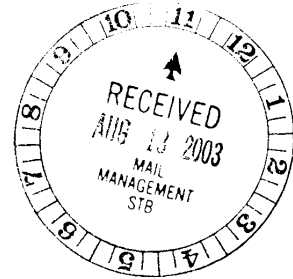


BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34387

R.J. CORMAN RAILROAD COMPANY/CENTRAL KENTUCKY LINES
-- LEASE EXEMPTION --
LINES OF R.J. CORMAN EQUIPMENT COMPANY, LLC



208695

**VERIFIED NOTICE OF EXEMPTION
OF
R.J. CORMAN RAILROAD COMPANY/CENTRAL KENTUCKY LINES
PURSUANT TO 49 C.F.R. § 1150.41**

FEE RECEIVED

AUG 13 2003

SURFACE
TRANSPORTATION BOARD

Office of Proceedings

AUG 12 2003

Part of
Public Record

FILED

AUG 13 2003

Ronald A. Lane
Thomas J. Litwiler
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2875
(312) 252-1500

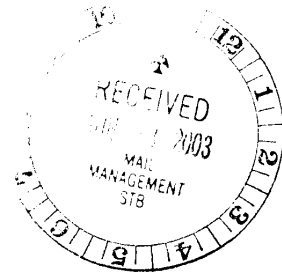
**ATTORNEYS FOR R.J. CORMAN RAILROAD
COMPANY/CENTRAL KENTUCKY LINES**

Dated: August 12, 2003

BEFORE THE
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34387

R.J. CORMAN RAILROAD COMPANY/CENTRAL KENTUCKY LINES
-- LEASE EXEMPTION --
LINES OF R.J. CORMAN EQUIPMENT COMPANY, LLC



**VERIFIED NOTICE OF EXEMPTION
OF
R.J. CORMAN RAILROAD COMPANY/CENTRAL KENTUCKY LINES
PURSUANT TO 49 C.F.R. § 1150.41**

Pursuant to 49 C.F.R. § 1150.41, et seq., R.J. Corman Railroad Company/Central Kentucky Lines ("RJCK"), a Class III rail carrier, hereby files this Verified Notice of Exemption to lease and operate a line of railroad owned by R.J. Corman Equipment Company, LLC ("RJCE") extending from HK Tower in Anchorage, Kentucky (near Louisville) to Winchester, Kentucky and associated branch lines, a total distance of approximately 100.04 miles (the "Old Road"). Based on projected revenues for the Old Road, RJCK expects to remain a Class III rail carrier after consummation of the transaction proposed herein.

This Notice is related to Finance Docket No. 34386, R.J. Corman Equipment Company, LLC -- Acquisition Exemption -- Lines of CSX Transportation, Inc., in which R.J. Corman Equipment Company, LLC is filing a Verified Notice of Exemption pursuant to 49 C.F.R. § 1150.41 to acquire the Old Road from CSX Transportation, Inc. ("CSXT").

In accordance with the requirements of 49 C.F.R. § 1150.43, RJCK submits the following information:

Name and Address of Applicant: 49 C.F.R. § 1150.43(a)

The full name and address of the rail carrier applicant herein is as follows:

R.J. Corman Railroad Company/
Central Kentucky Lines
One Jay Station, P.O. Box 788
Nicholasville, KY 40356

Applicant's Representative: 49 C.F.R. § 1150.43(b)

RJCK's representative to whom correspondence regarding this transaction should be sent is as follows:

Ronald A. Lane
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2875
(312) 252-1500

Statement Concerning Agreement: 49 C.F.R. § 1150.43(c)

RJCK has reached agreement with RJCE providing for RJCK's lease and operation of the Old Road immediately upon RJCE's acquisition of the Old Road from CSXT. A final lease agreement will be executed by RJCK and RJCE on or prior to September 30, 2003.

Operation of the Property: 49 C.F.R. § 1150.43(d)

RJCK will operate and provide all rail common carrier service on the Old Road, pursuant to the lease transaction proposed herein.

