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BEFORE THE
SURFACE TRANSPORTATION BOARD

DID # 0102048001

FINANCE DOCKET NO. 34254



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OCT 17 2002

CSX TRANSPORTATION, INC.
TRACKAGE RIGHTS IN LIMA, OHIO
NORFOLK SOUTHERN RAILWAY COMPANY

SURFACE
TRANSPORTATION BOARD

VERIFIED NOTICE OF EXEMPTION

FILED

OCT 17 2002

SURFACE
TRANSPORTATION BOARD

ENTERED
Office of Proceedings

OCT 17 2002

Part of
Public Record

Natalie S. Rosenberg
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500 Water Street J150
Jacksonville, FL 32202
(904) 359-1253

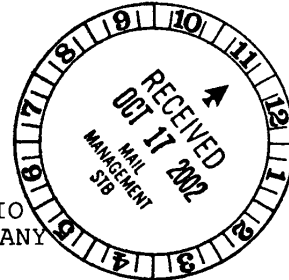
Counsel for
CSX TRANSPORTATION, INC.

DATED: October 15, 2002

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34254

CSX TRANSPORTATION, INC.
TRACKAGE RIGHTS IN LIMA, OHIO
NORFOLK SOUTHERN RAILWAY COMPANY



VERIFIED NOTICE OF EXEMPTION

Comes now CSX Transportation, Inc. ("CSXT"), by and through its undersigned attorney, and files this Verified Notice of Exemption for CSXT to acquire trackage rights over a railroad line owned by another rail carrier. Although the acquisition of such rights may be subject to the jurisdiction of the Board pursuant to 49 U.S.C. §11323, this particular grant of rights falls within the enumerated exemptions set forth in 49 C.F.R. §1180.2(d). As such, CSXT files this Verified Notice of Exemption pursuant to the Board's regulations at 49 C.F.R. §1180.4(g).

This Verified Notice of Exemption relates to the acquisition of trackage rights by CSXT over the rail line of Norfolk Southern Railway Company ("NS") known as the "Lima Running Track" between the connection to NS's subdivision at Eire

Junction near CSXT's Milepost 129.5 (near NS's Milepost SP 90.4) and NS's Milepost 91.9 along with associated yard and sidetrackage at South Lima Yard, at Lima, Ohio, a distance of approximately 1.5 miles (hereinafter "the line"). In accordance with the aforesaid regulations, CSXT makes the following responses:

RESPONSE TO 49 C.F.R. §1180.6(a):

1. Transaction Summary (49 C.F.R. 1180.6(a)(1)(i))

CSXT's operation in and around Lima requires the use of NS's South Lima Yard and related trackage. This transaction was entered into by the parties to clarify the rights and obligations of CSXT with regard to the use of NS's trackage in the relevant area.

2. Applicant (49 C.F.R. §1180.6(a)(1)(i))

CSX Transportation, Inc.
500 Water Street
Jacksonville, Florida 32202
(904) 359-3100

3. Applicant's Counsel (49 C.F.R. §1180.6(a)(1)(i))

Natalie S. Rosenberg
Counsel
CSX Transportation, Inc.
500 Water Street J150
Jacksonville, FL 32202
(904) 359-1253

4. Proposed Consummation Date (49 C.F.R. §1180.6(a)(1)(ii))

The proposed consummation date of this transaction is October 22, 2002.

5. Purpose of Transaction (49 C.F.R. §1180.6(a)(1)(iii))

The purpose of this transaction is to allow CSXT to achieve certain operating economies.

6. List of States (49 C.F.R. §1180.6(a)(5))

CSXT has property in the states of Alabama, Delaware, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Maryland, Michigan, Mississippi, New York, North Carolina, Ohio, Pennsylvania, South Carolina, Tennessee, Virginia, West Virginia, the Province of Ontario, Canada, and the District of Columbia. In addition, CSXT operates over trackage in the States of Connecticut, Illinois, Indiana, Maryland, Massachusetts, New York, Ohio, Pennsylvania, and Virginia, as well as the Province of Quebec, Canada and the District of Columbia pursuant to an Allocated Assets Operating Agreement between New York Central Lines, LLC, a wholly owned subsidiary of Consolidated Rail Corporation, and CSXT.

7. Map (49 C.F.R. §1180.6(a)(6))

A map depicting the line is attached hereto as Exhibit A.

8. Trackage Rights Agreement (49 C.F.R. §1180.6(a) (7))

The parties have entered into a Trackage Rights Agreement, which is attached hereto as Exhibit B.

9. Caption Summary (49 C.F.R. §1180.4(g) (2))

The Caption Summary is attached hereto as Exhibit C.

LABOR PROTECTION

CSXT understands that, in exempting the proposed abandonment, the Board does not relieve a carrier of its statutory obligation to protect the interests of employees. 49 C.F.R. §1180.2(d). Accordingly, CSXT anticipates that the Board will impose the conditions set forth in Norfolk and Western Ry. CO.-Trackage Rights-BN, 354 I.C.C. 605 (1978), as modified by Mendocino Coast Railway, Inc., 360 I.C.C. 653 (1980), for the benefit of any carrier employee who may be adversely affected by the proposed abandonment.

