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209203

Phone: (630) 574-3050
Fax: (630) 574-2007

October 21, 2003

VIA FEDERAL EXPRESS

FEE RECEIVED

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

OCT 23 2003

SURFACE
TRANSPORTATION BOARD

FILED

OCT 23 2003

SURFACE
TRANSPORTATION BOARD

Re: Finance Docket No. 34420
*CSX Transportation, Inc.—Trackage Rights Exemption—
R. J. Corman Railroad Company/Memphis Line
R. J. Corman Railroad Company/Central Kentucky Lines, LLC—
Trackage Rights Exemption—CSX Transportation, Inc.*

Dear Mr. Williams:

Enclosed for filing are the original and ten (10) copies of a verified notice of exemption relating to reciprocal trackage rights granted by R. J. Corman Railroad Company/Memphis Line to CSX Transportation, Inc., and by CSX Transportation, Inc. to R. J. Corman Railroad Company/Central Kentucky Lines, LLC, along with the required filing fee. A 3.5" diskette containing the filing in WordPerfect format is included.

Also enclosed is a stamped, self-addressed envelope for confirmation of filing. Please stamp the enclosed copy of this letter as "received," place it in this envelope and mail it back to me.

Thanks for your cooperation. Please call me at the letterhead number if you have any questions.

Very truly yours,

Enclosures

cc: Ron Lane – RJCC/RJCM
Natalie Rosenberg – CSXT

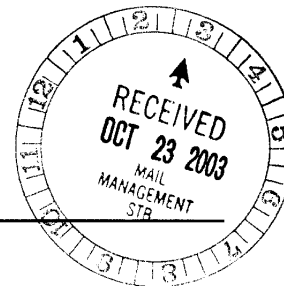
FILED

OCT 23 2003

209203
BEFORE THE

**SURFACE
TRANSPORTATION BOARD**

SURFACE TRANSPORTATION BOARD



STB Finance Docket No. 34420

CSX TRANSPORTATION, INC.—TRACKAGE RIGHTS EXEMPTION—
R. J. CORMAN RAILROAD COMPANY/MEMPHIS LINE

R. J. CORMAN RAILROAD COMPANY/CENTRAL KENTUCKY LINES, LLC—
TRACKAGE RIGHTS EXEMPTION—CSX TRANSPORTATION, INC.

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FEE RECEIVED

VERIFIED NOTICE OF EXEMPTION

OCT 23 2003

**SURFACE
TRANSPORTATION BOARD**

CSX Transportation, Inc. ("CSXT") and R.J. Corman Railroad Company/Central Kentucky Lines, LLC ("RJCC") hereby file this Verified Notice of Exemption pursuant to 49 C.F.R. §1180.2(d)(7). Pursuant to this notice, CSXT will acquire certain trackage rights from R. J. Corman Railroad Company/Memphis Line ("RJCM"), and CSXT will grant certain trackage rights to R. J. Corman Railroad Company/Central Kentucky Lines, LLC ("RJCC"). Specifically:

1. CSXT is acquiring trackage rights over RJCM between CSXT Mile Post F-118.74/RJCM Mile Post LF-118.74 at Memphis Junction, Kentucky and RJCM Mile Post D-152 near Lewisburg, Kentucky, a distance of approximately 47 miles.
2. RJCC is acquiring trackage rights over CSXT between CSXT Mile Post VB113.81 at Winchester, Kentucky, connecting to CSXT's CC Subdivision at Mile Post KC96.1, and CSXT Mile Post KC131.0 at Berea, Kentucky, a distance of approximately 35 miles.

These trackage rights will be granted pursuant to a written Master Trackage Rights Agreement among CSXT, RJCC and RJCM and are not filed or sought in responsive applications in a rail consolidation proceeding.

The following information is provided in accordance with 49 C.F.R. §1180.4(g)(1)(i):

§1180.6(a)(1)(i) A description of the proposed transaction, including appropriate references to any supporting exhibits and statements contained in the application and discussing the following: (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.