Summary of the Transaction: 49 C.F.R. § 1150.43(e)

RJCK is a Class III common carrier by rail which operates pursuant to lease approximately 14.9 miles of rail line between Lexington and Versailles, Kentucky owned by RJCE. See R.J. Corman Railroad Company/Central Kentucky Lines -- Lease and Operation Exemption -- Line of R.J. Corman Equipment Company, LLC, Finance Docket No. 34326 (STB served April 14, 2003). RJCK is controlled by Richard J. Corman, who also controls eight other

Class III rail carriers in the eastern United States. See Richard J. Corman -- Continuance in Control Exemption -- R.J. Corman Railroad Company/Central Kentucky Lines, Finance Docket No. 34327 (STB served April 14, 2003).

Pursuant to an agreement to be entered into between RJCK and RJCE, RJCK will lease and operate RJCE's line of railroad, known as the "Old Road," extending between approximately milepost 12.49 at HK Tower in Anchorage, Kentucky (near Louisville) and approximately milepost 113.81 in Winchester, Kentucky, a distance of approximately 91.48 miles. There are milepost equations on the Old Road at Christianburg, Kentucky, where M.P. 39.52 = M.P. 49.46; at Lexington, Kentucky, where M.P. 93.43 = 96.89; and near Montrose, Kentucky, where M.P. 102.76 = M.P. 99.20. In addition, RJCK will lease and operate the following associated branch lines extending off of the Old Road main line:

- * The Bloomfield Branch, extending from a connection with the Old Road main line at milepost 30.64 to milepost 33.71, a distance of approximately 3.07 miles, in Shelbyville, Kentucky.
- * The Chilesburg Branch, extending from a connection with the Old Road main line at milepost 643.90 in Lexington, Kentucky (milepost 97.74 on the Old Road Main Line) to milepost 638.41 near Cadentown, Kentucky, a distance of approximately 5.49 miles.

The total distance of the Old Road and associated branch lines to be leased by RJCK is approximately 100.04 miles. RJCK also will lease and operate certain industrial, spur and yard tracks in Lexington and Frankfort, Kentucky.

The RJCK lease of the Old Road is subject to retained overhead trackage rights held by CSXT between Winchester and Lexington, Kentucky. RJCK and CSXT are contemplating a subsequent grant of trackage rights from CSXT to RJCK for RJCK to provide service to Alcan at Berea, Kentucky. Any such trackage rights will be subject to a separate future regulatory review.

The complete name and address of the carrier leasing the Old Road to RJCK is as follows:

R.J. Corman Equipment Company, LLC
One Jay Station, P.O. Box 788
Nicholasville, KY 40356

RJCK intends to consummate its lease of the Old Road on September 30, 2003, and commence operations on October 1, 2003.

Map: 49 C.F.R. § 1150.43(f)

A map showing the Old Road and the surrounding area is attached as Exhibit A to this notice.

Certificate of Compliance: 49 C.F.R. § 1150.43(g)

A Certificate of Compliance with the provisions of 49 C.F.R. § 1150.43(g) is attached as Exhibit B to this notice.

Advance Notice: 49 C.F.R. § 1150.42(e)

RJCK posted the 60-day notice of this transaction required by 49 C.F.R. § 1150.42(e) at the workplace of current employees on the Old Road on July 11, 2003, and served a copy of the notice on the national offices of the labor unions with current employees on the Old Road on July 30, 2003. A Certificate of Compliance with these requirements is attached as Exhibit B to this notice. A copy of the 60-day notice as filed with the Board on August 1, 2003 is attached as Exhibit C to this notice.

Environmental and Historic Preservation Data: 49 C.F.R. § 1105

Under 49 C.F.R. § 1105.6(c)(2), RJCK's proposed lease and operation of the Old Road is exempt from environmental reporting requirements. The proposed acquisition will not

result in significant changes in carrier operations, i.e., changes that exceed the thresholds established in 49 C.F.R. § 1105.7(e)(4) or (5).

Under 49 C.F.R. § 1105.8(b)(1), RJCK's lease and operation of the Old Road also is exempt from historic preservation reporting requirements. The proposed lease is for the purpose of continued rail operations. Further Surface Transportation Board approval is required to abandon any service and there are no plans to dispose of or alter properties subject to Board jurisdiction that are fifty years old or older.

Caption Summary: 49 C.F.R. § 1150.44

A caption summary in appropriate form is attached as Exhibit D to this notice.