Respectfully submitted,

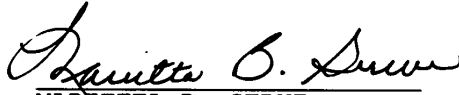

Natalie S. Rosenberg
Counsel
CSX Transportation, Inc.
500 Water Street J150
Jacksonville, FL 32202

DATED: October 15, 2002

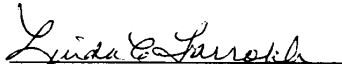
VERIFICATION

STATE OF FLORIDA)
)
COUNTY OF DUVAL)

Marietta B. Serwe, being duly sworn, deposes and says that she is General Manager, Intercarrier Agreements, of CSX Transportation, Inc., and that she has read the foregoing, knows the contents thereof, and that the same are true as stated to the best of her knowledge, information and belief.


MARIETTA B. SERWE

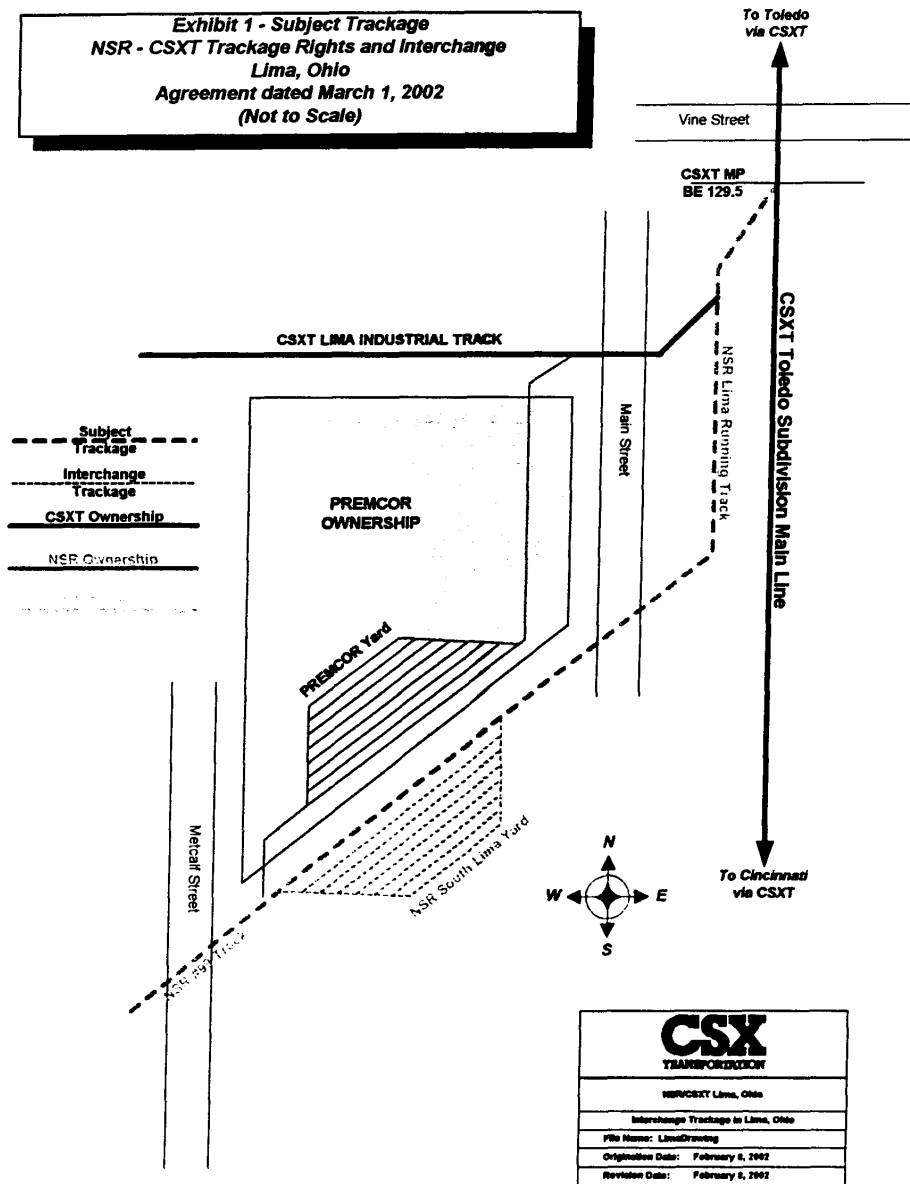
Subscribed and sworn to
Before me this 11th day
Of October, 2002


Notary Public

My Commission Expires:



Exhibit 1 - Subject Trackage
NSR - CSXT Trackage Rights and Interchange
Lima, Ohio
Agreement dated March 1, 2002
(Not to Scale)



CSX TRANSPORTATION	
NSR/CSXT Lima, Ohio	
Interchange Trackage to Lima, Ohio	
File Name: LimaDrawing	
Origination Date:	February 6, 2002
Revision Date:	February 6, 2002

