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March 19, 2021

VIA E-FILING

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street SW
Washington, DC 20024

ENTERED
Office of Proceedings
March 19, 2021
Part of
Public Record

Re: STB Finance Docket No. 36492
York Railway Company, Maryland and Pennsylvania Railroad, LLC and Yorkrail, LLC
-Corporate Family Transaction Exemption-

Dear Ms. Brown:

Enclosed for filing in the above referenced docket is a Corporate Family Notice of Exemption filed on behalf of York Railway Company, Maryland and Pennsylvania Railroad, LLC and Yorkrail, LLC. The filing fee has been paid via pay.gov. If there are any questions related to this filing, please contact me.

Sincerely,



FILED
March 19, 2021
SURFACE TRANSPORTATION
BOARD

Justin J. Marks
Counsel to York Railway Company, Maryland and
Pennsylvania Railroad, LLC and Yorkrail, LLC

Enclosures

FEE RECEIVED
March 19, 2021
SURFACE
TRANSPORTATION BOARD

Before the
SURFACE TRANSPORTATION BOARD

STB Docket No. FD 36492

**YORK RAILWAY COMPANY, MARYLAND AND PENNSYLVANIA
RAILROAD, LLC AND YORKRAIL, LLC**

- CORPORATE FAMILY TRANSACTION EXEMPTION –

**VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. §1180.2(d)(3)**

(color images included)

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Attorneys for Applicants

Dated: March 19, 2021

Before the
SURFACE TRANSPORTATION BOARD

STB Docket No. FD 36492

**YORK RAILWAY COMPANY, MARYLAND AND PENNSYLVANIA
RAILROAD LLC, AND YORKRAIL, LLC**

- CORPORATE FAMILY TRANSACTION EXEMPTION –

**VERIFIED NOTICE OF EXEMPTION
UNDER 49 C.F.R. §1180.2(d)(3)**

York Railway Company (“YRC”), Maryland and Pennsylvania Railroad, LLC (“M&P”) and Yorkrail, LLC (“Yorkrail”) (together the “Applicants”) propose to restructure their corporate family by merging M&P and Yorkrail into YRC. Currently, YRC, a Delaware corporation and Class III common carrier, is the sole member of both M&P and Yorkrail, each of which is a Delaware limited liability company. M&P and Yorkrail are non-operating Class III carriers that own common carrier rail lines that are operated by YRC.¹ Under the proposed restructuring, M&P and Yorkrail will merge into YRC. YRC will be the sole surviving entity, owning and operating the covered rail lines. The proposed transaction is within the Applicants’ corporate family and would not result in adverse changes in service levels, significant operational changes, or a change in the competitive balance with carriers outside of the corporate family. Accordingly, the transaction is eligible for a corporate family exemption under 49 C.F.R. §1180(2)(d)(3).

¹ *Maryland and Pennsylvania Railroad Company and Yorkrail, Inc. – Intracorporate Family Transaction Exemption*, STB Finance Docket No. 33815 (served Dec. 13, 1999).

Notice

In accordance with 49 C.F.R. §1180.4(g), Applicants hereby provide the following information required for a Notice of Exemption under 49 C.F.R. §1180(2)(d)(3):

§1180.6(a)(1)(i): A brief summary of the proposed transaction, the name of applicants, their business address, telephone number, and the name of the counsel to whom questions regarding the transaction can be addressed.

YRC was formed in 1999 through the merger of railroads Maryland and Pennsylvania Railroad Company and Yorkrail, Inc., with YRC assuming all rail operations. Certain physical assets of the railroads were transferred to M&P and Yorkrail, two newly-formed wholly-owned subsidiaries of YRC. M&P and Yorkrail became common carriers by virtue of their ownership of the underlying rail assets operated by YRC.² Genesee & Wyoming Inc. gained control of the three companies in 2002.³

YRC now proposes to merge M&P and Yorkrail into YRC. YRC will be the sole surviving entity and will be both the owner and operator of the rail lines.⁴ The only change as a result of the proposed transaction is that YRC will now directly own the rail assets currently belonging to M&P and Yorkrail instead of indirectly owning those assets through its ownership of M&P and Yorkrail. The proposed transaction will allow YRC to streamline its corporate structure without any changes to railroad operations or service.

² *Id.*

³ *Genesee & Wyoming Inc. – Control Exemption - ETR Acquisition Corporation and Emons Transportation Group, Inc.*, STB Finance Docket No. 34148 (served Feb. 28, 2002).

⁴ As a result of this transaction, YRC will also acquire Yorkrail's reactivation of service rights established in *Yorkrail, LLC – Abandonment Exemption – In York County, PA*, STB Docket No. AB 1308X (served Dec. 18, 2020).

Business Addresses and Telephone Numbers:

York Railway Company
Maryland and Pennsylvania Railroad, LLC
Yorkrail, LLC
200 Meridian Centre, Suite 300
Rochester, NY 14618

Counsel to whom questions regarding this transaction can be addressed:

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§1180.6(a)(1)(ii) Consummation Schedule

The parties intend to consummate the proposed transaction at least 30 days from the date of this notice, on or after April 30, 2021.

