notified the appropriate Federal, state, and local agencies of the opportunity to submit information concerning the energy and environmental impacts of the proposed abandonment. See 49 CFR 1105.11. Our Section of Environmental Analysis (SEA) has examined the environmental report, verified its data, and analyzed the probable effects of the proposed action on the quality of the

human environment.¹³ SEA served an environmental assessment (EA) on July 16, 1999, indicating that, prior to commencing salvage operations, RVI should consult with: the Pennsylvania Department of Environmental Protection, Southwest Regional Office; the Beaver County, PA, Conservation District; and the State of Ohio Environmental Protection Agency, Northeast District Office. A comment to the EA was filed by Boardman Township Park District (Boardman) encouraging the Board to allow a recreational trail on this line. No other comments to the EA were filed by the August 16, 1999 due date.

We will impose the condition recommended by SEA in the EA. Based on SEA's recommendation, we conclude that the proposed abandonment, as conditioned, will not significantly affect either the quality of the human environment or conservation of energy resources.

We note that 49 U.S.C. 10904 provides a mechanism for those who want to continue rail service that the Board has authorized to be discontinued or abandoned. Under section 10904, any financially responsible person (and all government agencies are deemed to be financially responsible) may file an offer of financial assistance (OFA) to acquire a line or subsidize the losses of the existing operator. Should area shippers or any other interested party determine that continued rail service over the line is in their best interest, they may avail themselves of the section 10904 procedures.

Requests for the issuance of a notice of interim trail use (NITU) under the National Trails System Act, 16 U.S.C. 1247(d) (Trails Act), were filed by Beaver County, Boardman, the Columbiana County Park District (Columbiana), the Mill Creek Metropolitan Park District (Mill Creek), and the City of Youngstown (Youngstown) (collectively, trail proponents). Each trail proponent has requested that a NITU be issued for the line, and each submitted a statement of willingness to assume financial responsibility for the right-of-way, and has acknowledged that use of the right-of-way is subject to possible future reconstruction and reactivation for rail service as required under 49 CFR 1152.29. Although all of the trail proponents advocate preservation of the entire right-of-way for trail purposes, each one has limited its request by asserting interest in only a portion of the right-of-way, as follows: Beaver County will negotiate for approximately 6 miles in Beaver County; Boardman will negotiate for approximately 5 miles in Boardman Township; Columbiana will negotiate for approximately 13 miles in Columbiana County; Mill Creek will negotiate for approximately 6 miles in Beaver Township; and Youngstown will negotiate for approximately 3 miles in the City of Youngstown. By letter filed on July 19, 1999, RVI agreed to negotiate with the trail proponents.

¹³ RVI requested an exemption from the filing of a new environmental and historical report. SEA examined RVI's resubmitted reports and found them acceptable for use in this proceeding. Accordingly, no new reports need to be filed.

These requests comply with the requirements of 49 CFR 1152.29, and RVI is willing to enter into negotiations with each trail proponent. Therefore, we will issue a NITU for each of the line segments referred to above and the trail proponents may negotiate agreements as to their respective segments with RVI during the 180-day period prescribed below. If agreements are executed, no further Board action is necessary. If no agreements are reached within 180 days, RVI may fully abandon the line, subject to the conditions imposed below. See 49 CFR 1152.29(d)(1). Use of the right-of-way for trail purposes is subject to restoration for railroad purposes.

SEA has indicated in its EA that the right-of-way may be suitable for other public use following abandonment. The trail proponents also request that a 180-day public use condition be imposed. The requests are made to provide time for the trail proponents to assemble and review information needed to complete their trail use plans and negotiations with RVI for the conversion of the rail corridor into trails. In support of their requests, the trail proponents state that the rail corridor will connect residential areas to public parks, businesses, schools, and other destinations and that the corridor provides important wildlife habitat and green space.

We have determined that persons who file under the Trails Act may also file for public use under 49 U.S.C. 10905. See Rail Abandonments--Use of Rights-of-Way as Trails, 2 I.C.C.2d 591, 609 (1986) (Trails). When the need for both conditions is established, it is our policy to impose them concurrently, subject to the execution of a trail use agreement. The trail proponents have met the public use criteria prescribed at 49 CFR 1152.28(a)(2) by specifying: (1) the condition sought; (2) the public importance of the condition; (3) the period of time for which the condition would be effective; and (4) justification for the period of time requested. Accordingly, a 180-day public use condition also will be imposed on the line to be abandoned commencing from the effective date of this decision and notice. If a trail use agreement is reached on a portion of the right-of-way, RVI must keep the remaining right-of-way intact for the remainder of the 180-day period to permit public use negotiations. Also, a public use condition is not imposed for the benefit of any one potential purchaser. Rather it provides an opportunity for any interested person to acquire the right-of-way that has been found suitable for public purposes, including trail use. Therefore, with respect to the public use condition, RVI is not required to deal exclusively with the trail proponents, but may engage in negotiations with other interested persons.

The trail proponents should note that operation of the trail use and public use procedures could be delayed, or even foreclosed, by the financial assistance process under 49 U.S.C. 10904. As stated in Trails, 2 I.C.C.2d at 608, OFAs to acquire rail lines for continued rail service or to subsidize rail operations take priority over interim trail use/rail banking and public use. Accordingly, if an OFA is timely filed under 49 CFR 1152.27(c)(1), the effective date of this decision and notice will be postponed beyond the effective date indicated here. See 49 CFR 1152.27(e)(2). In addition, the effective date may be further postponed at later stages in the OFA process. See 49 CFR 1152.27(f). Finally, if the line is sold under the OFA procedures, the petition for exemption, as it relates to the abandonment only, will be dismissed and trail use and public use

precluded. Alternatively, if a sale under the OFA procedures does not occur, the trail use and public use processes may proceed.

It is ordered:

1. Under 49 U.S.C. 10502, we exempt the above-described discontinuance of service by OPRC from the prior approval requirements of 49 U.S.C. 10903, subject to the employee protective conditions set forth in Oregon Short Line R. Co.--Abandonment--Goshen, 360 I.C.C. 91 (1979).

2. Under 49 U.S.C. 10502, we exempt the above-described abandonment by RVI from the prior approval requirements of 49 U.S.C. 10903, subject to the conditions that RVI shall: (1) prior to commencing salvage operations, consult with the Pennsylvania Department of Environmental Protection, Southwest Regional Office; the Beaver County, PA, Conservation District; and the State of Ohio Environmental Protection Agency, Northeast District Office; (2) leave intact all of the right-of-way, including bridges, trestles, culverts and tunnels (but not track and track materials), for a period of 180 days from the effective date of this decision and notice to enable any state or local government agency or any other interested person to negotiate the acquisition for public use of the line to be abandoned; and (3) comply with the interim trail use/rail banking procedures set forth below.

3. If interim trail use/rail banking agreements are reached for any of the segments of the line to be abandoned, each agreement must require the trail user to assume, for the term of the agreement, full responsibility for management of, any legal liability arising out of the transfer or use of (unless the user is immune from liability, in which case it need only indemnify RVI against any potential liability), and for the payment of any and all taxes that may be levied or assessed against, the right-of-way.

4. Interim trail use/rail banking is subject to the future restoration of rail service and to the user's continuing to meet the financial obligations for the right-of-way.

5. If interim trail use is implemented and subsequently the user intends to terminate trail use, it must send the Board a copy of this decision and notice and request that it be vacated on a specified date.

6. If any agreement for interim trail use/rail banking is reached by the 180th day after service of this decision and notice, interim trail use may be implemented. If no agreements are reached by that time, RVI may fully abandon its line, provided the conditions imposed above are met.

7. An OFA under 49 CFR 1152.27(c)(1) to allow rail service to continue must be received by the railroad and the Board by September 13, 1999, subject to time extensions authorized under 49 CFR 1152.27(c)(1)(i)(C). The offeror must comply with 49 U.S.C. 10904 and 49 CFR 1152.27(c)(1). Each OFA must be accompanied by a \$1,000 filing fee. See 49 CFR 1002.2(f)(25).

8. OFAs and related correspondence to the Board must refer to this proceeding. The following notation must be typed in bold face on the lower left-hand corner of the envelope: “**Office of Proceedings, AB-OFA.**”

9. Provided no OFA has been received, this exemption will be effective on October 3, 1999. Petitions to stay must be filed by September 13, 1999, and petitions to reopen must be filed by September 23, 1999.

10. Pursuant to the provisions of 49 CFR 1152.29(e)(2), RVI shall file a notice of consummation with the Board to signify that it has exercised the authority granted and fully abandoned its line. If consummation has not been effected by RVI's filing of a notice of consummation by September 3, 2000, and there are no legal or regulatory barriers to consummation, the authority to abandon will automatically expire. If a legal or regulatory barrier to consummation exists at the end of the 1-year period, the notice of consummation must be filed not later than 60 days after satisfaction, expiration or removal of the legal or regulatory barrier.

By the Board, Chairman Morgan, Vice Chairman Clyburn, and Commissioner Burkes.

Vernon A. Williams
Secretary

B-11



8 of 30 DOCUMENTS

The Ohio & Pennsylvania Railroad Company-Acquisition and Operation Exemption-Rail
Line of CSX Transportation, Inc., in Lowellville, OH

[STB Finance Docket No. 34229]

SURFACE TRANSPORTATION BOARD

2002 STB LEXIS 435

SERVICE DATE: July 23, 2002

July 15, 2002

PANEL:

[*1]

By the Board, David M. Konschnik, Director, Office of Proceedings.

OPINION:

The Ohio & Pennsylvania Railroad Company (O&P), a Class III carrier, has filed a notice of exemption under 49 CFR 1150.41 to permit O&P to acquire by purchase from CSX Transportation, Inc. (CSXT), an approximately 0.89-mile rail line located between Valuation Station 3261 + 00 and Valuation Station 3308 + 00, in Lowellville, Mahoning County, OH.

The transaction was expected to be consummated after July 5, 2002, the effective date of the exemption (7 days after the exemption was filed).

The purpose of this transaction is to permit O&P to extend its line n1 and facilitate the re-establishment of an interchange with CSXT at Lowellville. O&P certifies that its projected annual revenues as a result of this transaction will not result in the creation of a Class I or a Class II rail carrier.

n1 O&P owns approximately 2 miles of rail line between Struthers and Youngstown, OH, but does not currently operate over the line. The Mahoning Valley Railroad and the Central Columbiana and Pennsylvania Railroad (CCPR) operate over portions of O&P's line under trackage rights. O&P expects to resume freight operations in the near future as new traffic opportunities materialize. This transaction is expected to improve the efficiency of CCPR's current operation over O&P's line, and enhance O&P's own operations if it recommences service.

[*2]

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34229 must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Kelvin J. Dowd, Slover & Loftus, 1224 Seventeenth Street, N.W., Washington, DC 20036.

Board decisions and notices are available on our website at "WWW.STB.DOT.GOV."

133W6Q

***** Print Completed *****

Time of Request: Wednesday, May 13, 2009 09:59:14 EST

Print Number: 2822:156694973

Number of Lines: 47

Number of Pages:

Send To: HOCKY, ERIC
THORP REED & ARMSTRONG
2005 MARKET ST STE 2010
PHILADELPHIA, PA 19103-7033

133W6Q

Time of Request: Wednesday, May 13, 2009 09:59:14 EST
Client ID/Project Name: 019508.095991
Number of Lines: 47
Job Number: 2822:156694973

Research Information

Service: Terms and Connectors Search
Print Request: Current Document: 8
Source: Transportation Agency Decisions
Search Terms: ohio pre/2 pennsylvania pre/2 railroad

Send to: HOCKY, ERIC
THORP REED & ARMSTRONG
2005 MARKET ST STE 2010
PHILADELPHIA, PA 19103-7033

B-12

35413

SERVICE DATE – DECEMBER 21, 2004

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34632]

The Ohio and Pennsylvania Railroad–Acquisition and Operation Exemption–Rail Lines of
Columbiana County Port Authority in Mahoning and Columbiana Counties, OH, and Beaver
County, PA

The Ohio and Pennsylvania Railroad (O&P), a Class III rail carrier, has filed a notice of exemption under 49 CFR 1150.41 to acquire (by lease) approximately 36 miles of rail line owned by the Columbiana County Port Authority (CCPA), between milepost 0.0 at or near Youngstown, OH, and milepost 35.7 at or near Darlington, PA.

The Central Columbiana and Pennsylvania Railway Company (CCPR) currently serves as the line’s operator pursuant to a track lease and operating agreement with CCPA. On June 14, 2004, CCPR filed for bankruptcy protection before the U.S. Bankruptcy Court for the Eastern District of Arkansas, Little Rock Division (Case No. 4:04-bk-16887 M, Chapter 11) (bankruptcy court). Pursuant to an agreement between CCPA, O&P, and the bankruptcy trustee for CCPR, O&P will acquire and operate the line by assuming CCPR’s rights, duties, and obligations under CCPR’s track lease and operating agreement with CCPA (including

CCPR's option to purchase the line in March 2006). The agreement is pending final approval from the bankruptcy court, which O&P expects will be granted before December 31, 2004.¹

The transaction is scheduled to be consummated on or after December 15, 2004.

O&P certifies that its projected revenues as a result of the transaction will not exceed those that would qualify it as a Class III rail carrier.

This transaction is related to STB Docket No. AB-556 (Sub-No. 2X), Railroad Ventures, Inc.—Abandonment Exemption—Between Youngstown, OH, and Darlington, PA, in Mahoning and Columbiana Counties, OH, and Beaver County, PA, which involves the purchase of the line by CCPA pursuant to the offer of financial assistance provisions of 49 U.S.C. 10904 and 49 CFR 1152.27.

If this notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34632, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Kelvin J. Dowd, Slover & Loftus, 1224 Seventeenth Street, N.W., Washington, DC 20036.

¹ To ensure the continued availability of rail service to shippers on the line, the bankruptcy court, by a December 3, 2004 order, has approved an interim agreement between O&P and CCPR's bankruptcy trustee, which would allow O&P to assume immediate operational control of the line.

STB Finance Docket No. 34632

Board decisions and notices are available on our website at

“WWW.STB.DOT.GOV.”