TRACKAGE RIGHTS and INTERCHANGE AGREEMENT

THIS AGREEMENT, entered into as of this 1st day of June, 2002, by and between **NORFOLK SOUTHERN RAILWAY COMPANY**, a Virginia corporation, (hereinafter referred to as "**Owner**" or "**NSR**") and **CSX TRANSPORTATION, INC.**, a Virginia corporation, (hereinafter referred to as "**User**" or "**CSXT**");

WITNESSETH:

WHEREAS, User and Owner conduct interchange with each other in Owner's South Lima Yard near Lima, OH; and

WHEREAS, User and R J Corman Railroad Co./Western Ohio Lines (RJCW) conduct interchange with each other in Owner's South Lima Yard; and

WHEREAS, User delivers traffic to and pulls traffic from The Premcor Refining Group's Lima Refinery (Refinery or Premcor); and

WHEREAS, User regularly moves its own traffic between its Toledo Subdivision east of the Refinery and its Lima Industrial Track north of the Refinery; and

WHEREAS, All of the foregoing activities require that User operate over certain segments of Owner's Lima District in the vicinity of the Refinery, and that the interchange of railroad cars occurs between User and Owner and between User and RJCW on certain segments of Owner's trackage at South Lima Yard; and

WHEREAS, the Parties desire to set forth by formal agreement, the respective rights and obligations surrounding User's use of Owner's Lima District trackage and the conduct of interchange between the parties at Lima.

NOW, THEREFORE, the parties hereto, intending to be legally bound, agree as follows:

ARTICLE 1. GRANT OF TRACKAGE and ACCESS RIGHTS

A. Subject to the terms and conditions herein provided, Owner hereby grants to User the right to operate its trains, locomotives, cars and equipment with its own crews (hereinafter referred to as the "Trackage Rights") over the following segments of Owner's railroad shown on the plan attached hereto, made a part hereof and marked Exhibit "I" (hereinafter referred to as the "Subject Trackage"):

(i) Over a segment of Owner's Lima District known as the "Lima Running Track" between the connection to User's Toledo Subdivision at

B. User shall have the right to enter and exit the Subject Trackage at the connection to User's Lima Industrial Track and any other location required to exercise the rights herein contemplated.

C. User shall not handle between the facilities of Premcor and Owner's South Lima Yard, any traffic originating or terminating at Premcor and waybilled for movement in Owner's line haul account.

ARTICLE 4. MISCELLANEOUS SPECIAL PROVISIONS

User's entry and exit of the Subject Trackage shall be subject to the following communications and reporting procedures:

A. Before its locomotives enter onto the Subject Trackage, User shall request and obtain permission from Owner's Lake Division dispatcher or other designated representative at Fort Wayne, IN or such other location as Owner may designate. Upon completing its operations and clearing the Subject Trackage, User shall notify Owner's designated representative that it has completed its operations and that its equipment has cleared the Subject Trackage.

B. At all times while occupying the Subject Trackage, User's movements shall be governed by Owner's safety rules, operating rules, regulations, orders, practices and instructions.

C. Procedures for qualification and occupancy of the Subject Trackage shall be arranged by the local supervision of each carrier. All control and usage shall be subject to the approval of Owner's representative or his designee.

ARTICLE 5. INTERCHANGE OF CARS

A. Owner and User shall interchange cars with each other on yard tracks in Owner's South Lima Yard. Said trackage shall for all purposes of this Agreement, be considered as part of the Subject Trackage, and for purposes of interchange as herein contemplated, shall also be referred to as "Interchange Trackage." So long as User may also conduct interchange with RJCW at Owner's South Lima Yard as herein contemplated, that interchange shall also take place on the Interchange Trackage.

B. Neither Owner nor User shall be required or obligated to violate its labor agreements to satisfy a request on the part of the other. In the event that a train and engine crew of a party hereto is required to perform service at the other party's direction which is in violation of any collective bargaining agreements of the party performing the service, any resultant penalties arising under Owner's or

guarantee the condition of the Subject Trackage or that operations thereover shall not be interrupted. Owner shall take all reasonable steps to ensure that any interruptions shall be kept to a minimum, but except as may be otherwise provided in Article 14, User shall not by reason of failure or neglect on the part of Owner to maintain, repair or renew the Subject Trackage, have or make any claim or demand against Owner or its parent corporation, subsidiaries or affiliates, or their respective directors, officers, agents or employees for any injury to or death of any person or persons whomsoever, or for any damage to or loss or destruction of any property whatsoever, or for any damages of any nature suffered by User resulting from any such failure or neglect.

B. Owner shall perform, at the expense of User, such additional maintenance as User may reasonably require or request.

ARTICLE 9. CONSTRUCTION AND MAINTENANCE OF NEW CONNECTIONS

A. Existing connections or facilities that are jointly used by the parties hereto under existing agreements if any, shall continue to be maintained, repaired and renewed by and at the expense of the party or parties responsible for such maintenance, repair and renewal under such agreements.