§1180.6(a)(1)(iii) Purpose of the Transaction

Applicants are entering into the proposed transaction to restructure their corporate family in order to simplify and streamline the ownership and operation of the M&P and Yorkrail rail assets.

§1180.6(a)(5) List of States in Which the Parties' Property is Located

The Lines currently owned by M&P and Yorkrail and operated by YRC are located entirely within the Commonwealth of Pennsylvania.

§1180.6(a)(6) Map (Exhibit A)

A map of the Lines operated by YRC and owned by M&P and Yorkrail is attached as Exhibit A.

§1180.6(a)(7)(ii) Agreement (Exhibit B)

The proposed Agreement of Merger is attached as Exhibit B.

1180.4(g)(1)(i) Level of Labor Protection

This transaction involves only Class III carriers, and pursuant to 49 U.S.C. §11326(c), approval of this transaction may not be subjected to labor protection conditions. Additionally, since there will be no change in railroad operators or operations, there will be no employees adversely affected by the proposed transaction.

1180.4(g)(4) Transactions Imposing Interchange Commitments

The proposed transaction does not impose or involve an interchange commitment by or affecting the Applicants.

Environmental and Historic Reports

No environmental documentation is required under 49 C.F.R. §1105.6(c)(2) because this corporate family transaction will not result in changes in carrier operations that will exceed the thresholds established in 49 C.F.R. §1105.7(e)(4) or (5). Further no historic documentation is required under 49 C.F.R. §1105.8(b)(1) because Applicants have no plans to dispose of or alter properties subject to the Board's jurisdiction that are 50 years old or older.

Conclusion

For the foregoing reasons, Applicants request that the Board issue a notice exempting the foregoing corporate family transaction.

Respectfully submitted,



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Attorneys for Applicants

Dated: March 19, 2021

VERIFICATION

I hereby verify on behalf of Applicants, under penalty of perjury, that the foregoing is true and correct. Further, I certify that I am qualified and authorized to file this Verification.

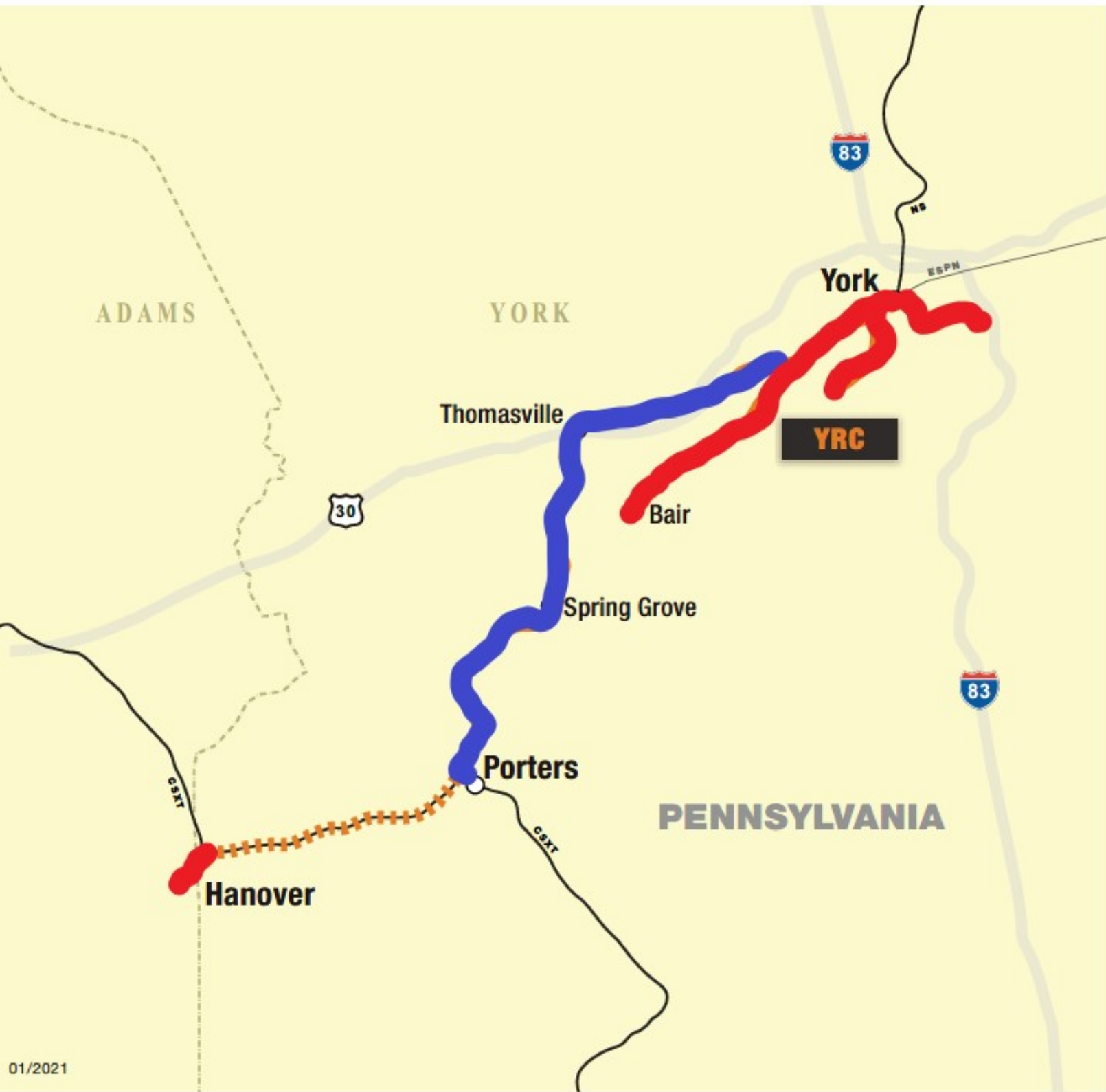
Executed on March 19, 2021.