Respectfully submitted,

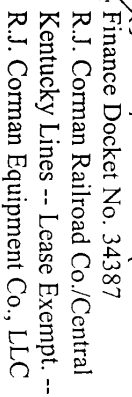
By: 

Ronald A. Lane
Thomas J. Litwiler
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2875
(312) 252-1500

**ATTORNEYS FOR R.J. CORMAN RAILROAD
COMPANY/CENTRAL KENTUCKY LINES**

Dated: August 12, 2003

Map KY-1
CARROLLTON



Old Road Subdivision

CERTIFICATION

Richard J. Corman, being duly sworn, hereby certifies that:

2. R.J. Corman Railroad Company/Central Kentucky Lines has posted and served notice of the transaction proposed herein to employees and unions on the affected lines in conformance with 49 C.F.R. § 1150.42(e).


Richard J. Corman
President

Nancy Elaine White
Notary Public

My Commission expires: August 4, 2003

FLETCHER & SIPPEL LLC

ATTORNEYS AT LAW

29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2875

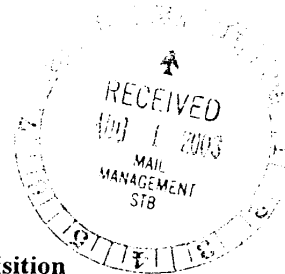
July 31, 2003

EXHIBIT C

Phone: (312) 252-1500
Fax: (312) 252-2400
www.fletcher-sippel.com

VIA FEDERAL EXPRESS

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W., Room 700
Washington, DC 20006



Re: **Finance Docket No. 34386**
R. J. Corman Equipment Company, LLC -- Acquisition
Exemption -- Lines of CSX Transportation, Inc.

Finance Docket No. 34387
R. J. Corman Railroad Company/Central Kentucky Lines --
Lease Exemption -- Lines of R.J. Corman Equipment Company, LLC

Dear Secretary Williams:

Pursuant to 49 C.F.R. § 1150.42(e), R.J. Corman Equipment Company, LLC ("RJCE") and R.J. Corman Railroad Company/Central Kentucky Lines ("RJCK") hereby certify that on July 11, 2003, the attached Notice was posted at the workplace of the employees on the rail lines that RJCE proposes to acquire and RJCK proposes to lease in the above-captioned proceedings, and that on July 30, 2003 a copy of the Notice was served on the national offices of the labor unions with employees on those rail lines.

Ten copies of this letter, with attachment, are enclosed for filing at the Board. One extra copy also is enclosed, and I would request that you date-stamp that copy to show receipt of this filing and return it to me in the provided envelope. Thank you for your assistance on this matter.

Respectfully submitted,

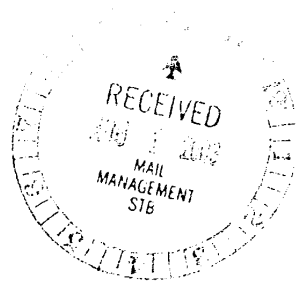
Thomas J. Litwiler
Attorney for R.J. Corman Equipment Company, LLC
and R.J. Corman Railroad Company/
Central Kentucky Lines

TJL:tl

Attachment

July 10, 2003

R.J. CORMAN RAILROAD/CENTRAL KENTUCKY LINES
One Jay Station, P. O. Box 788
Nicholasville, KY 40356



NOTICE TO CSXT EMPLOYEES

Pursuant to Surface Transportation Board regulations at 49 C.F.R. §§ 1150.42(e), R.J. Corman Railroad/ Central Kentucky Lines, LLC and R.J. Corman Equipment Company, LLC, (collectively, "R.J. Corman Railroad Company/Central Kentucky Lines") hereby provide notice to the employees of CSX Transportation Co. that R.J. Corman Railroad/Central Kentucky Lines intends to acquire and operate approximately 100 miles of CSXT's line of railroad from Winchester (North Cabin) to Louisville (HK Tower), Kentucky, commonly referred to as "the Old Road," effective September 30, 2003. Included in the acquisition will be the yard and structures at Lexington. CSXT will retain ownership of the underlying and appurtenant real estate and will lease that real estate to R.J. Corman Railroad/Central Kentucky Lines. CSXT will also retain overhead trackage rights to operate unit coal trains between Winchester and the Lexington Yard or the Norfolk Southern interchange at Lexington.