B. Any additional connections to the Subject Trackage which may be required shall be subject to the approval (including design) of the respective Chief Engineers, and shall be constructed, maintained, repaired and renewed as follows:

(i.) User or others shall furnish all labor and material and shall construct, maintain, repair and renew at its sole cost and expense such portions of the tracks located on the right-of-way of User or others which connect the respective lines of the parties hereto.

(ii) Owner or others shall furnish all labor and material and shall construct, maintain, repair and renew at the sole cost of User or others, such portions of the tracks located on the right-of-way of Owner which connect the respective lines of the parties hereto. Upon termination of this Agreement, Owner may at its option remove portion of trackage and appurtenances located on property of Owner, at the sole cost and expense of User or others.

ARTICLE 10. ADDITIONS, RETIREMENTS AND ALTERATIONS

A. Owner, from time to time and at its sole cost and expense, may make changes in, additions and betterments to or retirements from the Subject Trackage as shall, in its judgment, be necessary or desirable for the economical or safe operation thereof or as shall be required by any law, rule, regulation, or ordinance

promulgated by any governmental body having jurisdiction. Such additions and betterments shall become a part of the Subject Trackage and such retirements shall be excluded from the Subject Trackage.

B. If the parties agree that changes in or additions and betterments to the Subject Trackage, including changes in communication or signal facilities, are required to accommodate User's operations beyond that required by Owner to accommodate its operations, Owner shall construct the additional or altered facilities and User shall pay to Owner the cost thereof, including the annual expense of maintaining, repairing and renewing such additional or altered facilities.

ARTICLE 11. MANAGEMENT AND OPERATIONS

A. CSXT shall comply with the provisions of the Federal Locomotive Inspection Act and the Federal Safety Appliance Act, as amended, and any other federal and state and local laws, regulations and rules respecting the operation, condition, inspection and safety of its trains, locomotives, cars and equipment while such trains, locomotives, cars, and equipment are being operated over the Subject Trackage. CSXT shall indemnify, protect, defend, and save harmless NSR and its parent corporation, subsidiaries and affiliates, and all of their respective directors, officers, agents and employees from and against all fines, penalties and liabilities imposed upon NSR or its parent corporation, subsidiaries or affiliates, or their respective directors, officers, agents and employees under such laws, rules, and regulations by any public authority or court having jurisdiction in the premises, when attributable solely to the failure of CSXT to comply with its obligations in this regard.

B. CSXT in its use of the Subject Trackage shall comply in all respects with the safety rules, operating rules and other regulations of NSR, and the movement of CSXT's trains, locomotives, cars, and equipment over the Subject Trackage shall at all times be subject to the orders of the transportation officers of NSR. CSXT's trains shall not include locomotives, cars or equipment which exceed the width, height, weight or other restrictions or capacities of the Subject Trackage as published in Railway Line Clearances, and no train shall contain locomotives, cars or equipment which require speed restrictions or other movement restrictions below the maximum authorized freight speeds as provided by NSR's operating rules and regulations without the prior consent of NSR.

C. If any employee of CSXT shall neglect, refuse or fail to abide by NSR's rules, instructions and restrictions governing the operation on or along NSR's property, either party may deem it necessary to hold a formal investigation to establish such neglect, refusal or failure on the part of any employee of CSXT. Should NSR deem it necessary to hold a formal investigation, upon notice presented in writing by NSR to CSXT, CSXT shall promptly hold an

investigation in which all parties concerned shall participate. Each party shall bear the expense for its officers, counsel, witnesses and employees. Notice of such investigations to CSXT's employees shall be given by CSXT's officers, and such investigation shall be conducted in accordance with the terms and conditions of schedule agreements between CSXT and its employees. If the result of such investigation warrants, such employee shall, upon written request by NSR, be withdrawn by CSXT from service on NSR's property, up to and including permanent prohibition from working on said property, and CSXT shall release and indemnify NSR from and against any and all claims and expenses because of such withdrawal.

D. The trains, locomotives, cars and equipment of NSR, CSXT, and any other present or future user of the Subject Trackage or any portion thereof, shall be operated without prejudice or partiality to either party and in such manner as shall afford the most economical and efficient manner of movement of all traffic.

E. In the event that a train of CSXT shall be forced to stop on Subject Trackage, and such stoppage is due to insufficient hours of service remaining among CSXT's crew, or due to mechanical failure of CSXT's equipment, or any other cause not resulting from an accident or derailment, and such train is unable to proceed, or if a train of CSXT fails to maintain the speed required by NSR on the Subject Trackage, or if in emergencies, crippled or otherwise defective cars are set out of CSXT's trains on the Subject Trackage, NSR shall have the option to furnish motive power or such other assistance (including but not limited to the right to recrew CSXT's train) as may be necessary to haul, help or push such trains, locomotives or cars, or to properly move the disabled equipment off the Subject Trackage, and CSXT shall reimburse NSR for the cost of rendering any such assistance.

F. If it becomes necessary to make repairs to or adjust or transfer the lading of such crippled or defective cars in order to move them off the Subject Trackage, such work shall be done by NSR or shall be caused by NSR to be done, and CSXT shall reimburse NSR for the cost thereof.