The transaction involves two grants of trackage rights, as follows:

1. CSXT is acquiring trackage rights over RJCM between CSXT Mile Post F-118.74/RJCM Mile Post LF-118.74 at Memphis Junction, Kentucky and RJCM Mile Post D-152 near Lewisburg, Kentucky, a distance of approximately 47 miles.
2. RJCC is acquiring trackage rights over CSXT between CSXT Mile Post VB113.81 at Winchester, Kentucky, connecting to CSXT's CC Subdivision at Mile Post KC96.1, and CSXT Mile Post KC131.0 at Berea, Kentucky, a distance of approximately 35 miles.

CSXT will operate its own trains with its own crews over the RJCM trackage rights, and

RJCC will operate its own trains with its own crews over the CSXT trackage rights.

The names and addresses of the railroad carriers involved in this transaction are as follows:

CSX Transportation, Inc.
500 Water Street
Jacksonville, Florida 32202

R. J. Corman Railroad Company/Memphis Line
One Jay Station
Post Office Box 788
Nicholasville, Kentucky 40340-0788

R. J. Corman Railroad Company/Central Kentucky Lines, LLC
One Jay Station
Post Office Box 788
Nicholasville, Kentucky 40340-0788

The names of counsel to whom questions concerning this transaction may be addressed are as follows:

Michael W. Blaszak
211 South Leitch Avenue
La Grange, Illinois 60525-2162
(630) 574-3050
Counsel for CSX Transportation, Inc.

Ronald A.Lane
Fletcher & Sippel LLC
29 N. Wacker Drive, Suite 920
Chicago, IL 60606
Counsel for R.J. Corman Railroad Company/
Central Kentucky Lines, LLC

(ii) The proposed time schedule for consummation of the proposed transaction.

The transaction will be consummated on November 1, 2003.

(iii) The purpose sought to be accomplished by the proposed transaction, e.g., operating economies, eliminating excess facilities, improving service, or improving the financial viability of the applicants.

The purpose of the transaction is to provide run through unit train service between Berea and Louisville utilizing RJCK crews, and between Louisville and Lewisburg utilizing CSXT crews.

(5) A list of the State(s) in which any part of the property of each applicant carrier is situated.

CSXT: 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.

RJCM: Kentucky, Tennessee.

RJCC: Kentucky.

All of the trackage over which trackage rights will be granted under this transaction is in Kentucky.

(6) Map.

Maps showing the trackage rights granted under this transaction are attached to the Addenda filed as Exhibit 2.

(7)(ii) Agreement (exhibit 2). Submit a copy of any contract or other written instrument entered into, or proposed to be entered into, pertaining to the proposed transaction. In addition, parties to exempt trackage rights agreements and renewal of agreements described at Sec. 1180.2(d)(7) must submit one copy of the executed agreement or renewal agreement with the notice of exemption, or within 10 days of the date that the agreement is executed, whichever is later.

Copies of the Master Trackage Rights Agreement and two Addenda thereto are attached as Exhibit 2.

Indicate the level of labor protection to be imposed.

Applicants consent to the standard labor protective conditions for trackage rights transactions set forth in *Norfolk & Western Ry. Co.—Trackage Rights—BN*, 354 I.C.C. 605 (1978), as modified in *Mendocino Coast Ry., Inc.—Lease and Operate*, 360 I.C.C. 653 (1980).

A caption summary suitable for publication in the *Federal Register* has been attached.

Neither an environmental report nor a historic resources report is required.

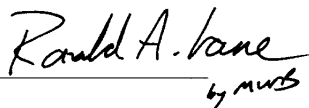
Respectfully submitted,

CSX TRANSPORTATION, INC.