Decided: December 14, 2004.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary

WILLIAM L. SLOVER
C. MICHAEL LOFTUS
DONALD G. AVERY
JOHN H. LE SEUR
KELVIN J. DOWD
ROBERT D. ROSENBERG
CHRISTOPHER A. MILLS
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1224 SEVENTEENTH STREET, N. W.
WASHINGTON, D. C. 20036-3003



December 8, 2004

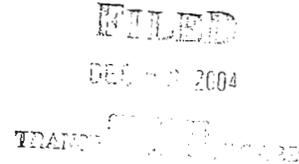
WRITER'S E-MAIL:

kjd@sloverandloftus.com

212717

HAND DELIVERY

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W. Room 711
Washington, D.C. 20423-0001



Re: Finance Docket No. 34632, The Ohio and Pennsylvania Railroad – Acquisition and Operation Exemption – Rail Lines of the Columbiana County Port Authority in Mahoning and Columbiana Counties, OH and Beaver County, PA

Dear Secretary Williams:

Enclosed for filing in the referenced docket please find an original and 10 copies of The Ohio and Pennsylvania Railroad's Verified Notice of Exemption, together with our check in the amount of \$1,500.00 to cover the requisite filing fee.

An additional copy of the Notice also is enclosed. Kindly indicate receipt and filing by time-stamping this copy and returning it to the bearer of this letter.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Kelvin J. Dowd'.

Kelvin J. Dowd
An Attorney for
The Ohio and Pennsylvania Railroad

KJD:cef
Enclosure

FILED
DEC - 8 2004
OFFICE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD



)
)
THE OHIO AND PENNSYLVANIA RAILROAD)
-ACQUISITION AND OPERATION)
EXEMPTION -- RAIL LINES)
OF COLUMBIANA COUNTY)
PORT AUTHORITY IN MAHONING AND)
COLUMBIANA COUNTIES, OH AND)
BEAVER COUNTY, PA)

212 717
Finance Docket No. 34632

VERIFIED NOTICE OF EXEMPTION

Pursuant to 49 U.S.C. § 10502 and 49 C.F.R. Part 1150.41, *et seq.*, the Ohio and Pennsylvania Railroad ("O&P"), a Class III rail carrier, files this Verified Notice of Exemption from the prior approval requirements of 49 U.S.C. § 10902 to permit O&P to extend its existing lines through the acquisition by lease from the Columbiana County Port Authority ("Port Authority") of approximately 36 miles of rail line between Youngstown, Ohio and Darlington, Pennsylvania, Ohio (the "Line"). The Line is located in Mahoning and Columbiana Counties, Ohio and Beaver County, Pennsylvania.

The Line presently is operated by the Central Columbiana and Pennsylvania Railway Company ("CCPR"), under lease from the Port Authority. On June 14, 2004, CCPR filed a voluntary petition for bankruptcy relief under Chapter 11 of Title 11 of the United States Code. Upon approval of the bankruptcy court, CCPR's Trustee in

bankruptcy will permanently assign CCPR's lease rights to O&P. Pending court approval, and to ensure the continued availability of rail service to shippers on the Line, OHCR will lease and operate the Line on an interim basis upon the effectiveness of the exemption noticed hereby,¹ in accordance with agreements between O&P and CCPR's bankruptcy Trustee.

Following O&P's commencement of operations over the Line, CCPR no longer will operate trains over any portion of the Line.

In support hereof, O&P shows as follows:

- a. **Full Name and Address of Applicant**
Ohio and Pennsylvania Railroad
47849 Papermill Road
Coshocton, Ohio 43812

- b. **Name and Address of Applicant's Representative**
Kelvin J. Dowd
Solver & Loftus
1224 Seventeenth Street, N.W.
Washington, D.C. 20036
(202) 347-7170

¹If, as expected, the bankruptcy court approves the permanent transfer, no further Board approvals or exemptions would be required, as O&P's continued operation over the Line would be seamless with that commenced under the interim arrangements. Should the bankruptcy court not give final approval to O&P's acquisition of the Line, then O&P would return to the Board for approval of any service discontinuance that might result, as required by 49 U.S.C. § 10903.

c. Statement Regarding Agreement

Agreement as to all essential terms has been reached among O&P, the Port Authority and CCPR's bankruptcy Trustee with respect to O&P's acquisition and operation of the Line.

d. Operation of the Property

Following the effective date of the exemption noticed hereby, O&P will be the sole operator of the Line.

e. Summary of the Transaction

O&P presently owns and operates approximately 2.65 miles of trackage and related facilities in Youngstown, Ohio, where its tracks connect with the Line. Between June, 1995 and December, 1996, O&P operated in common carrier service over the Line pursuant to lease arrangements with P&LE Properties, the then-owner of the Line and a predecessor-in-interest to the Port Authority. *See F.D. No. 32711, Ohio & Pennsylvania Railroad Company – Lease and Operation Exemption – P&LE Properties, Inc.*, Decision served June 14, 1995. In December, 1996, the Line was embargoed due to unsafe track conditions. O&P subsequently discontinued service over the Line pursuant to a Board Order under 49 U.S.C. §§10502 and 10903. *See Docket No. AB-556 (Sub-No. 2X), Railroad Ventures Inc. – Abandonment Exemption – Between Youngstown, OH and*

Darlington, PA, In Mahoning and Columbiana Counties, OH and Beaver County, PA,
Decision served September 3, 1999.

CCPR currently operates over the Line pursuant to a Track Lease and Operating Agreement initially entered into with the Port Authority on April 6, 2000, and amended as of November 20, 2003. Ownership of the Line rests with the Port Authority, which purchased it pursuant to an Offer of Financial Assistance under 49 U.S.C. § 10904. See Docket No. AB-556 (Sub-No. 2X), *Railroad Ventures, Inc. -- Abandonment Exemption -- Between Youngstown, OH and Darlington, PA, In Mahoning and Columbiana Counties, OH and Beaver County, PA*, Decision served October 4, 2000. The Track Lease and Operating Agreement between CCPR and the Port Authority also granted CCPR an option to purchase the Line, once the five-year third party resale restriction imposed by 49 U.S.C. § 10904 (f) (4) expires.

On June 14, 2004, CCPR filed a voluntary petition for bankruptcy protection under Chapter 11 of Title 11, United States Code. CCPR's Chapter 11 proceeding is before the U.S. Bankruptcy Court for the Eastern District of Arkansas, Little Rock Division, where it is denominated as Case No. 4:04-bk-16887 M, Chapter 11. On July 15, 2004, Richard L. Cox, Esq. was duly appointed and presently serves as the authorized Trustee for CCPR.

Pursuant to his charge and in the interest of preserving necessary rail service over the Line in light of the financial failings of CCPR, the Trustee and O&P

have negotiated an agreement whereunder O&P will acquire and operate the Line by assuming CCPR's rights, duties and obligations under the Track Lease and Operating Agreement, including the option to purchase the Line in March, 2006, when the Section 10904 (f) (4) restriction will have expired. The Trustee's final sale and assignment of CCPR's rights is subject to bankruptcy court approval, which has been requested and is expected to be obtained prior to December 31, 2004. In response to CCPR's precarious financial condition and to assure no interruption in rail service in the meantime, however, O&P and the Trustee have reached agreement on an arrangement for interim operations over the Line pending final bankruptcy court approval. That interim agreement was approved by the bankruptcy court on December 3, 2004.² Those operations will commence promptly upon the effectiveness of the exemption noticed hereby.

The Line is located in Mahoning and Columbiana Counties, Ohio and in Beaver County, Pennsylvania. The total number of additional route miles to be acquired and operated by O&P is approximately 36 miles.

Pursuant to Board regulations, O&P states that the Port Authority's address is 1250 St. George Street, East Liverpool, Ohio 43920. The Trustee's address is 835 Central Avenue, Suite 510, Hot Springs, Arkansas 71901. It is contemplated that O&P's acquisition of the Line will take place on or after December 15, 2004.

²See Exhibit No. 1.

f. **Map**

See Exhibit No. 2.

g. **Certificate of Projected Revenue**

Pursuant to 49 C.F.R. Part 1150.43 (g), O&P certifies that its projected revenues as a result of the subject transaction will not exceed the level that qualifies O&P as a Class III rail carrier.

h. **Environmental and/or Historical Documentation**

The proposed transaction qualifies under 49 C.F.R. Part 1105.6 (c) (2), and as such, no environmental documentation is required. Likewise, O&P has no plans to alter or dispose of any assets that are fifty (50) years old or older, and as such, the transaction does not require an historic report. 49 C.F.R. Part 1105.8 (b).

i. **Caption Summary**

See Exhibit No. 3.

Respectfully submitted,

**THE OHIO AND PENNSYLVANIA
RAILROAD**

47849 Papermill Road
Coshocton, Ohio 43812

By: Kelvin J. Dowd 
Andrew B. Kolesar, III
Slover & Loftus
1224 Seventeenth Street, N.W.
Washington, D.C. 20036
(202) 347-7170

OF COUNSEL:

Slover & Loftus
1224 Seventeenth Street, N.W.
Washington, D.C. 20036

Date: December 8, 2004

Attorneys & Practitioners

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF ARKANSAS
LITTLE ROCK DIVISION

IN RE: CENTRAL COLUMBIANA &
PENNSYLVANIA RAILWAY, INC., DEBTOR

CASE NO. 4:04-bk-16887M
Chapter 11

ORDER GRANTING
EMERGENCY MOTION FOR APPROVAL
OF INTERIM OPERATING AGREEMENT

On this day comes on for consideration the emergency motion of the Trustee herein, RICHARD L. COX, by and through his attorney, RICHARD L. COX, P.A., for approval of interim operating agreement, and the Court finds as follows:

1. On June 14, 2004, the Debtor filed a voluntary petition for relief under chapter 11 of Title 11 of United States Code.
2. On July 15, 2004, a notice was entered in this case appointing RICHARD L. COX as chapter 11 Trustee for the debtor.
3. The Debtor operates a short-line railroad in the states of Ohio and Pennsylvania.
4. After the filing of the chapter 11, numerous derailments have occurred on the railroad, some at minor expense and some at major expense to the chapter 11 estate.
5. On November 29, 2004, a major derailment occurred on the Ohio portion of the debtor's operation requiring the estate to incur emergency repair expenses greater than the amount of the funds then presently on hand in the chapter 11 estate.
6. The Trustee was able to engage repair services only based upon representations that the funds for said repairs would be advanced by the Ohio Rail Development Commission which emergency authorization the Trustee had secured with the cooperation of the Lessor of the track, the

Columbiana County Port Authority.

7. Emergency repairs are currently under way during which the main line for the railroad is inoperable.

8. If the debtor continues to operate the line after completion of the present derailment repairs, there is a high likelihood that the estate will incur additional expenses from derailments in excess of the operating income of the chapter 11 estate.

9. The principal customers of the Debtor have threatened to seek removal of the Debtor as operator of the railroad line by the Federal Surface Transportation Board.

10. The Trustee has negotiated with the Lessor, Columbiana County Port Authority, and a third-party prospective purchaser of the operating rights of the debtor estate, the Ohio & Pennsylvania Railroad, 47849 Paper Mill Road, Coshoaton, Ohio 43812 for the Ohio & Pennsylvania Railroad to assume operations of the railroad pursuant to an interim operating agreement, a copy of which was attached to the emergency motion.

11. An emergency exists requiring the immediate approval of the Trustee's interim operating agreement with the Ohio & Pennsylvania Railroad.

12. The Trustee has authority from Charles Tucker, Assistant U.S. Trustee, to state that the United States Trustee has no objection to the approval by the Court of the Trustee's emergency motion for approval of Interim Operating Agreement with the Ohio & Pennsylvania Railroad.

13. The Trustee has authority from James E. Smith, Esq., attorney for the Debtor, to state that the Debtor has no objection to the approval by the Court of the Trustee's motion for approval of the interim operating agreement with the Ohio & Pennsylvania Railroad.

14. Pursuant to the Interim Operating Agreement, the income from operation of the

railroad will go to the Ohio & Pennsylvania Railroad which will assume the operating expenses of operating the line on an interim basis as well as responsibility for any expenses incurred as the result of derailment.

IT IS THEREFORE ORDERED that the Trustee's emergency motion for approval of an interim operating agreement with Ohio & Pennsylvania Railroad be and hereby is granted.



HONORABLE JAMES G. MIXON
United States Bankruptcy Judge

Date: December 3, 2004

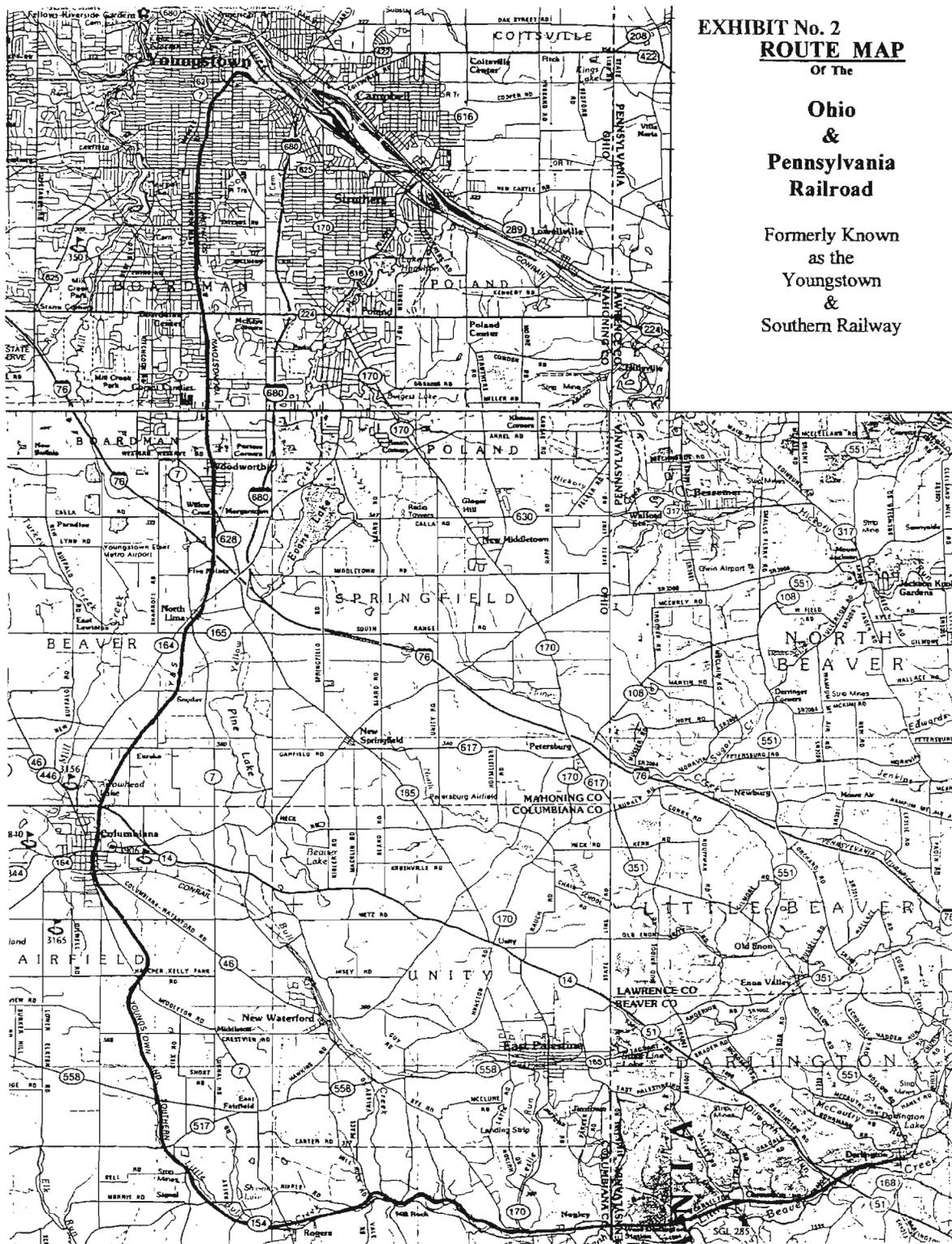
DISTRIBUTION:

RICHARD L. COX, 835 Central Ave, Suite 510, Hot Springs, AR 71901
JAMES E. SMITH, 400 W Capitol, Ste. 1700, Little Rock, AR 72201
TRACY DRAKE, 1250 St. George St., East Liverpool, OH 43920
KELVIN DOWD, Slover & Loftus Law Firm, 1224 17th Street, NW, Washington, DC 20036
U. S. TRUSTEE, 200 W. Capitol, Ste. 1200, Little Rock, AR 71901

EXHIBIT No. 2
ROUTE MAP
Of The

Ohio
&
Pennsylvania
Railroad

Formerly Known
as the
Youngstown
&
Southern Railway



Finance Docket No. 34632
THE OHIO AND PENNSYLVANIA RAILROAD
--ACQUISITION AND OPERATION EXEMPTION--
RAIL LINES OF COLUMBIANA COUNTY
PORT AUTHORITY IN MAHONING AND
COLUMBIANA COUNTIES, OH AND BEAVER
COUNTY, PA

The Ohio and Pennsylvania Railroad ("O&P"), a Class III rail carrier, has filed a Verified Notice of Exemption to permit O&P to extend its existing lines through the acquisition by lease (with an option to purchase) from the Columbiana County Port Authority of approximately 36 miles of rail line between Youngstown, Ohio (MP 0.0) and Darlington, Pennsylvania (MP 35.7) in Mahoning and Columbiana Counties, Ohio and Beaver County, Pennsylvania. The lines in question presently are operated by the Central Columbiana & Pennsylvania Railway, Inc. ("CCPR"), which is under bankruptcy protection. Following the transaction, CPR no longer will operate trains on these lines.

Any comments on the subject transaction must be filed with the Board and served upon Kelvin J. Dowd, Slover & Loftus, 1224 Seventeenth Street, N.W., Washington, D.C. 20036.

This Notice is filed under 49 C.F.R. Part 1150.41, *et seq.* If the Notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. § 10502 (d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

VERIFICATION

STATE OF OHIO)
)
) SS: _____
COUNTY OF COSHOCTON)

WILLIAM A. STRAWN, being duly sworn, deposes and says that he is
PRESIDENT of The Ohio & Pennsylvania Railroad, that he has read the foregoing
Notice and knows the contents thereof, and that the same are true as stated to the best of
his knowledge, information and belief.


William A. Strawn

Sworn and subscribed before me
this 3 day of Decem, 2004


[Signature] Notary Public
My Commission Expires June 5, 2008
My Commission Expires June 5, 2008

Before the
SURFACE TRANSPORTATION BOARD

Docket No. FD 35316

**ALLIED ERECTING AND DISMANTLING, INC.
AND ALLIED INDUSTRIAL DEVELOPMENT CORPORATION
- PETITION FOR DECLARATORY ORDER -
RAIL EASEMENTS IN MAHONING COUNTY, OHIO**

REPLY OF RESPONDENTS

APPENDIX C

Eric M. Hocky
Thorp Reed & Armstrong, LLP
One Commerce Square
2005 Market Street, Suite 1000
Philadelphia, PA 19103
215-640-8500
ehocky@thorpreed.com

C. Scott Lanz
Thomas J. Lipka
Manchester, Bennett, Powers & Ullman
The Commerce Building, Atrium Level Two
Youngstown, Ohio 44503
330-743-1171
slanz@mbpu.com
tlipka@mbpu.com

Counsel for Respondents

February 22, 2011

APPENDIX C

ADDITIONAL INFORMATION

6. *Any other evidence in support of or against a Board finding of preemption under 49 U.S.C. § 10501(b) with respect to the segments and/or easements.*

PL&W obtained authority to acquire and operate lines of railroad including the Y&S Line between Youngstown and Darlington, PA, and the LE&E main line between milepost 0.0 and milepost 1.9 (the line later covered by the P&LE Easement), effective March 29, 1993. *See PL&W Railroad, Inc. – Acquisition and Operation Exemption – Youngstown and Southern Railway Company and Pittsburgh and Lake Erie Railroad Company*, ICC Finance Docket No. 32274 (served April 14, 1993) **Ex. C-1**.

Notice of Motion for Order Authorizing Debtor (P&LE) to sell the operating rights and residual common carrier authority held with respect to the P&LE Easement, to CCPA. **Ex. C-2**. Ex. B to the Motion is a letter from CCPA's counsel (now counsel to Allied) explaining that P&LE had "carefully retained the operating rights" over the line.

CCPA obtained authority from the STB to acquire the operating rights over the P&LE Easement with operation to be conducted by CCPR. *Columbiana County Port Authority – Acquisition of Operating rights and Common Carrier Obligation – Pittsburgh & Lake Erie Properties, Inc.*, STB Finance Docket No. 33880 (served June 26, 2000). STB Notice and CCPA Notice of Exemption attached as **Ex. C-3**. *Central Columbiana & Pennsylvania Railway, Inc. – Lease and operation Exemption – Columbiana County Port Authority*, STB Finance Docket No. 33818 (served December 23, 1999). **Ex. C-4**.

Eastern States acquired authority to acquire the CCPR lease and operating rights over the Y&S Line, and an assignment of the operating rights over the P&LE Easement, effective November 29, 2006. *Eastern States Railroad, LLC – Exemption for Purchase of Lease, Agreement to Acquire Leased Line, and Assignments of Operating Rights – Central Columbiana & Pennsylvania Railway, Inc and Columbiana County Port Authority*, STB Finance Docket No. 34934 (served December 21, 2006). STB Notice and Eastern States Notice of Exemption attached as **Ex. C-5**. YSRR obtained authority to lease and operate the lines. *Youngstown & Southeastern Railway Company – Lease and Operation Exemption – Lines of Eastern States Railroad, LLC*, STB Finance Docket No. 34962 (served December 21, 2006). **Ex. C-6**.

7. *Evidence in support of or against naming Summit View and GWI as respondents in this proceeding.*

Summit View obtained authority to control OHPA in June, 1995. *See Summit View Corporation – Continuance and Control Exemption – Ohio & Pennsylvania Railroad Company*, ICC Finance Docket No. 32712 (served June 14, 1995).

Summit View obtained authority to control MVRV effective June 1, 2001. *See Summit View, Inc. – Control Exemption – Mahoning Valley Railroad Company*, STB Finance Docket No. 34026 (served May 17, 2001).

GWI obtained authority to control of Summit View, and the 10 Class III railroads then controlled by Summit View, including MVRV and OHPA, effective January 29, 2009. *See Genesee & Wyoming Inc. – Control Exemption – Aliquippa & Ohio River Railroad Co., et al*, STB Finance Docket No. 35177 (served December 30, 2008).

C-1

FR-7035-01
DO

SERVICE DATE
APR 14 1993

INTERSTATE COMMERCE COMMISSION
NOTICE OF EXEMPTION

[Finance Docket No. 32274]

PL&W RAILROAD, INC.
--ACQUISITION AND OPERATION EXEMPTION--
YOUNGSTOWN AND SOUTHERN RAILWAY COMPANY AND
PITTSBURGH AND LAKE ERIE RAILROAD COMPANY

PL&W Railroad, Inc. (PL&W), a noncarrier, has filed a notice of exemption to acquire and operate 51.16 miles of certain rail lines owned by Youngstown and Southern Railway Company (Y&S) and Pittsburgh and Lake Erie Railroad Company (P&LE).¹ The lines involved include: (1) Y&S' main line between milepost 0.0 in the City of Youngstown, OH, and milepost 35.7 in the Township of Darlington, PA; (2) Y&S's Smith's Ferry Branch between milepost 0.0 at Negley, OH, and milepost 12.92 at Smith's Ferry, PA; (3) P&LE's Youngstown Branch between milepost 0.0 in the City of Youngstown, OH, and milepost 0.64 in the Village of Struthers, OH; and (4) the former LE&E main line of P&LE between milepost 0.0 and milepost 1.9 in the City of Youngstown, OH. The transaction was expected to be consummated after March 29, 1993, the effective date of the exemption.

Any comments must be filed with the Commission and served on: Richard R. Wilson, Vuono, Lavelle & Gray, 2310 Grant Building, Pittsburgh, PA 15219.

¹ PL&W expected to execute an Agreement to acquire the assets of Y&S and P&LE on or about March 25, 1993.

Hearing Date: Only if Objections/Bids received
Objections and/or Bids Due: 1/18/00 at 4:00 p.m.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

IN RE:

PITTSBURGH & LAKE ERIE
PROPERTIES, INC.,

Debtor.

:
:
:
:
:
:

Case No. 96-406 (MFW)
Chapter 11

NOTICE OF MOTION FOR AN ORDER AUTHORIZING DEBTOR TO SELL
CERTAIN OPERATING RIGHTS AND TO TRANSFER RESIDUAL COMMON
CARRIER OBLIGATIONS (THE "PROPERTY") PURSUANT TO 11 U.S.C. § 363

PLEASE TAKE NOTICE that On December 29, 1999, Pittsburgh & Lake Erie Properties, Inc., Debtor-in-Possession ("Debtor") filed a Motion for an Order Authorizing Debtor To Sell Certain Operating Rights and to Transfer Residual Common Carrier Obligation (the "Property") Pursuant to 11 U.S.C. § 363 (the "Motion"), a copy of which may be obtained from the undersigned if not enclosed herewith.

Your rights may be affected. You should read these papers carefully and discuss them with your attorney, if you have one in this bankruptcy case. (If you do not have an attorney, you may wish to consult one.)

PLEASE TAKE NOTICE objections to the sale must be in writing and must be filed with the U.S. Bankruptcy Court so as to be filed and received by the undersigned counsel no later than January 18, 2000 at 4:00 p.m.

PLEASE TAKE FURTHER NOTICE that the property subject to the Motion and the proposed terms of sale are set forth below:

PROPERTY: All interests, including any easement rights, the Operating Rights and Residual Common Carrier Obligations in the entire line between survey station 109± and 125± along Struthers and Youngstown, Ohio.

TERMS: Price of \$5,000 payable in cash, subject to the terms and conditions of the Letter Agreement, attached to the Motion (the "Agreement").

BUYERS: Columbiana County Port Authority (the "Buyer")

CLOSING: As soon as possible after approval by the U.S. Bankruptcy Court and the Surface Transportation Board.

PLEASE TAKE FURTHER NOTICE that parties interested in submitting a competing bid for the property must comply with the following procedures (the "Bid Procedures"):

- a. Written bids a minimum amount of \$1,000 greater than the Purchase Price, on terms reasonably similar to the Letter Agreement (including an all-cash purchase price), will be accepted by the Debtor's undersigned counsel until expiration of the deadline to object to the proposed sale;
- b. All bids must be accompanied by a \$2,000 deposit (certified check or wire transfer of immediately available funds). Such funds will be returned to the unsuccessful bidders and held as a deposit from the successful bidder, if any;
- c. Reasonable access will be granted to enable interested bidders to perform reasonable due diligence with respect to the Property;
- d. All bidders will be deemed to have consented to their bids being admitted into evidence and to review by the Court; and
- e. Prior to the date fixed for the Court's consideration of the proposed sale order, the Debtor will file an affidavit with the Court with copies to the Purchaser, the bidders, if any, and the Office of the United States Trustee setting forth the highest or best offer for the Property and the party to whom the Debtor intends to sell the Property.

PHILLIPS, GOLDMAN & SPENCE, P.A.



STEPHEN W. SPENCE, ESQUIRE (#2033)

KATHLEEN P. MAKOWSKI (#3648)

1200 North Broom Street

Wilmington, DE 19806

(302) 655-4200

(302) 655-4210 (fax)

Attorneys for the Debtor and Debtor-in-Possession

Dated: December 29, 1999

Hearing Date: To Be Determined
Objections/Bids Due: 1/18/00 at 4:00 p.m.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

IN RE:

PITTSBURGH & LAKE ERIE
PROPERTIES, INC.,

Debtor.

Case No. 96-406 (MFW)

Chapter 11

MOTION FOR AN ORDER AUTHORIZING DEBTOR TO SELL CERTAIN
OPERATING RIGHTS AND TO TRANSFER RESIDUAL COMMON
CARRIER OBLIGATIONS (THE "PROPERTY") PURSUANT TO 11 U.S.C. § 363

Pittsburgh & Lake Erie Properties, Inc., debtor and debtor-in-possession ("Debtor"), by and through its undersigned counsel, moves this Honorable Court for an order pursuant to 11 U.S.C. §§ 363 authorizing the Debtor to Sell Certain Operating Rights and to Transfer Residual Common Carrier Obligations (the "Property") as described in Exhibit "B" attached hereto Pursuant to 11 U.S.C. § 363 (the "Motion"). In support of this Motion, the Debtor respectfully represents as follows:

Background

1. On March 22, 1996, (the "Petition Date"), the Debtor filed its voluntary petition for relief under Chapter 11 of the Code. Since the Petition Date, the Debtor has remained in possession of its assets and has continued to operate and manage its business as a debtor-in-possession pursuant to Sections 1107 and 1108 of the Code.
2. No official committee, trustee or examiner has been appointed in this case.
3. This Court has jurisdiction over the subject matter of this motion pursuant to 28 U.S.C. §§ 157 and 1334. The statutory predicates for relief are 11 U.S.C. §§105(a) and 363.

Venue is proper in this district pursuant to 28 U.S.C. §§ 1408 and 1409. The subject matter of this motion is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

4. The Debtor is a Delaware corporation headquartered in Pittsburgh, Pennsylvania. The Debtor's predecessor was the Pittsburgh and Lake Erie Railroad Company (the "Railroad"). The Railroad was founded over 100 years ago, and for much of its existence operated without a losing year. In the 1970's and 1980's, however, the Railroad invested heavily in new rolling stock, not long before the collapse of Pittsburgh's steel industry decimated the market for the type of rail hauling the Railroad depended upon. The effects of rail deregulation under the Staggers Act compounded the Railroad's decline.

5. The persistent downturn in rail usage and labor problems ultimately forced the Railroad to exit the railroad business. This was accomplished through a series of transactions closed in 1991 and 1992 in which the Railroad sold its track and rail operations to CSX Corporation. To reflect its total cessation of business as a railroad under Interstate Commerce Commission (the "ICC", succeeded by the Surface Transportation Board) regulations and the Interstate Commerce Act, the Railroad changed its name to Pittsburgh & Lake Erie Properties, Inc. on July 2, 1993.

6. The Debtor's business operations are currently limited to managing and arranging for the orderly disposition of its real and personal property holdings. Its remaining real estate consists of various parcels of heavy industrial and commercial property in western Pennsylvania and Ohio.

**Description of Operating Rights and Residual Common
Carrier Obligations and the Agreement**

7. The property which comprises the Operating Rights and Residual Common Carrier Obligations was created when Pittsburgh & Lake Erie Properties, Inc. an/or its predecessors or subsidiaries sold certain parcels of land and the physical assets attached thereto, apparently retaining the operating rights over less than three miles of track in the line between Struthers and Youngstown, Ohio. A copy of the original Reciprocal Easement Agreement dated June 3, 1992 is attached hereto as Exhibit "A". The Agreement to purchase those rights submitted by the Columbiana County Prot Authority ("Buyer") is attached hereto as Exhibit "B", and should be consulted for an understanding of all of its terms.

**The Proposed Sale Was Negotiated in Good Faith,
and Represents a Fair Price**

8. By this Motion, the Debtor seeks authority to sell the Property to the Buyers. The proposed sale of the Property represents the best transaction obtainable for this property.

9. Four tests must be satisfied for this Court to approve the sale requested herein under Section 363 of the Code: (i) the "sound business purpose" test, (ii) the requirement of a fair and reasonable price, (iii) the "good faith" test, and (iv) adequate notice. In re Lionel Corp., 722 F.2d 1063 (2d Cir. 1983) (setting forth the "sound business purpose" test); Abbotts Dairies of Pennsylvania, Inc., 788 F.2d 143 (3d Cir. 1986) (adopting the Lionel standard and adding the "good faith" requirement); and In re Delaware & Hudson Ry. Co., 124 B.R. 169 (D. Del. 1991) (adopting Lionel in this District).

**A Sound Business Purpose Exists
for the Sale of the Property**

10. The Debtor's proposed sale of the Property reflects a sound business purpose. The Debtor's current operations are focused solely on managing its properties and working to obtain sale transactions of such properties. The Debtor filed its chapter 11 liquidating plan on September 24, 1999 and this Court approved the First Amended Disclosure Statement on December 22, 1999.

11. The contingent responsibilities associated with the Property could represent a significant burden upon the Estate and as set out in the Agreement, an expedient sale of this property is in the best interest of this Estate. In the exercise of the Debtor's reasoned business judgment, the proposed transaction is the best available alternative.

12. The Debtor firmly believes that the consideration to be paid by the Buyers reflects the highest and best offer obtainable.

13. The sale price has also been established as reasonable by the Debtor. The Debtor firmly believes that it would be difficult and highly unlikely to obtain a higher sales price for the purchase of the Property than that being offered. However, the Debtor will give interested parties an opportunity to submit "higher and better" offers in its form of notice of this Motion. The notice of this Motion being mailed to all parties in interest provides that the Debtor will accept "higher and better offers" up to and including the objection deadline to this Motion, subject to certain bid procedures (the "Bid Procedures").

**The Transaction Has Been
Negotiated In Good Faith**

14. The Debtor submits that the Agreement between the Buyers and the Debtor reflects a transaction negotiated at arms' length.

15. The Buyers are neither "affiliates" nor "insiders" of the Debtor under Section 101 of the Code. The Buyers are purchasing the Property in good faith, pursuant to which they are entitled to the protections of Section 363(m) of the Code. Accordingly, the Debtor requests that any order granted upon this Motion provide that the non-finality of the order shall not be a basis for delaying closing upon the Property.

Notice is Sufficient for the Requested Sale

16. The Debtor has given over 20 days' notice of this Sale Motion to all creditors, the United States Trustee, all persons claiming an interest in the Property, and all persons requesting notice pursuant to Fed. R. Bankr. P. 2002. All interested parties have therefore been given proper notice of the proposed sale and of the objection deadline.

**Sale Free and Clear Of All Liens,
Encumbrances, Claims And Interests Is Justified**

17. Under the Agreement, the Debtor wishes to provide the Buyers with clear title to the Property free and clear of liens, encumbrances, claims and interests. Accordingly, the Debtor further requests an order authorizing it to consummate the sale to the Buyers free and clear of all liens, encumbrances, claims and interests, with all liens, encumbrances, claims and interests attaching to the proceeds after selling expenses in the order of their priority under non-bankruptcy law.

18. For this Court to enter an order authorizing the sale of the Property free and clear of liens, encumbrances, interests or claims asserted by any particular person, one of the following conditions must be satisfied:

- (1) applicable non-bankruptcy law permits sale of such property free and clear of such interests;

(2) such entity consents;

(3) such interest is a lien and a price at which such property is to be sold is greater than the aggregate value of all liens on such property; or

(4) such entity could be compelled, in a legal or equitable proceeding, to accept a money satisfaction of such interest.

11 U.S.C. § 363(f). This sale satisfies Section 363(f)(1), (f)(2) and accordingly, section 363(f) is satisfied.

**The Debtor's Pre-Petition Creditors
Asserting Interests In the Property**

19. The Debtor is party to a Master Agreement Regarding the Restructuring of the Obligations of the Pittsburgh and Lake Erie Railroad Company (the "Restructuring Agreement"), dated as of May 1, 1985. The Restructuring Agreement, as amended from time to time, has been in effect through the Petition Date.

20. As is more fully set forth in the Final Order Providing for Use of Cash Collateral and Providing Adequate Protection (the "Cash Collateral Order"), entered by this Court on May 3, 1996 (Docket No. 27), the Restructuring Agreement of May 1, 1985 was entered into by the Debtor, Shawmut Bank, N.A. (whose successor is State Street Bank and Trust Company, which succeeded Fleet Bank, the "Security Trustee") and certain secured lenders and certain other parties. The secured lenders, as specified more particularly in the Restructuring Agreement, are referred to as the "Secured Lenders". The Restructuring Agreement, and all related documents establishing the rights and interests of the Security Trustee and the Secured Lenders (collectively, the "Loan Documents"), evidence the Debtor's pre-petition obligations to the Secured Lenders. The Debtor's

obligations set forth in the Loan Documents represent all of the Debtor's consensual secured debt on the Petition Date.

21. As of the Petition Date, the aggregate principal amount of the Pre-Petition Obligations was approximately \$21,076,606.77, plus accrued and unpaid interest as of the Petition Date, plus the reasonable costs and fees of the Security Trustee and the Secured Lenders due pursuant to the Loan Documents. The total claim of the Security Trustee on the Petition Date was \$67,157,356.00.

22. The Security Trustee and the Secured Lenders have valid, duly perfected, unavoidable liens upon and security interests in substantially all of the Debtor's real and personal property and in all proceeds and products thereof (collectively, the "Collateral"). The Security Trustee's consent has been requested and it is expected that it will be given.

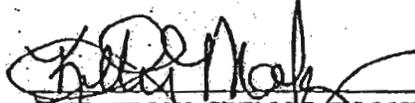
23. The Court has approved the Debtor's Disclosure Statement and has set a date by which the voting on its Plan of Liquidation (the "Plan") will take place. The Plan provides for prompt payment in full of all allowed administrative and allowed secured claims and some portion of allowed unsecured claims against the estate. However, the relief requested herein cannot await a plan, as more prompt relief is necessary.

24. No previous request for the relief requested herein has been made to the Court.

WHEREFORE, the Debtor respectfully requests that this Court enter an order authorizing the sale of the Operating Rights and transfer of any Residual Common Carrier Obligations free and clear of all liens, encumbrances, claims and interests, with all liens,

encumbrances, claims and interests attaching to the proceeds in order of their priority under and granting such other and further relief as is just and proper.

PHILLIPS, GOLDMAN & SPENCE, P.A.



STEPHEN W. SPENCE, ESQUIRE (#2033)

KATHLEEN P. MAKOWSKI (#3648)

1200 North Broom Street

Wilmington, DE 19806

(302) 655-4200

(302) 655-4210 (fax)

Attorneys for the Debtor and Debtor-in-Possession

DATED: December 29, 1999

RECIPROCAL EASEMENT AGREEMENT

THIS RECIPROCAL EASEMENT AGREEMENT, made this 3rd day of June, 1992, between THE PITTSBURGH AND LAKE ERIE RAILROAD COMPANY, a corporation organized and existing under the laws of the State of Delaware, successor in interest by merger to The Lake Erie and Eastern Railroad Company, having its principal office in the City of Pittsburgh, County of Allegheny and Commonwealth of Pennsylvania, hereinafter referred to as P&LE.

AND

ALLIED ERECTING & DISMANTLING COMPANY, INC., a corporation organized and existing under the laws of the State of Ohio, with its principal office in the City of Youngstown, County of Mahoning and State of Ohio, hereinafter referred to as ALLIED.

WITNESSETH:

WHEREAS, the parties hereto have agreed that P&LE will convey to ALLIED an easement for access over P&LE property to make truck and rail movements, for installation of additional track; and for the acquisition of track; and

WHEREAS, the parties hereto have also agreed that ALLIED will reserve to P&LE an easement for the location of P&LE'S 12-foot roadway and tracks; and

WHEREAS, P&LE and ALLIED have provided for the terms of such easement in an Agreement of Sale, dated February 19, 1992;

EXHIBIT
A

NOW THEREFORE, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, P&LE does hereby grant and convey to ALLIED a permanent easement over its property between survey station 109± and 125± for ALLIED to make truck and rail movements between Parcels 1 and 2, as described in deed of conveyance dated June 3, 1992 subject to the approval of P&LE's Chief Engineer. P&LE also grants an additional easement for the installation of track between Survey Station 77+00± and Survey Station 70±00± and an easement for the track being acquired by ALLIED between Survey Station 109± and Survey Station 120+50±, as approved by P&LE's Chief Engineer, as shown in color green on the plan dated February 2, 1992, attached hereto and made a part hereof, said easement to continue so long as the track is in use;

FURTHERMORE, ALLIED shall be responsible for maintaining, repairing or replacing the grade crossing which provides access from the Property to Poland Avenue, located at Survey Station 122+80±, at its sole expense. Prior to any work being performed on said crossing, all plans shall be submitted to P&LE's Chief Engineer for approval and coordination of scheduling of such work;

AND, FURTHER, in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration, ALLIED does hereby grant and convey to P&LE a permanent easement for the location of a 12-foot right of way for road purposes for ingress and regress to its line of railroad, the aforesaid grade crossing, and access to Poland Avenue, and two easements for P&LE tracks between Survey Station 77±00± and Survey Station 84±00±, as more particularly

shown on print of plan attached hereto; provided, however, if ALLIED should need to relocate said right of way, it shall provide, at its sole expense, a suitable alternative right of way. ALLIED may remove, grade or fill the existing track between Survey Station 84± to Survey Station 125± on the Property to allow the establishment of the said road. Said right of way shall comply with all applicable Ohio Public Utility Commission regulations.

IN WITNESS WHEREFORE, P&LE and ALLIED have executed this instrument by their duly authorized officers, as of the day and year first above written.

ATTEST:

THE PITTSBURGH AND LAKE ERIE RAILROAD COMPANY

Edward Yurcon
Secretary G. Edward Yurcon

By Gordon E. Neuenschwander
President Gordon E. Neuenschwander

ATTEST:

ALLIED ERECTING & DISMANTLING COMPANY, INC.

Louise V. Ramun
Secretary Louise V. Ramun

By John R. Ramun
President John R. Ramun

Allied Erecting & Dismantling Co., Inc.
WITNESSES:

The Pittsburgh & Lake Erie Railroad Co.
WITNESSES:

Charles E. [Signature]

Don [Signature]

BARNES & THORNBURG

Freddie Tower
Suite 500
1401 Eye Street, N.W.
Washington, D.C. 20005 U.S.A.
(202) 289-1313
Fax (202) 289-1330

<http://www.btlaw.com>

December 13, 1999

John Hartman, Trustee
Pittsburgh & Lake Erie Properties, Inc.
49 Pius Street
Pittsburgh, PA 15203

Re: Sale of Operating Rights and Residual Common Carrier Obligation

Dear Mr. Hartman:

On Friday afternoon, the Ohio Rail Development Commission voted to assist the Columbiana County Port Authority ("Port Authority") in acquiring the line of the former Youngstown & Southern Railroad Company from its current owner, Rail Venture, Inc. As we discussed, the Port Authority has already filed an Offer of Financial Assistance with the Surface Transportation Board ("STB") in order to purchase the portion of the line between Youngstown, Ohio and Darlington, Pennsylvania.

The Commission's decision to assist the Port Authority is subject to certain conditions, including the acquisition of operating or trackage rights between Youngstown and Struthers, Ohio in order for the Port Authority's operator, the Central Columbiana & Pennsylvania Railway, Inc. ("CCPR"), to interchange with CSX and Norfolk Southern. It is understood that these operating rights will involve less than three miles of track.

As we have discussed and as reflected by the Easement Agreements dated September 17, 1993 and November 10, 1993, when Pittsburgh & Lake Erie Properties, Inc. and/or its corporate predecessors (collectively referred to as "P&LE") sold certain parcels of land and the physical assets attached thereto, it carefully retained the operating rights over the line in question. In order to preserve rail service over the line, Port Authority wishes to purchase all interests that have been retained by P&LE as a result of easement agreements or otherwise that impact this line.

On behalf of the Columbiana County Port Authority, I have been authorized to offer the sum of \$3,000.00 to acquire all interests, including the operating rights and the residual common carrier obligations, held by P&LE in the entire line between Struthers and Youngstown, Ohio. The sale of such rights would, of course, be subject to approval by both the Bankruptcy Court and the Surface Transportation Board. Because this transaction would relieve P&LE from any current or future obligation to provide rail service, while simultaneously protecting rail shippers on the line by ensuring that they will have an operator who is ready willing and able to provide rail service on their behalf,

Indianapolis

Fort Wayne

South Bend

Elkhart

Chicago

Washington, D.C.