G. In the event NSR and CSXT agree that NSR should retain employees or provide additional employees for the sole benefit of CSXT, the parties hereto shall enter into a separate agreement under which CSXT shall bear all cost and expense for any such retained or additional employees provided, including without limitation all cost and expense associated with labor protective payments which are made by NSR and which would not have been incurred had the retained or additional employees not been provided.

ARTICLE 12. MILEAGE AND CAR HIRE

All mileage and car hire charges accruing on cars in User's trains on the Subject Trackage shall be assumed by User and reported and paid by it directly to the owner of such cars.

ARTICLE 13. CLEARING OF WRECKS

Whenever User's use of the Subject Trackage requires rerailing, wrecking service or wrecking train service, Owner shall perform or provide such service, including the repair and restoration of roadbed, track and structures. The cost, liability and expense of the foregoing, including without limitation loss of, damage to, or destruction of any property whatsoever and injury to and death of any person or persons whomsoever or any damage to or destruction of the environment whatsoever, including without limitation land, air, water, wildlife, and vegetation, resulting therefrom, shall be apportioned in accordance with the provisions of Article 14 hereof. All locomotives, cars, and equipment and salvage from the same so picked up and removed which is owned by or under the management and control of or used by User at the time of such wreck, shall be promptly delivered to it.

ARTICLE 14. LIABILITY

The responsibility and liability between the parties for: (i) any personal injury or death of any person (including employees of the parties and third persons), (ii) any real or personal property damage of any person (including property of the parties and third persons), (iii) any damage or destruction to the environment (including land, air, water, wildlife and vegetation), and (iv) all cleanup and remedial expenses, court costs, settlements, claims, judgements, litigation expenses and attorney's fees resulting from the use of the Subject Trackage by either party as described herein, all of which are collectively referred to as a "Loss", shall be divided as follows:

A. If a Loss occurs while the Subject Trackage is being used solely by the trains and locomotives of either Owner or User, then the using party is solely responsible for the Loss, even if caused partially or completely by the other party.

B. If a Loss occurs on the Subject Trackage involving the trains and locomotives of both Owner and User, then: (i) each is solely responsible for any Loss to its own employees, locomotives and equipment in its own account including lading and (ii) the parties are equally responsible for any Loss to the Subject Trackage and Loss sustained by third parties, regardless of the proportionate responsibility between them as to the cause of the Loss, unless the Loss was caused solely by one party. In that event, the party causing the loss is solely responsible.

C. For purposes of assigning responsibility of a Loss under this Article as between the parties hereto, a Loss involving one of the parties to this Agreement and a third party or parties shall be construed as being the sole responsibility of that one party to this Agreement.

D. Whenever any liability, cost, or expense is assumed by or apportioned to a party hereto under the foregoing provisions, that party shall forever protect, defend, indemnify, and save harmless the other party to this Agreement and its parent corporation, subsidiaries and affiliates, and all of their respective directors, officers, agents, and employees from and against that liability, cost and expense assumed by that party or apportioned to it, regardless of whether caused in whole or in part by the fault, failure, negligence, misconduct, nonfeasance, or misfeasance of the indemnitee or its directors, officers agents, or employees.

E. In every case of death or injury suffered by an employee of either User or Owner, when compensation to such employees or employee's dependents is required to be paid under any workmen's compensation, occupational disease, employers' liability or other law, and either of said parties, under the provisions of this Agreement, is required to pay said compensation, if such compensation is required to be paid in installments over a period of time, such party shall not be released from paying any such future installments by reason of the expiration or other termination of this Agreement prior to any of the respective dates upon which any such future installments are to be paid.

F. For purposes of determining liability, pilots furnished by Owner to User pursuant to this Agreement shall be considered as the employees of User while such employees are on duty as pilots.

G. For the purpose of determining liability associated with construction, maintenance, repair and renewal of connections as provided in Article 9 B (ii), all work performed by Owner shall be deemed performed for the sole benefit of User, and User shall be fully liable for all cost and expense of any and all loss, damage, destruction, injury and death resulting from, arising out of, incidental to or occurring in connection with said construction, maintenance repair and renewal except when such cost and expense of loss, damage, destruction, injury or death is caused by the sole negligence of Owner.

H. If any suit or action shall be brought against either party for damages which under the provisions of this Agreement are in whole or in part the responsibility of the other party, said other party shall be notified in writing by the party sued, and the party so notified shall have the right and be obligated to take part in the defense of such suit and shall pay a proportionate part of the judgment and costs, expense and attorneys' fees incurred in such suit according to its liability assumed hereunder.

I. In the event of a Loss as set out herein, the parties to this Agreement shall be bound by the Freight Claim Rules, Principles, and Practices of the Association of American Railroads (AAR) as to the handling of any claims for the loss or damage to lading.

ARTICLE 15. CLAIMS

A. Except as provided in Subarticle B below, all claims, injuries, death, property damages and losses arising out of or connected with this Agreement shall be investigated, adjusted and defended by the party bearing the liability, cost, and expense therefor under the provisions of this Agreement.

B. Each party shall investigate, adjust and defend all freight loss and damage claims filed with it in accordance with 49 U.S.C. Section 11706.

C. In the event a claim or suit is asserted against Owner or User which is the other's duty hereunder to investigate, adjust or defend, then, unless otherwise agreed, such other party shall, upon request, take over the investigation, adjustment and defense of such claim or suit.

D. All costs and expenses in connection with the investigation, adjustment and defense of any claim or suit under this Agreement shall be included as costs and expenses in applying the liability provisions set forth in this Agreement, except that salaries or wages of full-time agents, full-time attorneys and other full-time employees of either party engaged directly or indirectly in such work shall be borne by such party.

E. Excluding freight loss and damage claims filed in accordance with 49 U.S.C. Section 11706, neither party shall settle or compromise any claim, demand, suit or cause of action for which the other party has any liability under this Agreement without the concurrence of such other party if the consideration for such settlement or compromise exceeds THIRTY-FIVE THOUSAND DOLLARS (\$35,000).

F. Except as otherwise provided herein, each party agrees to indemnify and hold harmless the other party and its parent corporation, subsidiaries and affiliates, and all their respective directors, officers, agents and employees from and against any and all costs and payments, including benefits, allowances and arbitration, administrative and litigation expenses, arising out of claims or grievances made by or on behalf of its own employees, either pursuant to a collective bargaining agreement. It is the intention of the parties that each party shall bear the full costs of protection of its own employees under employee protective conditions which may be imposed, and of grievances filed by its own employee arising under its collective bargaining agreements with its employees.

G. It is understood that nothing in this Article 15 shall modify or waive the conditions, obligations, assumptions or apportionments provided in Article 14.

ARTICLE 16. DEFAULT AND TERMINATION

In the event of any substantial failure on the part of User to perform its obligations under this Agreement and its continuance in such default for a period of sixty (60) days after written notice thereof by certified mail from Owner, Owner shall have the right at its option, after first giving thirty (30) days written notice thereof by certified mail, and notwithstanding any waiver by Owner of any prior breach thereof, to terminate the Trackage Rights and User's use of the Subject Trackage. The exercise of such right by Owner shall not impair its rights under this Agreement or any cause or causes of action it may have against User for the recovery of damages.

ARTICLE 17. REGULATORY APPROVAL

A. Should this Agreement require the prior approval of the Surface Transportation Board (STB), User at its own cost and expense shall initiate and thereafter diligently pursue an appropriate application or petition to secure such approval. Owner shall assist and support efforts of User to secure any necessary STB approval of this Agreement.

B. Should the STB at any time during the term of this Agreement impose any labor protective conditions upon the arrangement; User, solely, shall be responsible for any and all payments in satisfaction of such conditions.

ARTICLE 18. ABANDONMENT OF SUBJECT TRackage

A. Notwithstanding the provisions of Article 19, Owner shall have the right, subject to securing any necessary regulatory approval, to abandon the Subject Trackage or any portion thereof. Before filing an application for regulatory approval of such abandonment, Owner shall give User ninety 90 days' advance notice in writing of its intention to do so in order that User may determine whether it desires to purchase the Subject Trackage (or portion thereof) or to discontinue its use thereof.

B. If User desires to purchase the Subject Trackage or any portion thereof, it shall submit an offer of financial assistance under 49 U.S.C. Section 10904. In the event the offer meets the requirements of the aforesaid section and Owner receives more than one such offer, Owner shall exercise its statutory right to negotiate with User rather than with the other offeror(s). Thereafter, the rights and obligations of the parties in respect to User's acquisition of the Subject

Trackage shall be governed by applicable provisions of the law.

C. In any one of the circumstances listed below User shall be deemed to have determined that it does not desire to purchase the Subject Trackage and that it desires to discontinue its use thereof:

- (i) User fails to submit an offer of financial assistance to purchase the Subject Trackage within the time prescribed by statute and applicable regulations, or
- (ii) User, having made an offer of financial assistance to purchase the Subject Trackage, but being unable to reach agreement with Owner as to the sale price, fails within the statutory period to request the proper regulatory authority to establish the terms and conditions of the sale, or
- (iii) User, having requested the proper regulatory authority to establish the terms and conditions of sale, withdraws its offer of financial assistance, or
- (iv) User, having requested the proper regulatory authority to establish the terms of the sale, rejects the authority's order establishing said terms or fails to accept said terms within the time prescribed by said order.

In such event User shall promptly file an application with the proper regulatory authority seeking approval of the discontinuance of its operations over the Subject Trackage. If User does not promptly file an application seeking approval of the discontinuance of User's operations over the Subject Trackage, Owner shall be deemed to have been given User's power of attorney to take such action on User's behalf.

D. In the event any application filed by Owner is granted but an application filed by User under Subsection (c) above is denied by the proper regulatory authority, the parties shall cooperate in taking such action as is reasonably necessary to effect a sale of the Subject Trackage to User (including securing any necessary regulatory authority) for a price consistent with the principles of 49 U.S.C. Section 10904.