A handwritten signature in blue ink, appearing to read 'L. Wagner', is written above a horizontal line.

Leonard Wagner, President

EXHIBIT A

MAP



Blue = Yorkrail, LLC
Red = Maryland and Pennsylvania, LLC

EXHIBIT B

PROPOSED AGREEMENT

AGREEMENT OF MERGER

This AGREEMENT OF MERGER, dated this ____ day of April, 2021 (this “Agreement”), pursuant to Section 264 of the Delaware General Corporation Law and Section 18-209 of the Delaware Limited Liability Company Act, among York Railway Company, a Delaware corporation (“YRC”), Yorkrail, LLC, a Delaware limited liability company (“Yorkrail”), and Maryland and Pennsylvania Railroad, LLC, a Delaware limited liability company (“MPA”).

WHEREAS, all of the constituent companies desire to merge into a single surviving corporation; and

NOW, THEREFORE, the companies party to this Agreement, in consideration of the mutual covenants, agreements and provisions hereinafter contained, do hereby prescribe the terms and conditions of said merger and mode of carrying the same into effect as follows:

FIRST: YRC hereby merges into itself MPA and Yorkrail and each of said MPA and Yorkrail shall be and hereby is merged into YRC, which shall be the surviving corporation.

SECOND: The Certificate of Incorporation of YRC, as heretofore amended and is in effect on the date of the merger provided for in this Agreement, shall continue in full force and effect as the Certificate of Incorporation of the entity surviving this merger.

THIRD: The manner of converting the outstanding shares of the capital stock or membership interests of each of the constituent companies into shares or other securities of the surviving corporation shall be as follows:

(a) Each share of common stock of YRC, which shall be issued and outstanding on the effective date of this Agreement, shall remain issued and outstanding.

(b) All membership interests of MPA which shall be outstanding on the effective date of this Agreement shall forthwith be cancelled.

(c) All membership interests of Yorkrail which shall be outstanding on the effective date of this Agreement shall forthwith be cancelled.

FOURTH: The terms and conditions of the merger are as follows:

(a) The by-laws of YRC as they shall exist on the effective date of this Agreement shall be and remain the by-laws of the surviving corporation until the same shall be altered, amended and repealed as therein provided.

(b) The directors and officers of YRC shall continue in office until the next annual meeting of stockholders and until their successors shall have been elected and qualified.

(c) This merger shall become effective April __, 2021.

(d) Upon the merger becoming effective, all the property, rights, privileges, franchises, patents, trademarks, licenses, registrations and other assets of every kind and description of each of MPA and Yorkrail shall be transferred to, vested in and devolve upon the surviving corporation without further act or deed and all property, rights and every other interest of the surviving corporation and each of MPA and Yorkrail shall be as effectively the property of the surviving corporation as they were of the surviving corporation, MPA and Yorkrail, respectively. Each of MPA and Yorkrail hereby agrees from time to time, as and when requested by the surviving corporation or by its successors or assigns, to execute and deliver or cause to be executed and delivered all such deeds and instruments and to take or cause to be taken such further or other action as the surviving corporation may deem to be necessary or desirable in order to vest in and confirm to the surviving corporation title to and possession of any property of it acquired or to be acquired by reason of or as a result of the merger herein provided for and otherwise to carry out the intent and purposes hereof and the proper officers and directors of it and the proper officers and directors of the surviving corporation are fully authorized in its name or otherwise to take any and all such action.

IN WITNESS WHEREOF, the parties to this Agreement, pursuant to the approval and authority duly given by resolutions adopted by their Board of Directors or members, as applicable, have caused these presents to be executed by an authorized officer of each party hereto as the respective act, deed and agreement of said companies as of the date first written above.

YORK RAILWAY COMPANY

By: _____
Name:
Title:

MARYLAND AND PENNSYLVANIA
RAILROAD, LLC

By: _____
Name:
Title:

YORKRAIL, LLC

By: _____
Name:
Title: