

ENTERED
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June 26, 2026
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Public Record

BEFORE THE
SURFACE TRANSPORTATION BOARD

FD 36945

AVORY B. BEGGS
—CONTROL EXEMPTION—
MIDWEST & BLUEGRASS RAIL, LLC; TRANSKENTUCKY
TRANSPORTATION RAILROAD, INC.; AND YOUNGSTOWN &
SOUTHEASTERN RAILROAD, LLC

**VERIFIED NOTICE OF EXEMPTION OF AVORY B. BEGGS
PURSUANT TO 49 C.F.R. § 1180.2(d)(2)**

Stephen J. Foland
Robert A. Wimbish
Fletcher & Sippel LLC
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ATTORNEYS FOR AVORY B. BEGGS

Dated: June 26, 2026.

FILED
June 26, 2026
SURFACE TRANSPORTATION BOARD

FEE RECEIVED
June 26, 2026
SURFACE
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**VERIFIED NOTICE OF EXEMPTION OF AVORY B. BEGGS
PURSUANT TO 49 C.F.R. § 1180.2(d)(2)**

Avory B. Beggs (“Beggs”), a non-carrier individual, hereby files this verified notice of exemption (the “Notice”) pursuant to 49 C.F.R. § 1180.2(d)(2) to authorize her acquisition of an indirect controlling interest by management in two Class III railroad common carriers, TransKentucky Transportation Railroad, Inc. (“TTI”) and Youngstown & Southeastern Railroad, LLC (“YSE”), via her proposed acquisition of a controlling interest in Midwest & Bluegrass Rail, LLC (“MB Rail”).

MB Rail is engaged in the business of managing rail carriers pursuant to agreements with rail carriers’ owners. MB Rail is currently co-owned by Beggs and two other individuals, each of whom owns a minority stake in the company.¹

¹ See *Midwest & Bluegrass Rail, LLC, Avory Beggs, Brian Miller, and Dustin Shaver and MB Rail TTI, LLC—Control Exemption—TransKentucky Transp. R.R., Inc.*, FD 36475 (STB served Sept. 10, 2021).

One of these co-owners, Dustin Shaver (“Shaver”), has agreed to sell his interest in MB Rail to Beggs. Beggs’ acquisition of Shaver’s interest in MB Rail will give her a majority stake, and therefore controlling interest, in MB Rail. Beggs does not have, and by way of her proposed transaction with Shaver will not acquire, a direct or indirect controlling ownership interest in TTI or YSE or in any other railroad common carrier; however, the proposed transaction will result in Beggs acquiring a controlling stake in MB Rail, and, in turn, indirect management control (through MB Rail) of both TTI and YSE.

Beggs is also submitting this Notice to receive authorization pursuant to previous directions from the Surface Transportation Board (the “Board”). The Board has been informed previously that Beggs was planning to acquire a majority interest in MB Rail and reminded Beggs of her duty to receive authorization before proceeding with the acquisition.²

This transaction involves two non-connecting carriers; Beggs’ acquisition and resulting control of MB Rail is not part of a series of transactions that would result in a connection being made between TTI and YSE; Beggs currently does not control any rail carriers; and the transaction does not involve a Class I carrier. Accordingly, Beggs’ control of TTI and YSE as further described herein qualifies for an exemption under 49 C.F.R. § 1180.2(d)(2).

² See *Michael W. Williams—Control Exemption—McCloud River Ry. Co.; Ozark Valley R.R., Inc.; and Wash. & Idaho Ry., Inc.*, FD 36848 (STB served Mar. 20, 2026), slip op. at 4.

Pursuant to the requirements of 49 C.F.R. § 1180.4(g)(1)(i), Beggs provides the following information:

Brief Summary of Proposed Transaction: 49 C.F.R. § 1180.6(a)(1)(i)

Beggs is currently a minority co-owner of MB Rail. Beggs and Shaver are finalizing the terms of a Purchase and Sale of Membership Interests Agreement (the “Agreement”) whereby Beggs would purchase Shaver’s interest in MB Rail. As a result of this purchase, Beggs will acquire a controlling ownership interest in MB Rail which, in turn, currently controls TTI and YSE via common management. An unredacted version of the draft Agreement also has been tendered along with a motion for a protective order pursuant to 49 C.F.R. § 1104.14. A “public,” redacted version of the draft Agreement is attached as Exhibit A.

As reflected in the attached draft Agreement, Beggs and Shaver are each indirect minority stakeholders in YSE and TTI, and the Agreement contemplates the transfer of Shaver’s indirect ownership stakes in YSE and TTI to Beggs, in addition to his interests in MB Rail. However, Shaver’s and Beggs’ respective interests in YSE and TTI are not, in the cumulative, enough to afford Beggs a controlling ownership stake in either railroad. Strictly as additional information, Beggs intends to seek through a variety of other potential downstream transactions ultimately to acquire a controlling ownership stake in both YSE and TTI, as well as the controlling management stake that would flow from her acquisition of a majority interest in MB Rail – the subject of this proceeding. If, as expected, Beggs secures Board authorization for common management control of

YSE and TTI via her targeted control of MB Rail, she understands that her possible downstream succession to ownership control of the same two railroads would not require her later to obtain any distinct “supplemental” ownership control authority.

The full name and address of the Applicant herein is:

Avory B. Beggs
7450 West 130th Street, Suite 100
Overland Park, Kansas 66213

The full name and address of Applicant’s representative, to whom any questions regarding this Notice should be directed, is:

Stephen J. Foland
Fletcher & Sippel LLC
29 North Wacker Drive, Suite 800
Chicago, Illinois 60606
(312) 252-1500
sfoland@fletcher-sippel.com

Proposed Schedule for Consummation: 49 C.F.R. § 1180.6(a)(1)(ii)

Beggs intends to acquire Shaver’s interest in MB Rail and, in turn, acquire an indirect controlling interest in TTI and YSE on or after July 26, 2026, the anticipated effective date of this Notice.

Purpose Sought to Be Accomplished: 49 C.F.R. § 1180.6(a)(1)(iii)

The exemption sought by this Notice will allow Beggs to control and MB Rail to provide common, efficient management of TTI and YSE.

States Where Property of Applicant is Located: 49 C.F.R. § 1180.6(a)(5)

Beggs resides in Kansas. MB Rail, a non-carrier, maintains its headquarters in Kansas. TTI owns and operates railroad property in Kentucky. YSE owns and operates railroad property in Ohio and Pennsylvania.

Maps: 49 C.F.R. § 1180.6(a)(6)

Maps illustrating the relative location of TTI and YSE are attached hereto as Exhibit B.

Agreement: 49 C.F.R. § 1180.6(a)(7)(ii)

A redacted copy of the draft Agreement is attached hereto as Exhibit A. An unredacted, confidential copy of the draft Agreement also has been filed under seal pursuant to a motion for a protective order filed in accordance with 49 C.F.R. § 1104.14.

Labor Protective Conditions: 49 C.F.R. § 1180.4(g)(1)(i)

The transaction involves the proposed acquisition of indirect control of two Class III carriers by a non-carrier individual who currently controls no common carrier railroads. Accordingly, no labor protective conditions can be imposed on this transaction pursuant to 49 U.S.C. § 11326.

Environmental and Historic Preservation: 49 C.F.R. § 1180.4(g)(3)

Pursuant to 49 C.F.R. §§ 1105.6(c)(2)(i)–(ii), the proposed transaction is exempt from environmental reporting requirements. Beggs' acquisition of control of

TTI and YSE will not result in significant changes in carrier operations which exceed the thresholds established at 49 C.F.R. §§ 1105.7(e)(4)–(5).

Pursuant to 49 C.F.R. § 1105.8(b)(3), the proposed transaction is exempt from historical preservation reporting requirements. The transaction will not result in any changes to the level of maintenance of any railroad property.

Interchange Commitments: 49 C.F.R. §§ 1180.4(g)(4)

The proposed transaction does not involve the acquisition or operation of a line of railroad. Accordingly, the provisions of 49 C.F.R. §§ 1180.4(g)(4) do not apply to this transaction. Further, the Agreement to govern Beggs' acquisition of control of TTI and YSE does not include any interchange commitments.