As a result of the Old Road acquisition, R.J. Corman Railroad/Central Kentucky Lines expects to hire approximately six (6) operating employees and approximately four (4) other employees to perform mechanical, signal, clerical and other functions. This estimate is preliminary and is subject to modification prior to commencing operations. Employees will be provided wages and benefits comparable to those at other R.J. Corman Railroad lines. R.J. Corman Railroad/Central Kentucky Lines will select employees on the basis of skills and aptitudes required for each position. The most qualified candidates will be selected from the available pool of applicants without regard to race, creed, color, religion, national origin, sex, age, marital status or disability. Successful candidates must have a stable work record and demonstrate a commitment to safety and customer service. The ability to work in a team environment is critical. Successful applicants will be required to pass a pre-employment drug and alcohol screen and complete a medical questionnaire, and may be required to take a physical exam.

CSXT employees interested in seeking employment with R.J. Corman Railroad/Central Kentucky Lines should contact Mr. W.V. Phillips at (606) 885-9457 ext. 274.

EXHIBIT D
CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

NOTICE OF EXEMPTION

FINANCE DOCKET NO. 34387

R.J. CORMAN RAILROAD COMPANY/CENTRAL KENTUCKY LINES
-- LEASE EXEMPTION --
LINES OF R.J. CORMAN EQUIPMENT COMPANY, LLC

R.J. Corman Railroad Company/Central Kentucky Lines ("RJCK"), a Class III rail carrier, has filed a Verified Notice of Exemption to lease from R.J. Corman Equipment Company, LLC ("RJCE") and operate a line of railroad extending between approximately milepost 12.49 at HK Tower in Anchorage, Kentucky (near Louisville) and approximately milepost 113.81 in Winchester, Kentucky, a distance of approximately 91.48 miles (the "Old Road"), with milepost equations at Christianburg, Kentucky, while M.P. 39.52 = M.P. 49.46; at Lexington, Kentucky, where M.P. 93.43 = 96.89; and near Montrose, Kentucky, where M.P. 102.76 = M.P. 99.20. RJCK also will lease from RJCE and operate: 1) the Bloomfield Branch, extending from a connection with the Old Road main line at milepost 30.64 to milepost 33.71, a distance of approximately 3.07 miles, in Shelbyville, Kentucky; 2) the Chilesburg Branch, extending from a connection with the Old Road main line at milepost 643.90 in Lexington, Kentucky (milepost 97.74 on the Old Road Main Line) to milepost 638.41 near Cadentown, Kentucky, a distance of approximately 5.49 miles; and 3) additional industrial, spur and yard trackage in Lexington and Frankfort, Kentucky. The total distance of the rail lines to be leased is approximately 100.04 route miles.

The Notice of Exemption is related to Finance Docket No. 34386, R.J. Corman Equipment Company, LLC -- Acquisition Exemption -- Lines of CSX Transportation, Inc., in

which RJCE is filing a Verified Notice of Exemption pursuant to 49 C.F.R. § 1150.41 to acquire the Old Road and associated lines from CSX Transportation, Inc.

RJCK expects to consummate its lease of the Old Road and associated lines on September 30, 2003, and commence operations on October 1, 2003.

Comments must be filed with the Board and served on:

Ronald A. Lane
Fletcher & Sippel LLC
29 North Wacker Drive
Suite 920
Chicago, Illinois 60606-2875
(312) 252-1500

This Notice is filed under 49 C.F.R. § 1150.41. If the Notice contains false or misleading information, the exemption is void ab initio. 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 automatically stay the transaction.

Dated: August __, 2003

By the Board

Vernon A. Williams
Secretary

VERIFICATION

Commonwealth of Kentucky)
) ss:
County of Jessamine)

Richard J. Corman, being duly sworn, deposes and says that he is Managing Member of R.J. Corman Railroad Group, LLC, that he has read the foregoing Notice of Exemption and knows the facts asserted therein, and that the same are true as stated.


Richard J. Corman

SUBSCRIBED AND SWORN TO
before me this 3rd day
of July, 2003.

Nancy Elaine White
Notary Public

My Commission expires: August 4, 2003