By: 

Michael W. Blaszak
Attorney
211 South Leitch Avenue
La Grange, Illinois 60525-2162
(630) 574-3050
(630) 574-2007 fax

**R.J. CORMAN RAILROAD COMPANY/
CENTRAL KENTUCKY LINES, LLC**

By: 
by mwb

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

(312) 252-1500

Dated: October 21, 2003

SURFACE TRANSPORTATION BOARD

Notice of Exemption

STB Finance Docket No. 34420

CSX TRANSPORTATION, INC.—TRACKAGE RIGHTS EXEMPTION—
R. J. CORMAN RAILROAD COMPANY/MEMPHIS LINE

R. J. CORMAN RAILROAD COMPANY/CENTRAL KENTUCKY LINES, LLC—
TRACKAGE RIGHTS EXEMPTION—CSX TRANSPORTATION, INC.

R. J. Corman Railroad Company/Memphis Line (“RJCM”) has agreed to grant certain overhead trackage rights to CSX Transportation, Inc. (“CSXT”) between CSXT Mile Post F-118.74/RJCM Mile Post LF-118.74 at Memphis Junction, Kentucky and RJCM Mile Post D-152 at Lewisburg, Kentucky, a distance of approximately 47 miles.

CSXT has agreed to grant certain overhead trackage rights to R. J. Corman Railroad Company/Central Kentucky Lines, LLC (“RJCC”) between CSXT Mile Post VB113.81 at Winchester, Kentucky, connecting to CSXT’s CC Subdivision at Mile Post KC96.1, and CSXT Mile Post KC131.0 at Berea, Kentucky, a distance of approximately 35 miles.

The trackage rights will be effective on November 1, 2003, and operations under this exemption will begin on that date.

This notice is filed under 49 C.F.R. §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.

VERIFICATION

STATE OF FLORIDA)

) SS.

COUNTY OF DUVAL)

MARIETTA SERWE, being first duly sworn, deposes and states that (s)he has read the foregoing Notice of Exemption and that the same is true and correct to the best of his/her knowledge, information and belief.

Marietta Serwe

SUBSCRIBED and SWORN
Before me this 17th day of
October, 2003.

Barbara L. Jernigan
Notary Public

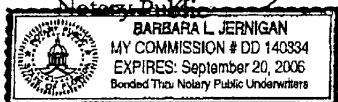


EXHIBIT 2
AGREEMENT
(INCLUDES MAPS)

**MASTER TRACKAGE RIGHTS AGREEMENT
AMONG
R. J. CORMAN RAILROAD – CENTRAL KENTUCKY LINES, LLC
R. J. CORMAN RAILROAD – MEMPHIS LINE, LLC
AND
CSX TRANSPORTATION, INC.**

THIS AGREEMENT, entered into as of this 15th day of October, 2003, by and between R. J. CORMAN RAILROAD – CENTRAL KENTUCKY LINES, LLC, a Kentucky limited liability company (hereinafter referred to as “RJCC”), R. J. CORMAN RAILROAD – MEMPHIS LINE, LLC, a Kentucky limited liability company (hereinafter referred to as “RJCM”), and CSX TRANSPORTATION, INC., a Virginia corporation, whose principal place of business is Jacksonville, FL, (hereinafter referred to as “CSXT”);

WITNESSETH:

WHEREAS, the parties desire to grant to each other various trackage rights over the respective lines of railroad operated by each other; and in the interest of economy and efficiency of operations, the parties desire to enter into a master agreement to cover said rights granted by each party to the other; and

WHEREAS, the parties agree to enter into one master agreement covering the aforesaid trackage rights terms and conditions; and

WHEREAS, the parties intend to enter into separate addenda, each addendum describing specific operations, related rights, and conditions and/or restrictions applying to each specific trackage rights location.