Respectfully submitted,

By: /s/ *Stephen J. Foland*
Stephen J. Foland
Robert A. Wimbish
Fletcher & Sippel LLC
29 North Wacker Drive, Suite 800
Chicago, Illinois 60606-3208
(312) 252-1500

ATTORNEYS FOR AVORY B. BEGGS

Dated: June 26, 2026.

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EXHIBIT A

AGREEMENT (DRAFT)

PUBLIC VERSION

PURCHASE AND SALE OF MEMBERSHIP INTERESTS AGREEMENT

THIS PURCHASE AND SALE OF MEMBERSHIP INTERESTS AGREEMENT (“Agreement”) is made effective on _____, 2026 between Dustin Shaver and Avory Beggs, Midwest & Bluegrass Rail, LLC, Midwest & Bluegrass Rail II, LLC, MB Rail IB, LLC, and MB Rail TTI LLC.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

1. Purchase and Sale of Midwest & Bluegrass Rail, LLC Membership Interests.

(a) For good and valuable consideration, the receipt of which is acknowledged, Mr. Shaver sells all of his Membership Interests in MBR, comprising thirty-three percent (33%) of MBR’s Membership Interests, to Ms. Beggs [REDACTED]

[REDACTED]

(c) Effective _____, 2026, Schedule A to the MBR Operating Agreement shall be as set forth in Midwest & Bluegrass Rail, LLC Schedule A to this Agreement.

2. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

3. Purchase and Sale of MB Rail IB, LLC Membership Interests.

(a) In exchange for [REDACTED] to be paid by Ms. Beggs to Mr. Shaver on or before July 15, 2026, Mr. Shaver sells all of his Membership Interests in MBR IB, comprising eight percent (8.0%) of MBR IB's Membership Interests, to Ms. Beggs pursuant to [REDACTED]

[REDACTED]

[REDACTED]

4. Purchase and Sale of MB Rail TTI LLC Membership Interests.

(a) In exchange for [REDACTED] to be paid by Ms. Beggs to Mr. Shaver on or before July 15, 2026, Mr. Shaver sells all his Membership Interests in TTI, comprising twenty-four percent (24%) of TTI's Membership Interests, to Ms. Beggs pursuant to [REDACTED]

[REDACTED]

[REDACTED]

5. No Further Rights or Obligations.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

8. Entire Agreement.

This Agreement contains the entire understanding of the parties regarding each company in the MBR Group.

9. Amendment.

This Agreement may not be changed orally but only by an agreement in writing signed by the parties.

10. Invalid Provision.

The invalidity or unenforceability of any particular provision of this Agreement shall not affect any other provision of this Agreement, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision had been omitted.

11. Governing Law.

This Agreement shall be construed and enforced in accordance with the laws of the State of Kansas without regard to the provisions thereof regarding conflicts of laws.

12. Counterparts.

This Agreement may be executed in one or more counterparts, which may be exchanged by electronic transmission (including e-mail), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. For the purposes of this Agreement, a copy of a signature shall be treated the same as an original signature and a facsimile or similar signature shall constitute an original signature for all purposes. A signed copy of this Agreement transmitted by facsimile, e-mail or other means of electronic transmission shall be deemed to have the same legal effect as the delivery of an original executed copy of the Agreement.

[REDACTED]

[REDACTED]

[REDACTED]

Avory Beggs

Dustin Shaver

Midwest & Bluegrass Rail, LLC

By: Avory Beggs, Manager

By: Dustin Shaver, Member

Midwest & Bluegrass Rail II, LLC

By: Avory Beggs, Manager

By: Dustin Shaver, Member

MB Rail IB, LLC

By: Avory Beggs, Manager

By: Dustin Shaver, Member

MB Rail TTI, LLC

By: Ivory Beggs, Manager

By: Dustin Shaver, Member

MB Rail IB Equipment, LLC

By: Ivory Beggs, Manager

By: Dustin Shaver, Member

Youngstown & Southeastern Railroad, LLC

By: Ivory Beggs, Manager

By: Dustin Shaver, Member

MIDWEST & BLUEGRASS RAIL, LLC
SCHEDULE A
([*])