E. In the event Owner abandons any portion (or all) of the Subject Trackage under circumstances which (because of changes in the law or otherwise) are not subject to handling under the procedures outlined above, the parties shall cooperate and take such action as is necessary to assure that User either promptly terminates its operations over the segment to be abandoned or purchases said segment at a price consistent with the principles of 49 U.S.C. Section 10904 as interpreted on the date of this Agreement.

F. In the event Owner's application for authority to abandon is denied, User shall withdraw any application it has filed under Subarticle C above.

G. Except as otherwise expressly agreed in writing, in the event any actions taken by the parties under this Article 18 result in an obligation imposed by any competent authority on either or both parties hereto to protect the interests of affected employees, the responsibility for bearing the cost thereof shall be borne by the party which is the employer of the affected employee or employees, notwithstanding the manner in which said cost may be apportioned in any order or decision imposing the protection.

ARTICLE 19. TERM

A. This Agreement shall be effective the day and year first above written or, in the event Surface Transportation Board (STB) approval is required, on the effective date such approval is secured, and shall remain in full force and effect for an initial term of thirty (30) years. Unless Owner is notified by User, upon not less than six (6) months written notice prior to the end of the initial term, that User intends to terminate this Agreement, this Agreement shall automatically renew for one (1) additional thirty (30) year term. User shall have a right at any point during the initial term or subsequent renewal period, to terminate this Agreement upon not less than six (6) months advance written notice to Owner of its intent to so terminate.

B. Termination of this Agreement shall not relieve or release either party hereto from any obligation assumed or from any liability which may have arisen or been incurred by either party under the terms of this Agreement prior to the termination hereof.

C. The foregoing provisions of this Article 19 notwithstanding, either party hereto shall have the right to discontinue the conduct of interchange at Owner's South Lima Yard upon not less than thirty (30) days advance written notice to the other party.

ARTICLE 20. ARBITRATION

Any irreconcilable dispute arising between the parties with respect to this Agreement shall be jointly submitted for binding arbitration under the Commercial Arbitration Rules of the American Arbitration Association. The decision of the arbitrator shall be final and conclusive upon the parties hereto. Each party to the arbitration shall pay the compensations, costs, fees and expenses of its own witnesses, experts and counsel. The compensation, costs and expense of the arbitrator, if any, shall be borne

equally by the parties hereto. The arbitrator shall not have the power to award consequential or punitive damages or to determine violations of criminal or antitrust laws.

ARTICLE 21. SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto. Neither party hereto shall transfer or assign this Agreement, or any of its rights, interests or obligations hereunder, to any person, firm, or corporation without obtaining the prior written consent of the other party to this Agreement.

ARTICLE 22. NOTICE

Any notice required or permitted to be given by one party to the other under this Agreement shall be deemed given on the date sent by certified mail, or by such other means as the parties may agree, and shall be addressed as follows:

If to Owner: Vice President Transportation – Operations
Norfolk Southern Railway Company
Three Commercial Place
Norfolk, VA 23510-2191

With a copy to:

Senior Director Joint Facilities
Norfolk Southern Railway Company
185 Spring Street, SW, Box 158
Atlanta, GA 30303

If to User: General Manager-Intercarrier Agreements
CSX Transportation, Inc.
500 Water Street, J801
Jacksonville, FL 32202

Either party may provide changes in the above addresses to the other party by personal service or U.S. mail.

ARTICLE 23. GENERAL PROVISIONS

A. This Agreement and each and every provision hereof is for the exclusive benefit of the parties hereto and not for the benefit of any third party. Nothing

herein contained shall be taken as creating or increasing any right of any third party to recover by way of damages or otherwise against either of the parties hereto.

B. This Agreement contains the entire understanding of the parties hereto and supersedes any and all oral understandings between the parties.

C. No term or provision of this Agreement may be changed, waived, discharged or terminated except by an instrument in writing and signed by both parties to this Agreement.

D. All words, terms and phrases used in this Agreement shall be construed in accordance with the generally applicable definition or meaning of such words, terms and phrases in the railroad industry.

E. All Article headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.

F. As used in this Agreement, whenever reference is made to the trains, locomotives, cars or equipment of, or in the account of, one of the parties hereto, such expression means the trains, locomotives, cars and equipment in the possession of or operated by one of the parties and includes such trains, locomotives, cars and equipment which are owned by, leased to, or in the account of such party. Whenever such locomotives, cars or equipment are owned or leased by one party to this Agreement and are in the possession or account of the other party to this Agreement, such locomotives, cars and equipment shall be considered those of the other party under this Agreement.

G. This Agreement is the result of mutual negotiations of the parties hereto, neither of whom shall be considered the drafter for purposes of contract construction.

H. Neither party hereto may disclose the provisions of this Agreement to a third party, excluding a parent, subsidiary or affiliate company, without the written consent of the other party, except as otherwise required by law, regulation or ruling.

