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Does anyone else see Great Lakes Basin Transportation Financial Application as a train wreck? This proposed business plan offers no balance sheet, no list of investors, no funding, no financing, and most importantly no guaranteed customers. This company doesn't even have a choo-choo to its name.

P14 from the GLBT Financial Application to the Surface Transportation Board Financing for the construction phase would be accomplished primarily through the issuance of debt securities.

1. Financing is not the same as funding. In the Financial Application GLBT makes no indication the financing is available. This company will be borrowing somewhere between 2 to 8 billion dollars, yet GLBT does not offer a statement from any financial institution indicating a willingness to finance the project. How is the STB supposed to authorize a project where there is no financing available?

P15 from the GLBT Financial Application to the Surface Transportation Board Exhibit G is a pro forma income statement which shows anticipated revenues, operating costs and debt service costs in years one through five after completion of construction, assuming a financing structure of 37% equity and 63% debt.

Page 46 from the GLBT Financial Application to the Surface Transportation Board As there are no revenues or operations, there are no current relevant balance sheets or income statements.

2. GLBT also has no funding. Financing is ability access to capital through borrowing with loans, but at the end of the day you have to have cold, hard cash to build Great Lakes Basin Transportation.

In the Financial Application to the STB, GLBT projects the proposed project will be constructed with loans funding 63% of the project and investment capital covering 37% of the capital required for construction and operating capital. While

GLBT claims 24 stockholders, GLBT offers no indication how many of these stockholders are offering actual cash and how many of the stockholders are providing “services”. GLBT doesn't even want to tell the public who the investors in this project. It is conceivable all of the existing 24 stockholders in GLBT are offering “services” in return for equity in this company.

What is the point of a Financial Application with no actual financial numbers or statements beyond Pollyanna projections?

P52 & 52 From the GLBT Financial Application to the Surface Transportation Board

From a business standpoint, we are confident that the current traffic base of rail shipments moving through Chicago will generate sufficient revenue to adequately fund the operation and maintenance of the proposed railroad and repay its construction debt.

3. GLBT does not offer a guarantee of a customer base from Class 1 railroads beyond “confident” assumptions. There is no list of Class 1 railroads that have expressed a willingness to use GLBT. At this point Union Pacific from the west and Norfolk Southern from the east have publicly state they have no intention of using this proposed railroad. The largest railroad west of Chicago and the largest railroad east of Chicago will not use GLBT. Strangely the GLBT Financial Applications projects weekly trains from these railroads using GLBT.

Conclusion

GLBT has submitted a Financial Application to the STB with no indications of the ability to raise the money to build this proposed project.

GLBT has submitted a Financial Application to the STB with no supporting documentation of stockholders ability to provide 37% of the equity capital.

GLBT has submitted a Financial Application to the STB with no statements from Class 1 railroads willing to use the project.

No financing, no funding , and no customers, but Great Lakes Transportation expects the Surface Transportation Board to issue a Certificate of Public Convenience and Necessity because they filled out the every portion Financial Application. We, as a society, are willing to open our communities to companies doing “dirty jobs” when they are legitimate companies with more than just a business plan of promises. All too often our communities have accepted a slick

sales pitch, promising jobs, and promises of tax income. All too often these salesmen have left with the project a mess, complete with empty promises, and a scar left on our communities.

With no financing, funding, and no customers, GLBT gives every indication if constructed, it will be a failure and a 23,000 acre scar upon our land. Pollyanna promises of increased throughput efficiencies are theoretically at best. There is a high likelihood this project will fail and the STB should deny this proposed project.