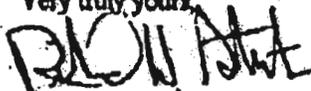


John Hartman, Trustee
December 13, 1999
Page 2

the bankruptcy estate will realize certain intangible benefits in addition to the financial consideration that is offered herewith. In short, the proposed transaction is in the interest of P&LE, as well as being consistent with the public interest.

It would be greatly appreciated if we could move forward as quickly as possible with obtaining the approval of the Bankruptcy Court for the transfer of the retained interests, including the operating rights and the residual common carrier obligation, to the Columbiana County Port Authority. If you have any questions concerning the foregoing, please give me a call.

Very truly yours,



Richard H. Streeter

RHS:js

cc: Tracy Draka, Esq.
Keith O'Brien, Esq.
Tim Robbins

BARNES & THORNBURG

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

IN RE:

PITTSBURGH & LAKE ERIE
PROPERTIES, INC.,

Debtor.

:
:
:
:
:
:

Case No. 96-406 (MFW)

Chapter 11

ORDER AUTHORIZING DEBTOR TO SELL CERTAIN OPERATING
RIGHTS AND TO TRANSFER RESIDUAL COMMON CARRIER OBLIGATIONS
(THE "PROPERTY") PURSUANT TO 11 U.S.C. § 363

Upon consideration of Debtor's Motion for an Order Authorizing Debtor to Sell Certain Operating Rights and to Transfer Residual Common Carrier Obligations (the "Property") Pursuant to 11 U.S.C. § 363 filed on December 29, 1999, and it appearing that notice of the Motion was given to the United States Trustee, all creditors, all persons claiming an interest in the Property, and all parties requesting notice under Rule 2002, and that no other notice need be given; and it appearing that: (1) the proposed sale reflects a valid exercise of Debtor's sound business judgment; and (2) the purchaser, Columbiana County Port Authority ("Buyer") have agreed to pay a fair and reasonable price and is purchasing the Property in good faith; and it appearing therefore that sufficient cause exists for granting the relief requested; and upon the record herein, it is hereby

ORDERED, that the Motion is GRANTED; and it is further

ORDERED, that the Debtor is authorized to sell the Property in accordance with the terms of the Letter Agreement of Sale and Purchase, attached as Exhibit B to the Motion (the "Agreement"), which property is identified as follows:

All interests, including any easement rights, the Operating Rights and Residual Common Carrier Obligations in the entire line between survey station 109+ and 125+ along Struthers and Youngstown, Ohio.

and it is further

ORDERED, that the Buyer is entitled to the protection of 11 U.S.C. § 363(m), such that the non-finality of this Order is not sufficient cause to delay closing on the sale of the Property; and it is further

ORDERED, that the sale of the Property shall be free and clear of all liens, encumbrances, interests and claims, with all liens, encumbrances, interests and claims attaching to the proceeds of such sale in the order of their priority after deduction of sales costs ordinarily payable upon closing of title upon a property of this type (the "Selling Expenses"); and it is further

ORDERED, that the Buyers may record a certified copy of this Order in the land records for the county wherein any of the property to be sold may be located.

THE HONORABLE MARY F. WALRATH
U.S. Bankruptcy court Judge

DATED: _____

C-3

31091

SERVICE DATE - JUNE 26, 2000

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33880]

Columbiana County Port Authority--Acquisition Exemption--Certain Rail Assets of
Pittsburgh & Lake Erie Properties, Inc., in Mahoning County, OH

Columbiana County Port Authority (CCPA) has filed a verified notice of exemption under 49 CFR 1150.31 to acquire certain rail assets from the bankruptcy estate of Pittsburgh & Lake Erie Properties, Inc. (P&LEP), including certain easement rights between survey stations 46+00 and 146+00 between Struthers and Youngstown, OH.

This line of railroad was previously owned by predecessors-in-interest of P&LEP and were sold to various entities, subject to easements, which, according to CCPA, allowed P&LEP to assign the operation of the line to other parties, subject to regulatory approval.¹ This transaction is related to STB Docket No. AB-556 (Sub-No. 2X), Railroad Ventures, Inc.--Abandonment Exemption--Between Youngstown, OH, and Darlington, PA, in Mahoning and Columbiana Counties, OH, and Beaver County, PA, in which

¹ In issuing this notice, the Board is making no ruling on the property or contractual rights of the parties. Therefore, by invoking the class exemption, CCPA has Board permission to acquire these assets to the extent that it has been able, or will be able, legally to obtain the property rights. See Central Columbiana & Pennsylvania Railway, Inc.--Lease and Operation Exemption--Columbiana County Port Authority, STB Finance Docket No. 33818 (STB served Dec. 23, 1999) in which Central Columbiana & Pennsylvania Railway, Inc. (CCPR), was authorized to operate over this 3-mile segment and over a 35.7-mile line segment between Darlington, PA, and Youngstown, OH, to be purchased by CCPA.

CCPA has made an offer of financial assistance to purchase the 35.7-mile line of railroad owned by Railroad Ventures, Inc., between Darlington and Youngstown. By entering into an interchange agreement with The Ohio & Pennsylvania Railroad Company, CCPR will be able to operate from Darlington to the point of interchange with CSX Transportation, Inc., at milepost -3.0 at or near Struthers, and with Norfolk Southern Railway Company at milepost -1.5 at Haselton Yard.

While CCPA states that consummation of the transaction occurred on April 19, 2000, the exemption that provided the regulatory approval for the transaction did not become effective until June 8, 2000, seven days after the filing of the verified notice of exemption.

If the notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke does not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33880, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, one copy of each pleading must be served on Richard H. Streeter, Barnes & Thornburgh, Suite 500, 1401 Eye Street, N.W., Washington, DC 20005.

Board decisions and notices are available on our website at
“WWW.STB.DOT.GOV.”

STB Finance Docket No. 33880

Decided: June 19, 2000.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary

SURFACE TRANSPORTATION BOARD

Notice of Exemption

FINANCE DOCKET NO. FD 33880

COLUMBIANA COUNTY PORT AUTHORITY - ACQUISITION OF OPERATING RIGHTS AND COMMON CARRIER OBLIGATION - PITTSBURGH & LAKE ERIE PROPERTIES, INC. BETWEEN YOUNGSTOWN, OHIO AND STRUTHERS, OHIO IN MAHONING COUNTY, OHIO

Columbiana County Port Authority ("CCPA") has filed a notice of exemption to acquire the operating rights and common carrier obligation from Pittsburgh & Lake Erie Properties, Inc. between Youngstown, Ohio and Struthers, Ohio. Operations over the line will be conducted by Central Columbiana & Pennsylvania Railway, Inc. Comments must be filed with the Board and served on Richard H. Streeter, Barnes & Thornburg, Suite 500, 1401 Eye St., N.W., Washington, D.C. 20005. (202) 408-6933.

The notice is filed under § 1150.31. If the notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. 10505(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

RECEIVED
Office of the Secretary

Office of the Secretary

JUN 01 2000

Public Record

Public Record

FILED

JUN 01 2000

SURFACE TRANSPORTATION BOARD

FOR MORE INFO

SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO.

COLUMBIANA COUNTY PORT AUTHORITY - ACQUISITION OF OPERATING AUTHORITY AND COMMON CARRIER OBLIGATION FROM PITTSBURGH & LAKE ERIE PROPERTIES, INC. OVER LINE OF RAILROAD BETWEEN YOUNGSTOWN, OHIO AND STRUTHERS, OHIO, IN MAHONING COUNTY, OH

VERIFIED NOTICE OF EXEMPTION
PURSUANT TO 49 C.F.R. SECTION 1150.31

INFORMATION REQUIRED BY 49 C.F.R. SECTION 1150.33

(a) The full name and address of the applicant:

Columbiana County Port Authority
1250 St. George Street
East Liverpool, Ohio 43920

(b) The name, address, and telephone number of the representative of the applicant who should receive correspondence:

Richard H. Streeter
Barnes & Thornburg
1401 Eye Street, N.W.
Suite 500
Washington, D.C. 20005
(202) 408-6933

(c) A statement that an agreement has been reached or details about when an agreement will be reached:

The Columbiana County Port Authority ("CCPA") has entered into an Agreement with Pittsburgh & Lake Erie Properties, Inc. ("P&LEP"), formerly known as the Pittsburgh and Lake Erie Railroad Company, to acquire the operating rights and residual common carrier obligation over the line of railroad between Youngstown and Struthers, Ohio. That line was formerly owned and operated by the predecessors-in-interest of P&LEP. Although the right-of-way between Youngstown and Struthers was previously sold to various entities, the sales were subject to easements which

authorize P&LEP to assign the operation of the line subject to approval by the Interstate Commerce Commission, the predecessor-in-interest to the Surface Transportation Board. Said easements shall expire only when authority is obtained to abandon the line and railroad operations over it. As of this date, no such abandonment authorization has ever been granted.

Because P&LEP is currently in bankruptcy, it was necessary to obtain the approval of the United States Bankruptcy Court for the District of Delaware. On March 28, 2000, the Bankruptcy Court entered its "Revised Order Authorizing Debtor To Sell Certain Operating Rights And To Transfer Residual Common Carrier Obligations (The "Property") Pursuant To 11 U.S.C. § 303." A true copy of the Bankruptcy Court's Revised Order is attached hereto. By its Revised Order the Bankruptcy Court has authorized CCPA to acquire "all interests, including any easement rights, the Operating Rights and Residual Common Carrier Obligations in the entire line between survey station 46+00 and 146+00 along Struthers and Youngstown, Ohio."

This transaction is related to the CCPA's Office of Financial Assistance ("OFA") to purchase the line of railroad extending between Youngstown, Ohio and Darlington, Pennsylvania from its owner, Railroad Ventures, Inc. ("RVI"), in STB Docket No. AB-556 (Sub-No. 2X), *Railroad Ventures, Inc. - Abandonment Exception-Between Youngstown, OH, and Darlington, PA, in Mahoning and Columbiana Counties, OH, and Beaver County, PA.*

The line in question is the historical route of the former Youngstown & Southern Railway. By entering into an interchange access agreement with OI/PA, which appears to own a small segment of the track, the operator for CCPA will be able to operate over the full extent of the tracks from Darlington, Pa. to the point of interchange with CSX at milepost -3.0 at or near Struthers, Ohio (the former P&LE Gateway Yard) and with Norfolk Southern ("NS") at milepost -1.5 at Haselton Yard.

Access to the facilities of CSX and NS is essential to the overall transaction. Without such access, operations over the line between Darlington, PA and Youngstown, Ohio would be hindered.

(d) The operator of the property:

CCPA and Central Columbianna & Pennsylvania Railway, Inc. ("CCPR") have reached an agreement whereby CCPR has agreed to lease, maintain and operate the line and thereby provide rail service for shippers on the line. It has also been agreed that CCPR will commence operations on the line at the earliest possible opportunity after it has been acquired by CCPA. Such operations over the line will be performed by CCPR pursuant to authority previously granted by the Board in F.D. No. 33818, *Central Columbianna & Pennsylvania Railway, Inc.-Lease and Operation Exemption-Columbianna County Port Authority*, served December 23, 1999.

(e) A brief summary of the proposed transaction, including:

- (1) The name and address of the railroad transferring the subject property,
- (2) The proposed time schedule for consummation of the transaction,
- (3) The mile-posts of the subject property, including any branch lines, and
- (4) The total route miles being acquired.

The instant transaction involves the purchase of the operating rights and the residual common carrier obligation over the track in question from the bankruptcy estate of Pittsburgh & Lake Erie Properties, Inc., whose address is 49 Pitt Street, Pittsburgh, PA 15203. That sale has been approved by the United States Bankruptcy Court for the District of Delaware in Case No. 96-406(MFW), *In Re: Pittsburgh & Lake Erie Properties, Inc.* Full payment for such rights was forwarded on April 19, 2000 to P&LEP, thereby consummating the transaction.

As reflected by the Order entered by the Bankruptcy Court, the sale includes all interests, including any easement rights, the Operating Rights and Residual Common Carrier Obligations in the entire line between survey station 46+00 and 146+00 along Struthers and Youngstown, Ohio. The mileposts and exact mileage are not known. CCPR will enter into an interchange access agreement with respect to the track that is owned by OHPA in order to interchange directly with CSX at milepost -3.0 at or near Struthers, Ohio (the former PL&E Gateway Yard) and with Norfolk Southern at milepost -1.5 at Haselton Yard. All of the line is located in Mahoning County, Ohio.

(f) A map that clearly indicates the areas to be served, including origins, termini, stations, cities, counties, and States.

See attached.

(g) A certificate that applicant's projected revenues do not exceed those that would qualify it as a Class III carrier.

CCPR hereby certifies that its projected revenues do not exceed those that would qualify it as a Class III carrier.

A caption summary as required by 49 C.F.R. § 1150.34 is filed herewith.

Respectfully submitted,

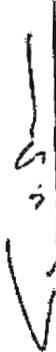
Richard H. Sirecter

Richard H. Sirecter
BARNES & THORNBERG
1401 Eye Street, N.W., Suite 500
Washington, D.C. 20005
(202) 408-6933

Dated: May 26, 2000

VERIFICATION

I, Tracy V. Drake, Executive Director, Columbiana County Port Authority, verify under penalty of perjury that the information contained in the foregoing Verified Notice of Exemption is true and correct to the best of my knowledge, information and belief. I further certify that I am qualified and authorized to file this Verified Notice of Exemption.



Tracy V. Drake
Executive Director
Columbiana County Port Authority

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

IN RE: :
: :
PITTSBURGH & LAKE ERIE : : Case No. 96-406 (MFW)
PROPERTIES, INC., : : Chapter 11
Debtor. : :

**REVISED ORDER AUTHORIZING DEBTOR TO SELL CERTAIN
OPERATING RIGHTS AND TO TRANSFER RESIDUAL COMMON
CARRIER OBLIGATIONS (THE "PROPERTY") PURSUANT TO 11 U.S.C. § 363**

Upon consideration of Debtor's Motion for an Order Authorizing Debtor to Sell Certain Operating Rights and to Transfer Residual Common Carrier Obligations (the "Property") Pursuant to 11 U.S.C. § 363 filed on March 24, 2000, and in appearing that notice of the Motion was given to the United States Trustee, all creditors, all persons claiming an interest in the Property, and all parties requesting notice under Rule 2002, and that no other notice need be given, and it appearing that: (1) the proposed sale reflects a valid exercise of Debtor's sound business judgment; and (2) the purchaser, Columbus County Part Authority ("Buyer") have agreed to pay a fair and reasonable price and is purchasing the Property in good faith; and it appearing therefore that sufficient cause exists for granting the relief requested; and upon the record herein, it is hereby

ORDERED, that the Motion is GRANTED; and it is further

ORDERED, that the Debtor is authorized to sell the Property in accordance with the terms of the Letter Agreement of Sale and Purchase, attached as Exhibit B to the Motion (the "Agreement"), which property is identified as follows:

All interests, including any easement rights, the Operating Rights and Residual Common Carrier Obligations in the entire line between survey station 46+00 and 46+00 along Struthers and Youngstown, Ohio.

and it is further

ORDERED, that the Buyer is entitled to the protection of 11 U.S.C. § 363(m), such that the non-finality of this Order is not sufficient cause to delay closing on the sale of the Property;

and it is further

ORDERED, that the sale of the Property shall be free and clear of all liens, encumbrances, interests and claims, with all liens, encumbrances, interests and claims attaching to the proceeds of such sale in the order of their priority after deduction of sales costs and jointly payable upon closing of title upon a property of this type (the "Selling Expenses"); and it is further

ORDERED, that the Buyers may record a certified copy of this Order in the land records for the county wherein any of the property to be sold may be located.


THE HONORABLE MARY F. WALRATH
U.S. Bankruptcy Court Judge

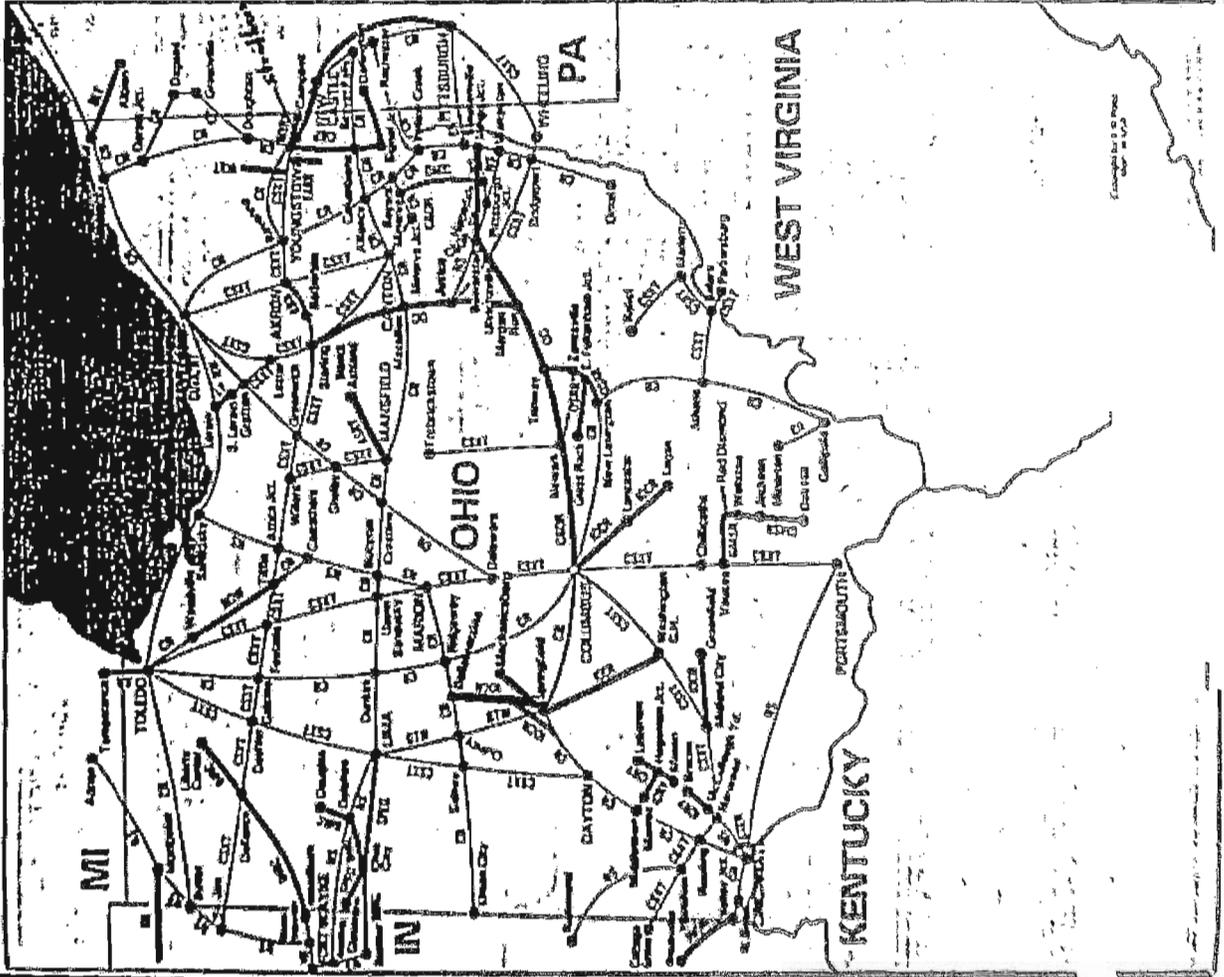
DATED: 2/23/00

Movant to send copies to all parties and file certificate of service with the court.

U.S. BANKRUPTCY COURT

OH
REGION 13
OH

REGION 13 OH



C-4

30629

SERVICE DATE - DECEMBER 23, 1999

DO

FR-4915-00-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 33818]

Central Columbiana & Pennsylvania Railway, Inc.--Lease and Operation Exemption--
Columbiana County Port Authority

Central Columbiana & Pennsylvania Railway, Inc. (CCPR), a noncarrier and wholly owned subsidiary of Arkansas Short Line Railroads, Inc. (ASR), has filed a notice of exemption under 49 CFR 1150.31 to lease and operate 35.7 miles of rail line from Columbiana County Port Authority (CCPA) extending from milepost 0.0 at or near Youngstown, OH, to milepost 35.7 at or near Darlington, PA.¹ CCPR states that a tentative agreement has been reached with OHPA that will allow CCPR to operate over the 35.7-mile line and the portion of the connecting 3-mile segment that is owned by OHPA. In order for CCPR to interchange with CSX Transportation, Inc., at milepost -3.0 at or near Struthers

¹ The Board, under 49 U.S.C. 10502, exempted from the prior approval requirements of 49 U.S.C. 10903, the abandonment by Railroad Ventures, Inc., of the 35.7-mile line and a connecting 1-mile line segment near Negley, OH, and the discontinuance of service over the line by The Ohio & Pennsylvania Railroad Company (OHPA). See Railroad Ventures, Inc.--Abandonment Exemption--Between Youngstown, OH, and Darlington, PA. in Mahoning and Columbiana Counties, OH, and Beaver County, PA, STB Docket No. AB-556 (Sub-No. 2X), et al. (STB served Sept. 3, 1999). On November 8, 1999, CCPA filed an offer of financial assistance (OFA) to purchase the entire line of railroad. This proceeding is currently pending. The OFA does not cover a connecting 3-mile line segment from milepost 0.0 to milepost -3.0 between Youngstown and Struthers, OH. Portions of this 3-mile segment are apparently owned separately by OHPA, Allied Erecting and Dismantling Company, Inc. (Allied Erecting), and Darlington Pipe Company, Inc./Matteson Equipment (Matteson).

STB Finance Docket No. 33818

and with Norfolk Southern Railway Company at milepost -1.5 at Haselton Yard, CCPR states that it hopes to take advantage of the existing easements whereby OHPA is operating over the portions of the line that it does not own. If it is unable to do so, CCPR will seek to negotiate agreements with other property owners² so that it will be able to perform railroad operations over the entire line of railroad.³

CCPR states that consummation of the transaction is contingent on the approval and acceptance of the OFA filed by CCPA to acquire the line and that CCPR has agreed to commence operations on the line at the earliest possible date after all approvals have been acquired and/or granted. The earliest date that the transaction could have been consummated was November 30, 1999, the effective date of the exemption.⁴

This transaction is related to STB Finance Docket No. 33817, Arkansas Short Line Railroads, Inc.--Continuance in Control Exemption--Central Columbiana & Pennsylvania Railway, Inc.; Dardanelle & Russellville Railroad, Inc.; and the Ouachita Railroad, wherein ASR seeks to continue in control of Dardanelle & Russellville, Inc., the Ouachita Railroad, and CCPR, upon CCPR's becoming a Class III railroad.

² CCPR states that Matteson has indicated a willingness to negotiate with CCPR and that CCPR will seek to negotiate an agreement with Allied Erecting in the near future.

³ In issuing this notice, the Board is making no ruling on the contractual rights of the parties. Therefore, by invoking the class exemption, CCPR has the right to perform common carrier service to the extent that it has or obtains the property rights to enable it to carry out the service.

⁴ Under 49 CFR 1150.32(b), notices of exemption become effective 7 days after being filed. Here, the effective date is calculated from November 23, 1999, when supplemental information was filed by CCPR.

STB Finance Docket No. 33818

If this notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke does not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 33818, must be filed with the Surface Transportation Board, Office of the Secretary, Case Control Unit, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Richard H. Streeter, 1401 Eye Street, N.W., Suite 500, Washington, DC 20005.

Board decisions and notices are available on our website at
"WWW.STB.DOT.GOV."

Decided: December 16, 1999.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams
Secretary

C-5

37583

SERVICE DATE – DECEMBER 21, 2006

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34934]

Eastern States Railroad, LLC—Acquisition Exemption—Central Columbiana & Pennsylvania Railway, Inc. and Columbiana County Port Authority

Eastern States Railroad, LLC (ESR), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to acquire the lease and operating rights to approximately 35.7 miles of rail line owned by the Columbiana County Port Authority (CCPA). The line extends between milepost 0.0 in Youngstown, OH, and milepost 35.7 in Darlington, PA. Currently, the Ohio & Pennsylvania Railroad Company (O&P) operates over this line pursuant to an interim operating agreement with the trustee of the line's former operator, the Central Columbiana & Pennsylvania Railway, Inc. (CCPR), which filed for bankruptcy in the U.S. Bankruptcy Court for the Eastern District of Arkansas.¹ O&P received interim operating authority from the Board in The Ohio and Pennsylvania Railroad—Acquisition and Operation Exemption—Rail Lines of Columbiana County Port Authority in Mahoning and Columbiana Counties, OH, and Beaver County, PA, STB Finance Docket No. 34632 (STB served Dec. 21, 2004).

According to ESR, O&P's interim operating agreement will terminate, pursuant to an order of the bankruptcy court, upon the effective date of this notice. According to ESR,

¹ U.S. Bankruptcy Court for the Eastern District of Arkansas, Case No. 04-BK-16887T.

the bankruptcy court has authorized CCPR, through CCPR's trustee, to assign its lease and operating rights to ESR.

ESR also seeks to receive permanent assignment of CCPA's and CCPR's operating rights to approximately 3 miles of track running east of milepost 0.0. ESR claims that this acquisition will, in combination with other rights that ESR has obtained, facilitate interchange with Norfolk Southern Railway Company and CSX Transportation, Inc.

According to ESR, it has entered into an interim operating agreement with the trustee of CCPR for interim assignment of operating rights on all the lines described herein, pending the closing of its acquisition of the lease and operating rights, so that ESR may commence operations.

ESR certifies that its projected annual revenues as a result of the transaction will not exceed \$5 million. The transaction was scheduled to be consummated on November 29, 2006, the effective date of the exemption (7 days after the exemption was filed).

This transaction is related to two concurrently filed verified notices of exemption: STB Finance Docket No. 34962, Youngstown & Southeastern Railway Company—Lease and Operation Exemption—Lines of Eastern States Railroad, LLC, wherein Youngstown & Southeastern Railway Company (Y&S) seeks to sublease and/or operate the 38.7 miles of line being acquired by ESR in this docket; and STB Finance Docket No. 34961, Indiana Boxcar Corporation—Continuance in Control Exemption—Youngstown &

STB Finance Docket No. 34934

Southeastern Railway Company, wherein Indiana Boxcar Corporation seeks an exemption for continuance in control once Y&S is granted common carrier authority.

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34934, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on Myles L. Tobin, Fletcher & Sippel, LLC, 29 North Wacker Drive, Suite 920, Chicago, IL 60606-2832.

Board decisions and notices are available on our website at
“WWW.STB.DOT.GOV.”

Decided: December 14, 2006.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary

218124

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832

Phone: (312) 252-1500
Fax: (312) 252-2400
www.fletcher-sippel.com

MYLES L. TOBIN
(312) 252-1502
mtobin@fletcher-sippel.com

November 21, 2006

VIA FEDERAL EXPRESS

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W., Room 700
Washington, DC 20006

FEE RECEIVED

NOV 22 2006

**SURFACE
TRANSPORTATION BOARD**



Re: **Finance Docket No. 34934
Eastern States Railroad, LLC—Exemption for Purchase of Lease,
Agreement to Acquire the Leased Line, and Assignments of Operating
Rights—Central Columbiana & Pennsylvania Railway, Inc. and
Columbiana County Port Authority**

Dear Secretary Williams:

Enclosed for filing in the above-captioned proceeding are an original and ten copies of the **Verified Notice of Exemption of Eastern States Railroad, LLC pursuant to 49 C.F.R. § 1150.31**, dated November 21, 2006. A check in the amount of \$1,500, representing the appropriate fee for this filing, and a computer diskette containing the text of the Notice and the *Federal Register* caption summary in MS Word 2000 format are attached.

One extra copy of the Notice and this letter also are enclosed. I would request that you date-stamp those items to show receipt of this filing and return them to me in the provided envelope.

If you have any questions regarding this filing, please feel free to contact me. Thank you for your assistance on this matter.

Respectfully submitted,

Myles L. Tobin
Myles L. Tobin

Attorney for Eastern States Railroad, LLC

Enclosures.

- cc: Mr. Richard L. Cox
- Mr. Todd Pickard
- Mr. John Heffner
- Mr. Tracy Drake
- Mr. Harry A. Light

FILED
NOV 22 2006
**SURFACE
TRANSPORTATION BOARD**

ENTERED
Office of Proceedings
NOV 22 2006
Part of
Public Record

FLETCHER & SIPPEL LLC

Mr. James F. Dowden

Mr. James E. Smith

Mr. Lance R. Miller

Mr. Geoffrey B. Treece

Allied Erecting and Dismantling Company, Inc.