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

Article 1. GRANT OF TRACKAGE RIGHTS

- A. For convenience throughout this Agreement, the terms “Owner” and “User” will be used to designate respectively, the party that owns, leases or otherwise controls trackage being used, and the party that is using the trackage controlled by the other party.
- B. Subject to the terms and conditions herein provided, Owner, as one party, grants to User, as the other party, the right to operate its trains, locomotives, cars and equipment with its own crews (hereinafter referred to as the “Trackage Rights”) over the lines of Owner (hereinafter referred to as “Subject Trackage”), upon execution of such applicable “Trackage Rights Addenda,” identifying specific trackage rights arrangements and relevant provisions, attached hereto and made a part hereof, as the parties may enter into from time to time. A sample addendum is attached hereto as reference.

Article 2. USE OF SUBJECT TRACKAGE

- A. User's use of the Subject Trackage shall be in common with Owner and any other user of the Subject Trackage, and Owner's right to use the Subject Trackage shall not be diminished by this Agreement. Owner shall retain the exclusive right to grant to other persons rights of any nature in the Subject Trackage.
- B. Except as may otherwise be provided by this Agreement, User shall not use any part of the Subject Trackage for the purpose of switching, storage or servicing cars or equipment, or the making or breaking up of trains, except that nothing contained herein shall, upon prior approval of Owner, preclude the emergency use by User of such auxiliary tracks as may be designated by Owner for such purposes.
- C. Owner shall have exclusive control of the dispatching, management and operation of the Subject Trackage. User shall not have any claim against Owner for liability account of loss or damage of any kind in the event the use of the Subject Trackage by User is interrupted or delayed at any time from any cause.

Article 3. RESTRICTION ON USE

Except as may otherwise be provided under the terms of a Trackage Rights Addendum to this Agreement, the Trackage Rights herein granted are granted for the sole purpose of User using same for bridge traffic only between the terminals of the Subject Trackage, and User shall have the right to enter on or exit from the Subject Trackage only at the endpoints of the Subject Trackage. User shall not perform any local freight service whatsoever at any point located on the Subject Trackage.

Article 4. MISCELLANEOUS SPECIAL PROVISIONS

- A. When operating over the Subject Trackage, User's locomotives and crews shall be equipped to communicate with Owner on radio frequencies normally used by Owner in directing train movements on the Subject Trackage.
- B. 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.
- C. Before its locomotives enter onto Owner's trackage, User shall request permission from Owner's dispatcher or other designated representative at such location as Owner may designate. Further, User shall ascertain that said trackage is clear and shall await confirmation from said representative that such permission has been issued to allow User's movements on or over Owner's trackage. Upon completing its operations and

clearing Owner's trackage, User shall notify Owner's designated representative that it has completed its operations and that its equipment has cleared Owner's trackage. Once User has notified Owner's representatives that it has cleared Owner's trackage, User shall not reenter Owner's trackage without again obtaining permission from Owner's representative. User shall provide and maintain at its expense all communication facilities needed and as may be required by Owner to permit User to use Owner's trackage.

Article 5. COMPENSATION

Compensation for User's use of the Subject Trackage shall be in accordance with Articles 5 and 6 of this Agreement, unless otherwise provided under the terms of Trackage Rights Addendum.

- A. The factor to be used in calculating payments to be made by User for the Trackage Rights covered by this Agreement shall be thirty-four cents (\$.34) per car mile (hereinafter referred to as the "Current Charge").
- B. User shall pay Owner a sum computed by multiplying: (i) the Current Charge, as may be revised in accordance with Article 6, by (ii) the number of cars (loaded and empty), locomotive units and EOT units moved by User with its own crews and power over the Subject Trackage by (iii) the miles of Subject Trackage used. Each locomotive unit and EOT unit, for the purpose of this Agreement, shall be counted as one car. With respect to articulated units, the number of cars shall be determined by the AAR Car Type Code as defined in the UMLER Specification Manual. The second numeric in the Car Type Code field covering codes "Q" and "S" shall be the factor in determining the car count for an articulated unit. For example, AAR Car Type Code "S566" would equate to a five (5) car count as these type cars have five wells capable of handling 40' to 48' containers in each well. (Car count data for articulated units is subject to change upon development of technology to separate units by car numbers.)
- C. Owner shall on or about the tenth day of each month render billing to User for User's previous month's use of the Subject Trackage computed in accordance with the terms and conditions of this Agreement. With each such bill, Owner shall furnish to User a statement of the number of locomotive units, EOT units, and loaded and empty cars operated over the Subject Trackage by User during the month.
- D. User shall furnish Owner information regarding all loaded and empty cars operated by User over the Subject Trackage in Electronic Data Interchange (EDI) transmission between the carriers. This procedure shall be required at the time the Association of American Railroads (AAR) defines the standard reporting procedures for trackage rights carriers. The carriers shall determine the minimal data requirements for such