EIN: 85-0756667

<u>Name</u>	<u>Designated Representative</u>	<u>Capital Contribution</u>	<u>Membership Interests</u>
Avory Beggs		\$34.00	67%
Brian Miller		\$33.00	33%

MIDWEST & BLUEGRASS RAIL II, LLC
SCHEDULE A
([*])



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[illegible]

MB RAIL TTI LLC
SCHEDULE A
([*])

<u>Name</u>	<u>Designated Representative</u>	<u>Capital Contribution</u>	<u>Membership Interests</u>
[REDACTED]		[REDACTED]	[REDACTED]
[REDACTED]		[REDACTED]	[REDACTED]
[REDACTED]			[REDACTED]
[REDACTED]			[REDACTED]

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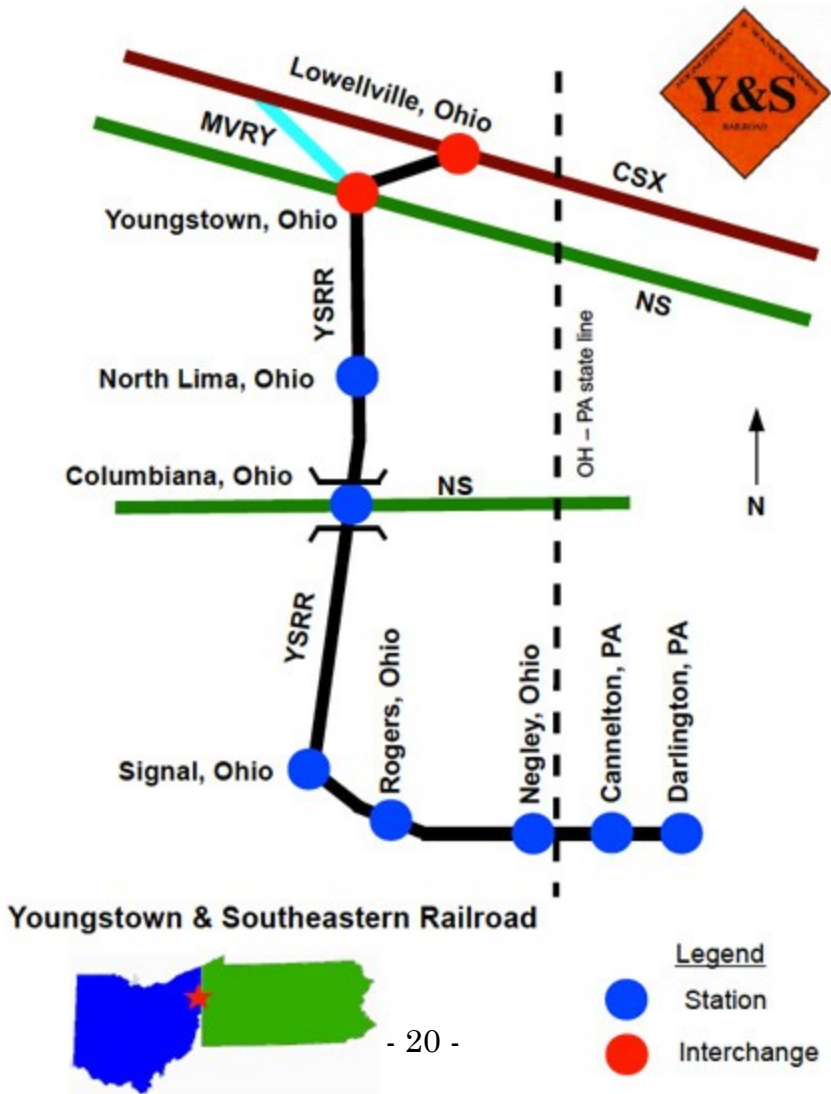
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EXHIBIT B
MAPS

TRANSKENTUCKY TRANSPORTATION RAILROAD, INC.





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VERIFICATION

VERIFICATION

I, Ivory B. Beggs verify under penalty of perjury that I have knowledge of the matters contained herein as they pertain to me and to the subject transaction in which I intend to engage pursuant to Surface Transportation Board authorization, and that the statements contained herein are true and correct to the best of my knowledge, information and belief.

/s/ *Ivory B. Beggs*
Ivory B. Beggs

Dated: June 26, 2026