** TX STATUS REPORT **

AS OF SEP 27 '02 13:23 PAGE.01

INTERCARRIER AGREEMENTS

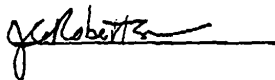
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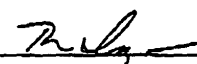
Page 16 of 16

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

Witness for :

NORFOLK SOUTHERN RAILWAY
COMPANY



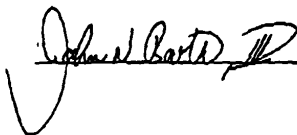
By: 

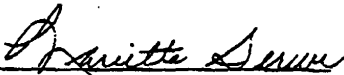
Print Name: T.L. Ingram

Print Title: VP Transportation Operations

Witness for CSXT:

CSX TRANSPORTATION, INC.



By: 

Print Name: MARIETTA SERWE

Print Title: GENERAL MANAGER
INTERCARRIER AGREEMENTS

Exhibit 1 - Subject Trackage
NSR - CSXT Trackage Rights and Interchange
Lima, Ohio
Agreement dated March 1, 2002
(Not to Scale)

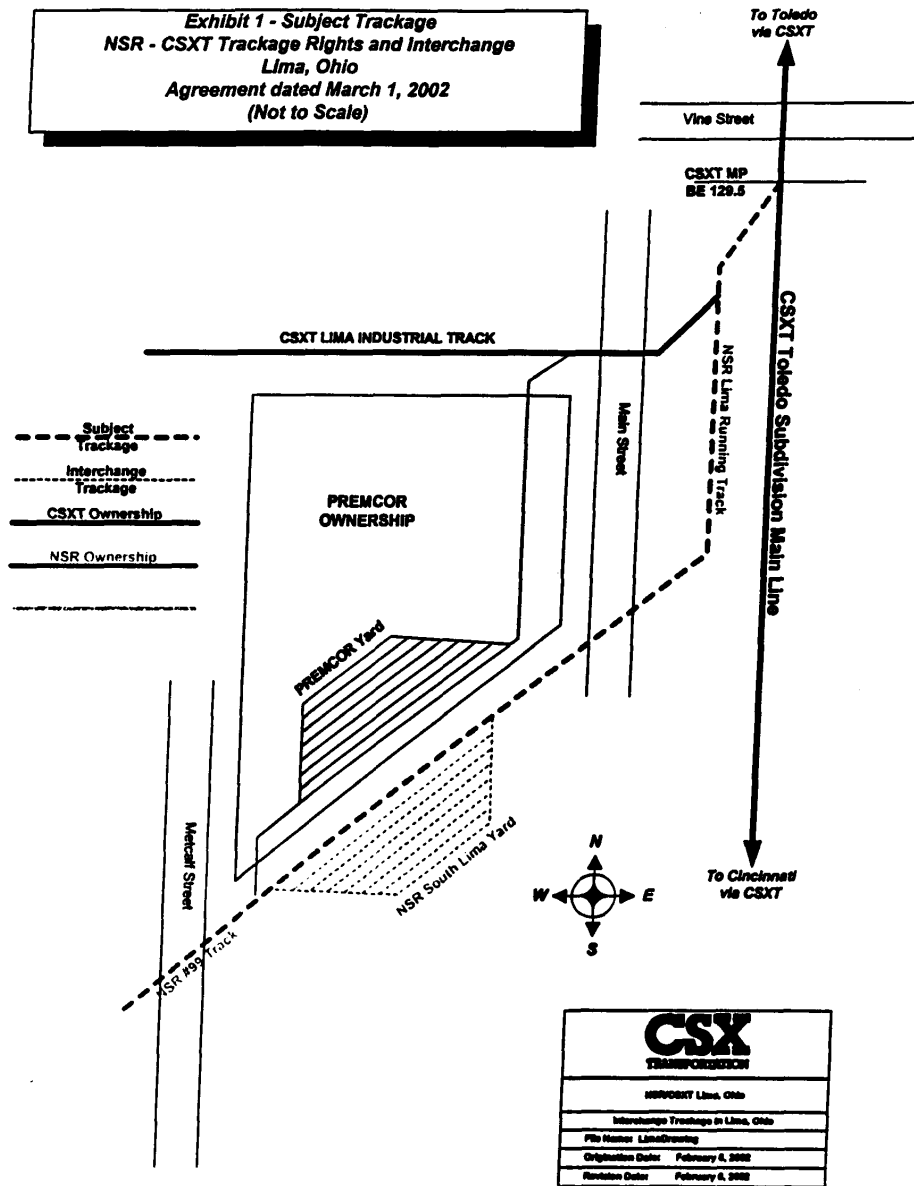


EXHIBIT C

CAPTION SUMMARY

Finance Docket No. 34254

CSX TRANSPORTATION, INC.
-- TRACKAGE RIGHTS--
NORFOLK SOUTHERN RAILWAY COMPANY

Norfolk Southern Railway Company has agreed to grant CSX Transportation, Inc. trackage rights on the "Lima Running Track" between the connection to Norfolk Southern Railway Company's subdivision at Eire Junction near Milepost SP 90.4 and Milepost 91.9 along with associated yard and sidetrackage at South Lima Yard, at Lima, Ohio, a distance of approximately 1.5 miles. The trackage rights will be effective on October 22, 2002.

This notice is filed under Section 1180.2(d)(7).
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 stay the transaction.

Dated:

By the Board.

Vernon A. Williams,

Secretary