information.

Article 6. REVISION OF CURRENT CHARGE

- A. The Current Charge shall be subject to change to reflect any increases or decreases in labor, material and other costs as hereinafter provided.
- B. The Current Charge shall be revised upward or downward each year, beginning with the bill rendered for the month of July 2004, to compensate for the increase or decrease in the cost of labor and material, excluding fuel, as reflected in the Annual Indexes of Charge-Out Prices and Wage Rates (1977=100), included in "AAR Railroad Cost Indexes" and supplements thereto, issued by the Association of American Railroads (hereinafter referred to as "AAR"). In making such determination, the final "Material prices, wage rates and supplements combined (excluding fuel)" indexes for the East District shall be used. The Current Charge shall be revised by calculating the percent of increase or decrease in the index of the latest calendar year (2003 Index for the first annual adjustment) as related to the index for the previous calendar year (2002 Index for the first annual adjustment) and applying that percent to the Current Charge.
- C. By way of example, assuming "A" to be the "Material prices, wage rates and supplements combined (excluding fuel)" final index figure for 2002; "B" to be the "Material prices, wage rates and supplements combined (excluding fuel)" final index figure for 2003; "C" to be the Current Charge; and "D" to be the percent of increase or decrease; the revised Current Charge stated herein would be revised by the following formula:
- (1) $\frac{B - A}{A} = D$
- (2) $(D \times C) + C = \text{revised Current Charge, effective July 1 of the year being revised.}$
- D. In the event the base for the Annual Indexes of Charge-Out Prices and Wage Rates issued by the AAR shall be changed from the year 1977, appropriate revision shall be made. If the AAR or any successor organization discontinues publication of the Annual Indexes of Charge-Out Prices and Wage Rates, an appropriate substitute for determining the percentage of increase or decrease shall be negotiated by the parties hereto. In the absence of agreement, the parties shall submit the matter to binding arbitration as provided hereinafter.
- E. At the option of either party hereto, the compensation provided for in this Agreement shall be open for renegotiation every five (5) years from the Commencement Date, as hereinafter defined. In the event the parties fail to reach agreement upon such

renegotiation, such failure shall not constitute a breach of this Agreement, and the parties shall continue to be bound by the terms of compensation provided in this Agreement until the matter is settled or submitted to binding arbitration.

Article 7. PAYMENT OF BILLS

- A. All payments called for under this Agreement shall be made by User within sixty (60) days after receipt of bills therefor. No payments shall be withheld because of any dispute as to the correctness of items in the bills rendered, and any discrepancies reconciled between the parties hereto shall be adjusted in the accounts of a subsequent month. The records of each party hereto, insofar as they pertain to matters covered by this Agreement, shall be open at all reasonable times to inspection by the other party for a period of two (2) years from the date of billing.
- B. Bills rendered pursuant to the provisions of this Agreement, other than those set forth in Article 5, shall include direct labor and material costs, together with the surcharges, overhead percentages and equipment rentals as specified by Owner at the time any work is performed by Owner for User.

