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SERVICE DATE – DECEMBER 23, 2020

DO

FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. FD 36462]

Patriot Rail Transportation Company, LLC, Patriot Rail Company LLC, SRTV Holdings LLC, SteelRiver Transport Ventures LLC, Global Diversified Infrastructure Fund (North America) LP, First State Infrastructure Managers (International) Limited, and Mitsubishi UFJ Financial Group, Inc.—Control Exemption—Salt Lake Garfield and Western Railway Company

Patriot Rail Transportation Company, LLC (Patriot), Patriot Rail Company LLC (PRC), SRTV Holdings LLC, SteelRiver Transport Ventures LLC, Global Diversified Infrastructure Fund (North America) LP, First State Infrastructure Managers (International) Limited, and Mitsubishi UFJ Financial Group, Inc. (collectively, Applicants), all noncarriers, have filed a verified notice of exemption under 49 C.F.R. § 1180.2(d)(2) to acquire control of Salt Lake Garfield and Western Railway Company (SLGW), a Class III rail carrier operating in Utah.

According to the verified notice, PRC, on behalf of its subsidiary, Patriot, has entered into a Purchase and Sale Agreement with SLGW, Caballero, L.L.C., and

Caballero 2 LLC.¹ Applicants state that Patriot will acquire a 100% controlling interest in SLGW. The verified notice states that Patriot currently controls 14 class III railroads.²

The verified notice indicates that: (1) SLGW will not connect with any of the Subsidiary Railroads; (2) the acquisition of control is not part of a series of anticipated transactions that would connect SLGW or any of the Subsidiary Railroads with each other; and (3) the proposed transaction does not involve a Class I carrier. Therefore, the transaction is exempt from the prior approval requirements of 49 U.S.C. § 11323. See 49 C.F.R. § 1180.2(d)(2).

The verified notice states that Applicants intend to control SLGW on or before December 15, 2020. However, the earliest this transaction may be consummated is January 9, 2021, the effective date of the exemption (30 days after the verified notice was filed).³

Under 49 U.S.C. § 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees.

¹ A redacted version of the agreement was filed with the verified notice of exemption. Applicants simultaneously filed a motion for protective order under 49 C.F.R. § 1104.14(b). That motion will be addressed in a separate decision.

² The verified notice lists the railroads as follows: (1) the Tennessee Southern Railroad Company, LLC; (2) Rarus Railway, LLC, d/b/a Butte, Anaconda & Pacific Railway Co.; (3) Utah Central Railway Company, LLC; (4) Sacramento Valley Railroad, LLC; (5) The Louisiana and North West Railroad Company LLC; (6) Temple & Central Texas Railway, LLC; (7) the Columbia & Cowlitz Railway, LLC; (8) the DeQueen and Eastern Railroad, LLC; (9) the Golden Triangle Railroad, LLC; (10) the Patriot Woods Railroad, LLC; (11) the Texas, Oklahoma & Eastern Railroad, LLC; (12) Georgia Northeastern Railroad Company, LLC; (13) the Kingman Terminal Railroad, LLC; and (14) West Belt Railway LLC (collectively, the Subsidiary Railroads).

³ The verified notice was initially submitted on November 17, 2020. Applicants filed supplements on November 18, December 1, and December 10, 2020. December 10, 2020, therefore, is deemed the filing date of the verified notice.

However, 49 U.S.C. § 11326(c) does not provide for labor protection for transactions under 49 U.S.C. §§ 11324 and 11325 that involve only Class III rail carriers. Because this transaction involves Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

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 effectiveness of the exemption. Petitions to stay must be filed no later than December 31, 2020 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36462, should be filed with the Surface Transportation Board via e-filing on the Board's website. In addition, a copy of each pleading must be served on Applicants' representative, Louis E. Gitomer, Law Offices of Louis E. Gitomer, LLC, 600 Baltimore Ave., Suite 301, Towson, MD 21204.

According to the verified notice, this action is categorically excluded from environmental review under 49 C.F.R. § 1105.6(c) and from historic preservation reporting requirements under 49 C.F.R. § 1105.8(b).

Board decisions and notices are available at www.stb.gov.

Decided: December 17, 2020.

By the Board, Allison C. Davis, Director, Office of Proceedings.