Matteson Equipment Company

Mr. William H. Johnson, Norfolk Southern Railway Company, Three Commercial Place,
Norfolk, Virginia 23510

Attn: Joint Facilities Dept., CSX Transportation, Inc., 500 Water Street, 15th Floor,
Jacksonville, Florida 32202

ORIGINAL

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34934

EASTERN STATES RAILROAD, LLC
—EXEMPTION FOR PURCHASE OF LEASE, AGREEMENT
TO ACQUIRE LEASED LINE, AND ASSIGNMENTS OF OPERATING RIGHTS—
CENTRAL COLUMBIANA & PENNSYLVANIA RAILWAY, INC.
AND
COLUMBIANA COUNTY PORT AUTHORITY

FEE RECEIVED

NOV 22 2006

SURFACE
TRANSPORTATION BOARD

VERIFIED NOTICE OF EXEMPTION
OF
EASTERN STATES RAILROAD, LLC
PURSUANT TO 49 C.E.R. § 1150.31

FILED

NOV 22 2006

SURFACE
TRANSPORTATION BOARD

Myles L. Tobin
Michael J. Barron, Jr.
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832
(312) 252-1500

ATTORNEYS FOR
EASTERN STATES RAILROAD, LLC

Dated: November 21, 2006

ENTERED
Office of Proceedings
NOV 22 2006
Part of
Public Record

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34934

EASTERN STATES RAILROAD, LLC
—EXEMPTION FOR PURCHASE OF LEASE, AGREEMENT
TO ACQUIRE LEASED LINE, AND ASSIGNMENTS OF OPERATING RIGHTS—
CENTRAL COLUMBIANA & PENNSYLVANIA RAILWAY, INC.
AND
COLUMBIANA COUNTY PORT AUTHORITY

**VERIFIED NOTICE OF EXEMPTION
OF
EASTERN STATES RAILROAD, LLC
PURSUANT TO 49 C.F.R. § 1150.31**

Pursuant to 49 C.F.R. § 1150.31, *et seq.*, Eastern States Railroad, LLC (“ESR”), a non-carrier, hereby files this Verified Notice of Exemption to purchase operating and lease rights (which lease, as amended, includes an agreement on the part of ESR to acquire the leased line) in a bankruptcy proceeding, receive permanent assignments of operating rights on continuous segments of lines connected to the leased line, and pending closing on the purchase of the operating and lease rights and on the permanent assignment of operating rights, receive an interim assignment of operating rights on all these lines pursuant to an Interim Operating Agreement, so that ESR can become a common carrier and commence operations prior to closing of the purchase transaction.

Specifically, ESR will be purchasing operating and lease rights, which lease as amended includes an agreement to acquire the leased line on specified terms. The line is the former Youngstown & Southern Line and runs from Milepost 35.7 in Darlington, Pennsylvania to

Milepost 0.0 in Youngstown, Ohio,¹ which was formerly operated by Central Columbiana & Pennsylvania Railway, Inc. ("CQPA") and is owned by Columbiana County Port Authority ("CCPA"). In addition, at Youngstown, ESR will receive permanent assignments of CQPA's and CCPA's operating rights running east of Milepost 0.0 in Youngstown which, in combination with other rights ESR has obtained, will, *inter alia*, facilitate interchange with Norfolk Southern Railway Company ("NS") and CSX Transportation, Inc. ("CSX"). Pending the closing of the lease and operating rights purchase and of the permanent assignments, ESR has entered into an Interim Operating Agreement with the Trustee of the CQPA for an interim assignment of operating rights on all the lines described herein so that it may become a common carrier and commence operations. All of this trackage is shown on Exhibit A, attached and incorporated herein, and is in Columbiana and Mahoning Counties, Ohio, and Beaver County, Pennsylvania. Based on projected revenues for the ESR, it expects to become and remain a Class III rail carrier after consummation of the transaction proposed herein.

In accordance with the requirements of 49 C.F.R. § 1150.33, ESR submits the following information:

Name and Address of Applicant: 49 C.F.R. § 1150.33(a)

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

¹ Currently, the Ohio & Pennsylvania Railroad Company operates over this line pursuant to an Interim Operating Agreement with the Trustee of CQPA in the CQPA bankruptcy proceeding, presently pending in the U.S. Bankruptcy Court for the Eastern District of Arkansas in Case No. 04-BK-16887T (the "CQPA Bankruptcy Proceeding"). Ohio & Pennsylvania received interim operating authority from the STB in Finance Docket No. 34632, The Ohio and Pennsylvania Railroad—Acquisition and Operation Exemption—Rail Lines of Columbiana County Port Authority in Mahoning and Columbiana Counties, OH, and Beaver County, PA, decision served December 21, 2004. Pursuant to an order of the Bankruptcy Court in the CQPA Bankruptcy Proceeding, the Ohio & Pennsylvania Interim Operating Agreement will terminate upon the effective date of this Notice of Exemption.

Eastern States Railroad, LLC
C/O Total Waste Logistics, LLC
7131 Akron Canfield Road
Canfield, Ohio 44406

Applicant's Representative: 49 C.F.R. § 1150.33(b)

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

Myles L. Tobin
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832
(312) 252-1500

Statement Concerning Agreement: 49 C.F.R. § 1150.33(c)

CQPA, through the Trustee in the CQPA Bankruptcy and pursuant to an order of the Bankruptcy Court in the CQPA Bankruptcy Proceeding, has agreed to sell its operating and lease rights on CCPA as set forth in an agreement dated April 6, 2000, as amended ("CCPA Agreement") to ESR. As part of this purchase of lease and operating rights, ESR has entered into an agreement with CCPA to amend the CCPA Agreement so that, subject to certain specified pre-conditions, ESR agrees to acquire the line from Milepost 0.0 in Youngstown to Milepost 35.7 in Darlington. In addition, as part of the transaction with ESR, CQPA, through the Trustee, and CCPA are also assigning to ESR all agreements and operating rights necessary or useful to enable ESR to operate from milepost 0.0 to interchanges with NS and CSX in Youngstown which agreements and operating rights are made part of this exemption including, without limitation, the following agreements and operating rights:²

² On motion of the Trustee in the CQPA Bankruptcy with notice thereof given to all relevant parties, on November 15, 2006, the Bankruptcy Court ordered that CQPA, through its Trustee, is authorized and directed to assign its rights under the CCPA Agreement and all operating agreements including, but not limited to, the

(A) Overhead Trackage Rights Agreement dated May 7, 2001 between Ohio & Pennsylvania Railroad Company (which, together with its parent and all affiliates, "OHPA") and CQPA.

(B) Letter Agreement dated November 30, 2001 between OHPA, CQPA and CCPA.

(C) Interchange Agreement dated July 23, 2002, as amended and in effect, among CSX, OHPA and CQPA and Interline Service Agreement, effective date April 1, 2004, between CSX and CQPA.

(D) Land Lease dated August 8, 2003 between CSX and CQPA.

(E) Interchange Agreement dated May 1, 2001, and Interline Service Agreement, effective date October 5, 2004 between CQPA and NS.

(F) Easements granted by Allied Erecting & Dismantling Company, Inc. ("Allied") to The Pittsburgh and Lake Erie Railroad Company ("PLE") by agreements dated June 3, 1992, and November 10, 1993, and easements retained by PLE in deeds dated June 3, 1992, and November 10, 1993, from PLE to Allied (collectively, the "Allied Easements"), which Allied Easements were conveyed by Youngstown and Southern Railway Company (successor-in-interest to PLE) to Railroad Ventures, Inc. ("RVI") by deed dated November 8, 1996, and by RVI to CCPA by deed dated January 23, 2001, and were included in the rights granted to CQPA in the CCPA Agreement, including rights over the C.P. Graham Interlocking, and which collective rights were also conferred on CCPA by order of the Bankruptcy Court dated March 28, 2002 in In re: Pittsburgh & Lake Erie Properties, Inc., Case No. 96-406 (MFW).

(G) Operating Rights Agreement between Matteson Equipment Company (Matteson) and CQPA.

agreements listed on (A) through (G) on pages 3-4 herein to ESR.

Also, ESR has entered into a further agreement with Matteson dated July 14, 2006 (Matteson Agreement) for operation on certain tracks as shown in Exhibit A, and this agreement is being made a part of this Exemption.

Prior to closing on the lease and operating rights purchase and on the permanent assignment of the agreements and operating rights as described herein, ESR will receive an interim assignment of all these rights and agreements pursuant to an Interim Operating Agreement with the Bankruptcy Trustee so that it can become a common carrier and commence operations while progressing to the closing.

Operation of the Property: 49 C.F.R. § 1150.33(d)

ESR will be a common carrier on the tracks between Milepost 35.7 at Darlington, Pennsylvania and Milepost 0.0 at Youngstown, Ohio. Once ESR acquires these rights, it will sublease rights on this segment to the Youngstown & Southeastern Railroad Company, Inc. ("Y&S"), a subsidiary of Indiana Boxcar, Inc.

Y&S will be filing the appropriate Notice of Exemption for the right to operate between Milepost 35.7 and Milepost 0.0. Y&S shall then be the operator on the line and have common carrier status, but ESR will retain its common carrier status on the line between Milepost 0.0 and Milepost 35.7.

For the lines in Youngstown east of Milepost 0.0 that are described on pages 3-5 herein and include the lines described in items (A) through (G) and the Matteson Agreement, ESR shall be the common carrier, but Y&S shall operate on the lines solely as an agent of and in the name of ESR (See, decisions in combined Finance Docket Nos. 34145, Bulkmatic Railroad Corporation—Acquisition and Operation Exemption—Bulkmatic Transport Company, and

34179, Bulkmatic Railroad Corporation—Operation Exemption—Bulkmatic Transport Company, served November 19, 2002 and May 15, 2003).

Summary of the Transaction: 49 C.F.R. § 1150.33(e)

ESR intends to obtain the interim assignment of all these rights and agreements described herein pursuant to an Interim Operating Agreement and commence operations on November 29, 2006.

CQPA's address is:
C/O Richard L. Cox, Trustee
835 Central, Suite 510
Hot Springs, Arizona 71901

CCPA's address is:
1250 St. George St.
East Liverpool, Ohio 43920

Pursuant to the agreements already described herein, ESR shall become a common carrier by rail on a line between 0.0 in Youngstown, Ohio and Milepost 35.7 in Darlington, Pennsylvania, a total of approximately 35.7 miles. In addition, in Youngstown, by virtue of purchase and assignment of operating rights and exercise of existing rights, ESR shall become a common carrier by rail on trackage east of Milepost 0.0 in Youngstown on tracks and/or property owned, starting at Milepost 0.0 and heading east through Youngstown, by OHPA, then by Allied Erecting & Dismantling, over the C. P. Graham Interlocking with NS, then by OHPA again as the tracks cross the Mahoning River, then by Matteson Equipment Company, and finally again by OHPA to a point of connection with CSX and on property leased from CSX.³ The operating rights through Youngstown east of Milepost 0.0 facilitate, among other things, interchange with CSX and NS. The length of these operating rights east of Milepost 0.0 in Youngstown is approximately 3 miles.

The total route miles that are the subject of this exemption are approximately 38.7 miles.

³ OHPA is part of the Ohio Central Railroad System.

Map: 49 C.F.R. § 1150.33(f)

Maps showing the tracks that are the subject of this exemption are attached as Exhibit A to this notice.

Certificate of Compliance: 49 C.F.R. § 1150.33(g)

A Certificate of Compliance with the provisions of 49 C.F.R. § 1150.33(g) is attached as Exhibit B to this notice.

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

The projected annual operating revenue of ESR upon consummation of this transaction does not exceed \$5 million, and, accordingly, the advance notice requirements of 49 C.F.R. § 1150.32(e) are not applicable to this transaction. See Exhibit B hereto.

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

Under C.F.R. § 1105.6(c)(2), ESR's proposed operation of the tracks as described herein is exempt from environmental reporting requirements. The proposed transaction will not result in significant changes in carrier operations, i.e., changes that exceed the thresholds established in 49 C.F.R. § 1105.7(e)(4) or (5).

Under 49 C.F.R. § 1105.8(b)(1), ESR's exemption herein is also exempt from historic preservation reporting requirements. The proposed transactions are for the purpose of continued rail operations. Further, Surface Transportation Board approval is required to discontinue or 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 appropriate form is attached as Exhibit C to this notice.

Respectfully submitted,

By: 

Myles L. Tobin

Michael J. Barron, Jr.