Article 8. MAINTENANCE OF SUBJECT TRACKAGE

- A. Owner shall maintain, repair and renew the Subject Trackage with its own supervision and labor. Owner shall keep and maintain the Subject Trackage in reasonably good condition for the use herein contemplated, but Owner does not guarantee the condition of the Subject Trackage or that operations there over shall not be interrupted. Owner shall take all reasonable steps to ensure that any interruptions shall be kept to a minimum. Furthermore, except as may be otherwise provided in Article 15, 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 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 by User shall be subject to the Owner's approval (including design) 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 that connect the respective lines of the parties hereto.
 - (ii). Owner shall furnish all labor and material and shall construct, maintain, repair and renew at the sole cost and expense of User such portions of the tracks located on the right-of-way of Owner that 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. The salvage material removed shall be released to User or, as otherwise agreed upon, Owner shall credit User the current fair market value for said salvage.

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. User shall comply with the provisions of all 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. User shall indemnify, protect, defend, and save harmless Owner 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 Owner 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 User to comply with its obligations in this regard.

- B. User in its use of the Subject Trackage shall comply in all respects with the safety rules, operating rules and other regulations of Owner, and the movement of User's trains, locomotives, cars, and equipment over the Subject Trackage shall at all times be subject to the orders of the transportation officers of Owner. User'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 Owner's operating rules and regulations without the prior consent of Owner.
- C. User shall make such arrangements with Owner as may be required to have all of its employees who shall operate its trains, locomotives, cars and equipment over the Subject Trackage qualified for operation there over, and User shall pay to Owner, upon receipt of bills therefor, any cost incurred by Owner in connection with the qualification of such employees of User, as well as the cost of pilots furnished by Owner, until such time as such employees are deemed by the appropriate examining officer of Owner to be properly qualified for operation as herein contemplated.
- D. The trains, locomotives, cars and equipment of User, Owner, 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. The parties may mutually agree to identify train priorities in the Trackage Rights Addendum.
- E. In the event that a train of User shall be forced to stop on Subject Trackage, and such stoppage is due to insufficient hours of service remaining among User's crew, or due to mechanical failure of User'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 User fails to maintain the speed required by Owner on the Subject Trackage, or if in emergencies, crippled or otherwise defective cars are set out of User's trains on the Subject Trackage, Owner shall have the option to furnish motive power or such other assistance (including but not limited to the right to re-crew User'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 User shall reimburse Owner 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 Owner, and User shall reimburse Owner for the cost thereof.
- G. In the event Owner and User agree that Owner should retain employees or provide additional employees for the sole benefit of User, the parties hereto shall enter into a separate agreement under which User 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 Owner and which would not have been incurred had the retained or additional employees not been provided.

Article 12. EMPLOYEE INVESTIGATIONS

- A. If a CSXT employee is alleged to have violated RJCC or RJCM's safety rules, operating rules, regulations, orders, practices or instructions while working on RJCC or RJCM's trackage, or if an incident occurs which requires an investigation under applicable agreement rules, CSXT, when appropriate, will conduct an investigation, and an officer of RJCC or RJCM may be present during such investigation. After the investigation is concluded, CSXT shall promptly furnish RJCC or RJCM with two copies of the transcript and a recommendation as to the discipline to be assessed. CSXT's Transportation Officer shall arrange to assess discipline within the applicable time limits. If RJCC or RJCM recommends dismissal, CSXT reserves the right to change the recommendation to the extent of barring the individual from operating over RJCC or RJCM's trackage.
- B. If the result of such investigation warrants, such employee shall, upon written request by RJCC or RJCM, be withdrawn by CSXT from service on RJCC or RJCM's trackage, up to and including permanent prohibition from working on said trackage, and CSXT shall release and indemnify RJCC or RJCM from and against any and all claims and expenses because of such withdrawal.
- C. In the event CSXT's employee commits a major offense, such as violation of Rule "G," dishonesty, insubordination, or a serious violation of operating rules, and therefore RJCC or RJCM desires to bar CSXT's employee from service on RJCC or RJCM's trackage pending discipline by CSXT, RJCC or RJCM's Transportation Officer shall give immediate verbal notification to the appropriate Transportation Officer of CSXT

and CSXT shall give proper written notice to the employee barring the employee from operating over RJCC or RJCM's trackage pending investigation and assessment of discipline.

