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ENTERED
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Public Record

Cynthia T. Brown
Chief, Section of Administration
Surface Transportation Board
395 E Street SW
Washington, D.C. 20423

Re: Midwest & Bluegrass Rail, LLC, et al –
Control Exemption – TransKentucky
Transportation Railroad, Inc., F.D. 36475

Expedited Treatment Requested

Dear Ms. Brown:

In response to this Board's Decision of January 27, 2021 requesting supplemental information, enclosed please find a Supplement and Motion to Dismiss on behalf of Midwest & Bluegrass Rail, LLC ("MBR"), et al, supported by a Verified Statement by Ivory Beggs.

Seller CSXT joins MBR, et al, in seeking expeditious treatment so the sale of the stock of TransKentucky Transportation Railroad to MB Rail TTI, LLC may proceed.

Thank you for your assistance in this matter.

Very truly,



Charles H. Montange,
for MBR, Beggs, Miller, Shaver
& MB Rail TTI, LLC

Att.

cc. Lou Gitomer, Esq. (CSXT/The Carrollton Railroad/TransKentucky)

BEFORE THE SURFACE TRANSPORTATION BOARD

Midwest & Bluegrass Rail, LLC, Avory Beggs,)
Brian Miller and Dustin Shaver, and)
MB Rail TTI, LLC) F.D. 36475
--Control Exemption –)
Transkentucky Transportation Railroad, Inc.)

Midwest & Bluegrass Rail, LLC (“MBR”) Supplement
and
Motion to Dismiss

MBR, Avory Beggs, Brian Miller, Dustin Shaver and MB Rail TTI, LLC
 (“MB Rail TTI”) hereby move to dismiss the above captioned proceeding.

By its Decision in this proceeding served January 27, 2021, this Board directed MBR to supplement the Notice of Exemption filed December 29, 2021 by MBR, Avory Beggs, Brian Miller, and Dustin Shaver for control of TransKentucky Transportation Railroad, Inc. (“TransKentucky”) upon acquisition of the stock of TransKentucky from The Carrolton Railroad (a subsidiary of CSX Transportation, Inc. or “CSXT”) by MB Rail TTI. This motion to dismiss and accompanying Verified Statement by Avory Beggs provides the supplemental information requested.

Ms. Beggs indicates that MB Rail TTI is and will be a non-carrier holding company which owns only one railroad (TransKentucky). Beggs V.S. para 5. As the Board stated (Decision at 2 n.3), it does not need control authority to acquire TransKentucky.

Ms. Beggs indicates that the original Notice was erroneous to the extent that it indicated or implied that MBR (termed MBR Rail in Ms. Beggs' Verified Statement) owned or controlled MB Rail IB or any of its subsidiaries. Beggs V.S. para 3. MBR does not. Id. Moreover, Ms. Beggs explains that MBR does not own or control MB Rail TTI. Beggs V.S. para 4.

Ms. Beggs states that no single entity owns or controls both MB Rail IB and MB Rail TTI and indications to the contrary in the Notice of Exemption were erroneous. Beggs V.S. at para 6. Ms. Beggs explains that she, Mr. Miller and Mr. Shaver are minority owners in MB Rail IB and MB Rail TTI, and that they provide only mid-level management services for the MB Rail IB railroads and will do the same for TransKentucky. Beggs V.S. at para 7. She states that if MBR intends to acquire control of more than one railroad, it will seek appropriate authority from STB.

In the circumstances, control authority is not required for MB Rail TTI to acquire Transkentucky and control authority is not required for MBR since it does not own or control any railroads. Dismissal of this Control Exemption proceeding

is appropriate. See, e.g., Trans Rail Holding Company – Acquisition of Control Exemption – Vermont Railway, Inc., et al, F.D. 36390, served May 8, 2020 (dismissal of unneeded notice of exemption). MBR, Ivory Beggs, Brian Miller, Dustin Shaver and MB Rail TTI accordingly respectfully request the Board to dismiss the Notice of Exemption.

Respectfully submitted,
s/ Charles H. Montange

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Attorney for Midwest & Bluegrass
Rail, LLC, Ivory Beggs, Brian Miller
and Dustin Shaver, and MB Rail TTI,
LLC

Attachments: Beggs Verified Statement

For filing: by February 10, 2021

Certificate of Service

I certify service on 10 Feb. 2021 by email attachment upon Louis Gitomer, counsel for CSXT, at lou@lgraillaw.com and by posting for delivery by USPS first class to Louis Gitomer, Esq., 600 Baltimore Avenue, Suite 301, Towson, MD 21204.

s/ Charles Montange

BEFORE THE SURFACE TRANSPORTATION BOARD

Midwest & Bluegrass Rail, LLC, Ivory Beggs,)
Brian Miller and Dustin Shaver, and)
MB Rail TTI, LLC) F.D. 36475
--Control Exemption --)
TransKentucky Transportation Railroad, Inc.)

Verified Statement of Ivory Beggs

1. This Verified Statement by Ivory Beggs is in response to the Surface Transportation Board's ("Board's") Decision in this proceeding served January 27, 2021, seeking further information concerning the transaction by which MB Rail TTI, LLC, ("MB Rail TTI") will acquire the stock in TransKentucky Transportation Railroad, Inc. ("TransKentucky") from The Carrollton Railroad ("TCR"), a subsidiary of CSX Transportation, Inc. ("CSXT").
2. The Board has asked (1) whether Midwest & Bluegrass Rail, LLC (MBR Rail), Ivory Beggs (Beggs), Brian Miller (Miller), and Dustin Shaver (Shaver) are seeking authority to control TransKentucky Transportation Railroad, Inc. (TransKentucky) because they already control MB Rail IB, LLC ("MB Rail IB") and the four railroads MB Rail IB controls; and (2)

whether MBR Rail should have sought authority to control the MB Rail IB subsidiary railroads.

3. MB Rail does not own or manage MB Rail IB or its subsidiary railroads.

The Notice of Exemption erroneously indicated that it did.

4. MB Rail does not own or manage MB Rail TTI.
5. MB Rail TTI will own and control TransKentucky. No other entity or individual will own or control MB Rail TTI or TransKentucky. Since MB Rail TTI will only control one railroad, I believe that STB authority is not required and therefore dismissal of the notice is appropriate.
6. There is no single entity that owns or controls both MB Rail IB and MB Rail TTI. The indications in the Notice of Exemption that led the Board to its conclusions were erroneous.
7. Mr. Miller, Mr. Shaver, and I are minority owners of MB Rail IB and MB Rail TTI. We also provide mid-management services for the MB Rail IB railroads and will do the same for TransKentucky.
8. In the future if MBR Rail intends to acquire control of more than one railroad, MBR Rail will seek appropriate authority from the STB.

Verification

I, Ivory Beggs, declare under penalty of perjury pursuant to 28 U.S.C. 1746 that I am the manager of Midwest & Bluegrass Rail, LLC ("MBR"), that the foregoing is true and correct to the best of my knowledge, information and belief. In addition, I certify that I am qualified and authorized to make this statement on behalf of MBR, myself, and my colleagues Brian Miller and Dustin Shaver and MB Rail TTI, LLC.

A handwritten signature in black ink, appearing to read 'Ivory Beggs', is written over a horizontal line.

Executed on 2/10/21.