Fletcher & Sippel LLC

29 North Wacker Drive, Suite 920

Chicago, Illinois 60606-2832

(312) 252-1500

**ATTORNEYS FOR EASTERN STATES
RAILROAD, LLC**

Dated: November 21, 2006

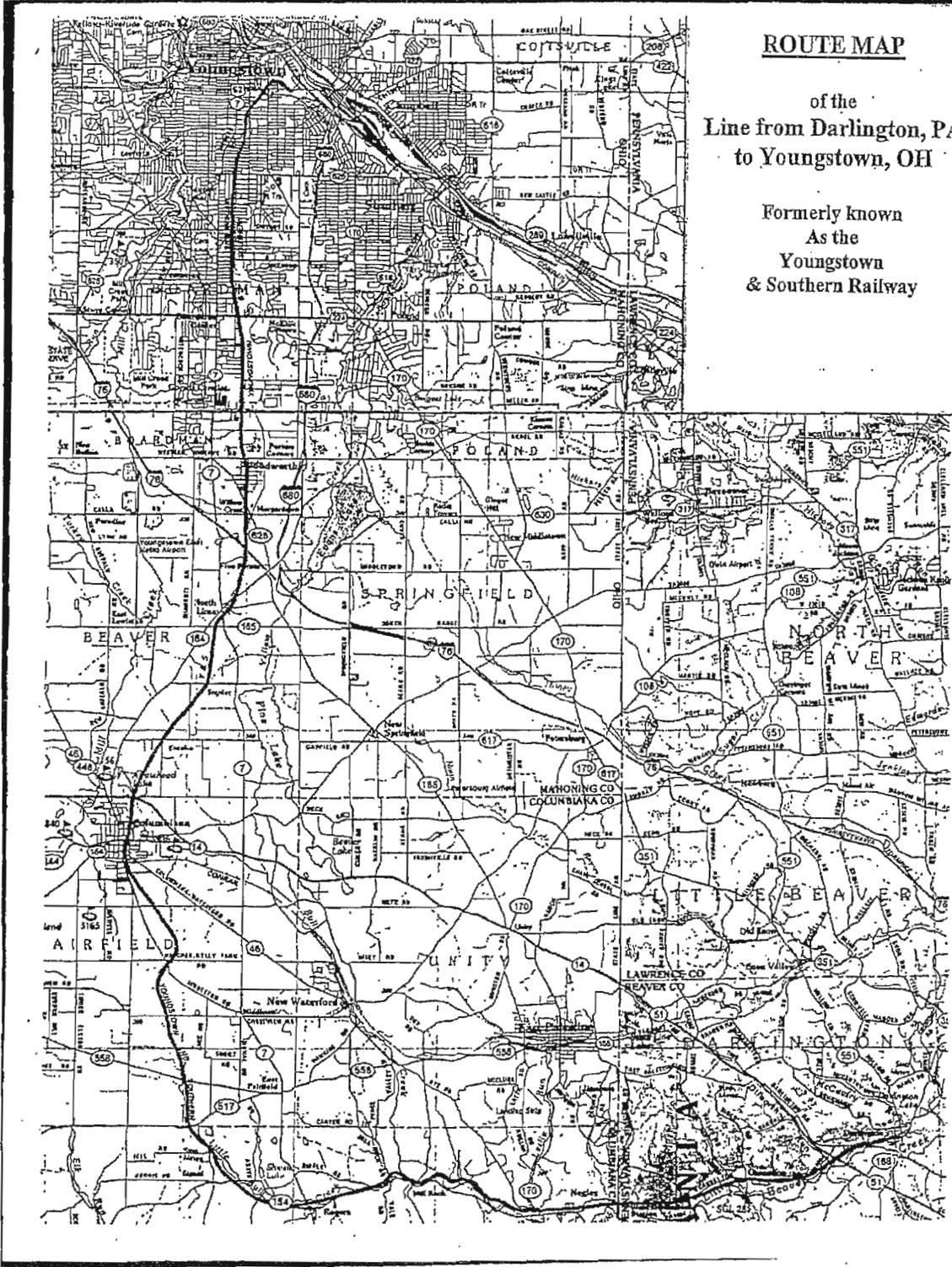
EXHIBIT A

Page 1 of 2

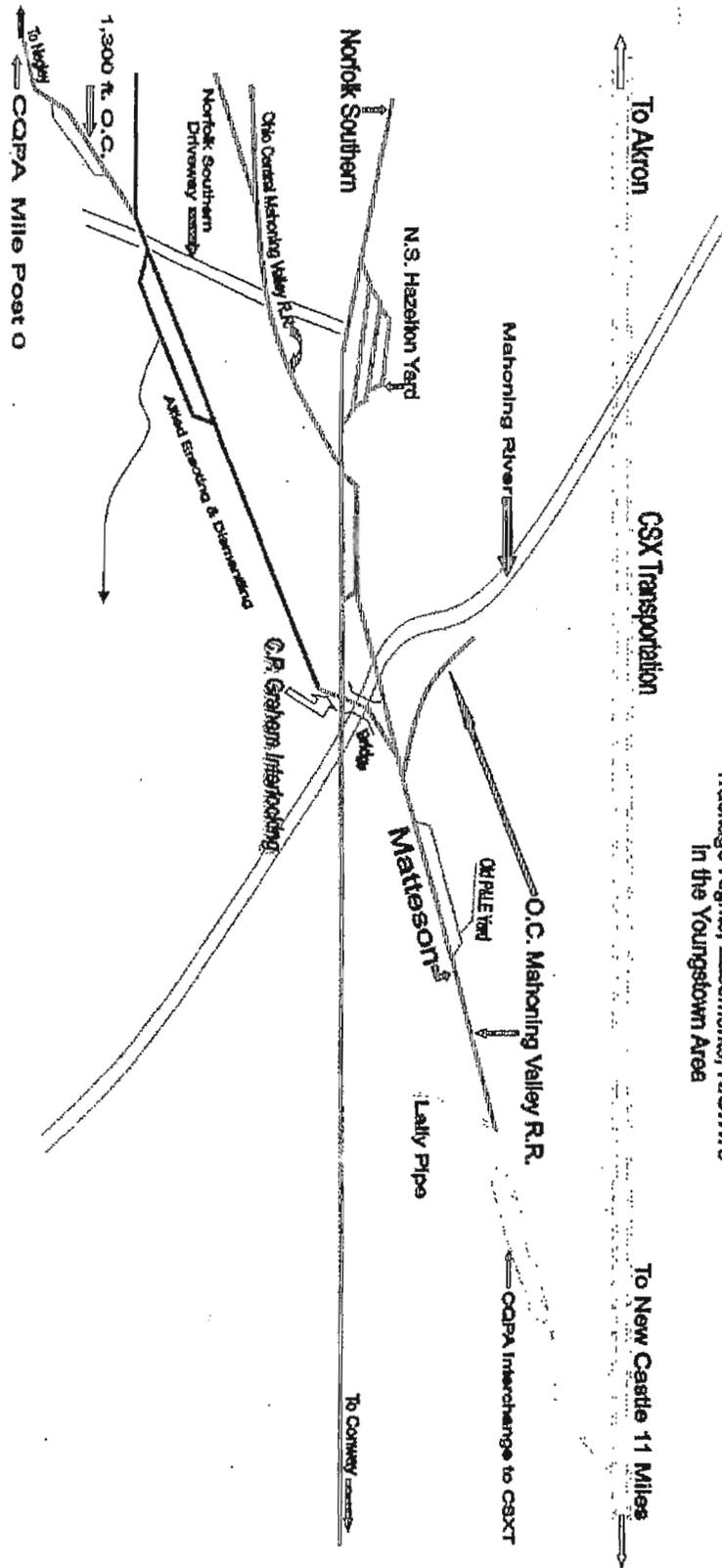
ROUTE MAP

of the
Line from Darlington, PA
to Youngstown, OH

Formerly known
As the
Youngstown
& Southern Railway



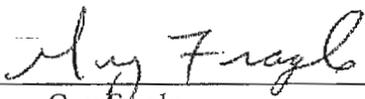
Youngstown Southern D.B.A. CQPA
Trackage Rights, Easements, R.O.W.'s
In the Youngstown Area



CERTIFICATION

State of Ohio)
)
County of Mahoning) ss:

Guy Fragle, being duly sworn, hereby certifies that the projected annual rail revenue of Eastern States Railroad, LLC does not exceed \$5 million and will not result in the creation of a Class II or Class I carrier under the provisions of 49 C.F.R. § 1201(1-1).



Guy Fragle
Managing Director
Eastern States Railroad, LLC

SUBSCRIBED AND SWORN TO
before me this 17th day
of November, 2006



Notary Public

My Commission expires:

JOHN D. VIGLIO
NOTARY PUBLIC, STATE OF OHIO
COMM. EXP. FEB. 27, 2007

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. 34934

EASTERN STATES RAILROAD, LLC
—EXEMPTION FOR PURCHASE OF LEASE, AGREEMENT
TO ACQUIRE LEASED LINE, AND ASSIGNMENTS OF OPERATING RIGHTS—
CENTRAL COLUMBIANA & PENNSYLVANIA RAILWAY, INC.
AND
COLUMBIANA COUNTY PORT AUTHORITY

EASTERN STATES RAILROAD, LLC (“ESR”) a non-carrier, has filed a Verified Notice of Exemption to purchase from Central Columbiana & Pennsylvania Railway, Inc. (“CQPA”), through its Bankruptcy Trustee, CQPA’s operating and lease rights on Columbiana County Port Authority (“CCPA”) as set forth in an agreement dated April 6, 2000, as amended (“CCPA Agreement”). As part of this purchase of operating and lease rights, ESR has entered into an agreement with CCPA which amends the CCPA Agreement so that, subject to certain specified pre-conditions, ESR agrees to acquire the leased line which runs from Milepost 0.0 in Youngstown to Milepost 35.7 in Darlington. In addition, as part of the transaction with ESR, CQPA, through the Trustee, and CCPA are also assigning to ESR all agreements and operating rights necessary or useful to enable ESR to operate from milepost 0.0 to interchanges with NS and CSX in Youngstown, which agreements and operating rights are made part of this exemption including, without limitation, the following agreements and operating rights:

(A) Overhead Trackage Rights Agreement dated May 7, 2001 between Ohio & Pennsylvania Railroad Company (which, together with its parent and all affiliates, "OHPA") and CQPA.

(B) Letter Agreement dated November 30, 2001 between OHPA, CQPA and CCPA.

(C) Interchange Agreement dated July 23, 2002, as amended and in effect, among CSX, OHPA and CQPA and Interline Service Agreement, effective date April 1, 2004, between CSX and CQPA.

(D) Land Lease dated August 8, 2003 between CSX and CQPA.

(E) Interchange Agreement dated May 1, 2001, and Interline Service Agreement, effective date October 5, 2004 between CQPA and NS.

(F) Easements granted by Allied Erecting & Dismantling Company, Inc. ("Allied") to The Pittsburgh and Lake Erie Railroad Company ("PLE") by agreements dated June 3, 1992, and November 10, 1993, and easements retained by PLE in deeds dated June 3, 1992, and November 10, 1993, from PLE to Allied (collectively, the "Allied Easements"), which Allied Easements were conveyed by Youngstown and Southern Railway Company (successor-in-interest to PLE) to Railroad Ventures, Inc. ("RVI") by deed dated November 8, 1996, and by RVI to CCPA by deed dated January 23, 2001, and were included in the rights granted to CQPA in the CCPA Agreement, including rights over the C.P. Graham Interlocking, and which collective rights were also conferred on CCPA by order of the Bankruptcy Court dated March 28, 2002 in In re: Pittsburgh & Lake Erie Properties, Inc., Case No. 96-406 (MFW).

(G) Operating Rights Agreement between Matteson Equipment Company (Matteson) and CQPA.

Also, ESR has entered into a further agreement with Matteson dated July 14, 2006 for operation on certain tracks as shown in Exhibit A, and this agreement is being made a part of this Exemption.

Prior to closing on the lease and operating rights purchase and on the permanent assignment of the agreements and operating rights as described herein, ESR will receive an interim assignment of all these rights and agreements pursuant to an Interim Operating Agreement with the Bankruptcy Trustee so that it can become a common carrier and commence operations while progressing to the closing.

The line over which ESR shall become a common carrier runs between 0.0 in Youngstown, Ohio and Milepost 35.7 in Darlington, Pennsylvania, a total of approximately 35.7 miles. In addition, in Youngstown, by virtue of assignment of operating rights and exercise of existing rights, ESR shall become a common carrier by rail on trackage east of Milepost 0.0 in Youngstown on tracks and/or property owned, starting at Milepost 0.0 and heading east through Youngstown, by OHPA, then by Allied Erecting & Dismantling, over the C. P. Graham Interlocking with NS, then by OHPA again as the tracks cross the Mahoning River, then by Matteson Equipment Company, and finally again by OHPA to a point of connection with CSX and on property leased from CSX.¹ The operating rights through Youngstown east of Milepost 0.0 facilitate, among other things, interchange with CSX and NS. The length of these operating rights east of Milepost 0.0 in Youngstown is approximately 3 miles.

The total route miles that are the subject of this exemption are approximately 38.7 miles.

¹ OHPA is part of the Ohio Central Railroad System.

ESR intends to obtain the interim assignment of all these rights and agreements described herein pursuant to an Interim Operating Agreement and to commence operations on November 29, 2006.

Comments must be filed with the Board and served on:

Myles L. Tobin
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2832
(312) 252-1500

This Notice is filed under 49 C.F.R. § 1150.31. If this Notice contains false or misleading information, the exemption is void *ab initio*. Petitions to revoke the exemption under 49 U.S.C. § 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the transaction.

Dated: _____, 2006

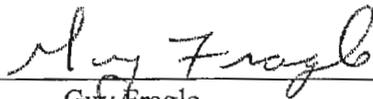
By the Board

Vernon A. Williams
Secretary

VERIFICATION

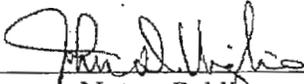
State of Ohio)
)
County of Mahoning) ss:

Guy Fragle, being duly sworn, deposes and says that he is Managing Director of Eastern States Railroad, LLC, that he has read the foregoing Notice of Exemption and knows the facts asserted therein, and that the same are true as stated.



Guy Fragle
Managing Director
Eastern States Railroad, LLC

SUBSCRIBED AND SWORN TO
before me this 17th day
of November, 2006



Notary Public

My Commission expires:

JOHN D. VIGLIO
NOTARY PUBLIC, STATE OF OHIO
COMM. EXP. FEB. 27, 2007

C-6

37585

SERVICE DATE – DECEMBER 21, 2006

DO

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

Surface Transportation Board

[STB Finance Docket No. 34962]

Youngstown & Southeastern Railway Company–Lease and Operation Exemption–Lines of Eastern States Railroad, LLC

Youngstown & Southeastern Railway Company (Y&S), a noncarrier, has filed a verified notice of exemption under 49 CFR 1150.31 to sublease from Eastern States Railroad, LLC (ESR) and operate the portion of the 35.7-mile line between milepost 35.7 in Darlington, PA, and milepost 0.0 in Youngstown, OH. In addition, Y&S will operate, as ESR's agent and in ESR's name, 3 miles of rail line running east of Youngstown, which is the subject of permanent assignment to ESR of Central Columbiana & Pennsylvania Railway, Inc.'s (CCPR) and Columbiana County Port Authority's (CCPA) operating rights that will facilitate the interchange of traffic with Norfolk Southern Railway Company and CSX Transportation, Inc.

This transaction is related to two concurrently filed verified notices of exemption: STB Finance Docket No. 34934, Eastern States Railroad, LLC–Acquisition Exemption–Central Columbiana & Pennsylvania Railway, Inc., and Columbiana County Port Authority, wherein ESR seeks to acquire the lease and operating rights of approximately 35.7 miles of rail line owned by CCPA, and to receive permanent assignment of CCPR's and CCPA's operating rights to approximately 3 miles of track east of milepost 0.0; and

STB Finance Docket No. 34961, Indiana Boxcar Corporation–Continuance in Control Exemption–Youngstown & Southeastern Railway Company, wherein Indiana Boxcar Corporation seeks to continue in control of Y&S upon Y&S’s becoming a Class III carrier.

Y&S certifies that its projected annual revenue as a result of this transaction will not exceed \$5 million. The transaction was scheduled to be consummated on or after November 29, 2006, the effective date of the exemption (7 days after the exemption was filed).

If the notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. 10502(d) may be filed at any time. The filing of a petition to revoke does not automatically stay the transaction.

An original and 10 copies of all pleadings, referring to STB Finance Docket No. 34962, must be filed with the Surface Transportation Board, 1925 K Street, N.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on John D. Heffner, John D. Heffner, PLLC, 1920 N Street, N.W., Suite 800, Washington, DC 20036.

Board decisions and notices are available on its website at “WWW.STB.DOT.GOV.”

Decided: December 14, 2006.

By the Board, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams

Secretary