- D. It is understood that RJCC or RJCM shall reimburse CSXT for all payments that CSXT may be required to make as a result of a challenge being made by the employee or his representative as to the discipline recommended by RJCC or RJCM and assessed by CSXT. CSXT agrees to notify RJCC or RJCM before committing itself to making payment of any claim. In the event a claim is progressed to an Adjustment Board, RJCC or RJCM shall be given an opportunity to review CSXT's submission. Payments made to a CSXT employee, as a result of an investigation being "overturned," shall include not only actual wages but also expenses which CSXT may be required to pay covering vacation allowances, Railroad Retirement taxes, unemployment insurance taxes and any other payroll tax or fringe benefits.
- E. If an employee of RJCC or RJCM is alleged to have violated CSXT's safety rules, operating rules, regulations, orders, practices or instructions while working on CSXT's trackage, or if an incident occurs which requires an investigation under applicable agreement rules, CSXT may recommend discipline within reasonable time limits. If CSXT recommends dismissal, RJCC or RJCM reserves the right to change the recommendation to the extent of barring the individual from operating over CSXT's trackage.
- F. If the result of such discipline warrants, such employee shall, upon written request by CSXT, be withdrawn by RJCC or RJCM from service on CSXT's property, up to and including permanent prohibition from working on said property, and RJCC or RJCM shall release and indemnify CSXT from and against any and all claims and expenses because of such withdrawal.
- G. In the event RJCC or RJCM's employee commits a major offense, such as violation of Rule "G," dishonesty, insubordination, or a serious violation of operating rules, and therefore CSXT desires to bar RJCC or RJCM's employee from service on CSXT's trackage pending discipline by RJCC or RJCM, CSXT's Transportation Officer shall give immediate verbal notice to the appropriate Transportation Officer of RJCC or RJCM and RJCC or RJCM shall give proper written notice to the employee barring the employee from operating over CSXT's trackage pending investigation and assessment of discipline.
- H. It is understood that CSXT shall reimburse RJCC or RJCM for all payments that RJCC or RJCM may be required to make as a result of a challenge being made by the employee or his representative as to the discipline recommended by CSXT and assessed by RJCC or RJCM. RJCC or RJCM agrees to notify CSXT before committing itself to

making payment of any claim. Payments made to an employee of RJCC or RJCM, as a result of discipline being "overturned," shall include not only actual wages but also expenses which RJCC or RJCM may be required to pay covering vacation allowances, Railroad Retirement taxes, unemployment insurance taxes and any other payroll tax or fringe benefits.

Article 13. 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 14. CLEARING OF WRECKS

- A. Whenever User's use of the Subject Trackage results in a situation that 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 there from, shall be apportioned in accordance with the provisions of Article 15 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.
- B. In the event CSXT as Owner elects to provide wrecking service as set out above, CSXT shall give R. J. Corman Derailment Services, LLC the first opportunity to provide such service, subject to agreement between CSXT and R. J. Corman Derailment Services, LLC regarding the compensation, terms and conditions applicable to such service. In the event CSXT and R. J. Corman Derailment Services, LLC fail to reach agreement regarding such compensation, terms and conditions within a reasonable time, CSXT may engage another contractor to provide wrecking service or perform wrecking service with its own employees and equipment. This obligation to provide R. J. Corman Derailment Services, LLC the first opportunity to provide wrecking service shall terminate in the event R. J. Corman Derailment Services, Inc. ceases business, declares bankruptcy or is no longer affiliated with RJCC or RJCM by common ownership.

Article 15. 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, judgments, 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 9B(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. User shall protect, indemnify, and save harmless Owner and its parent corporation, subsidiaries and affiliates, and all of their respective directors, officers, agents and employees from and against any and all expense and liability for which User is responsible.
- 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.
- J. Notwithstanding the above, each party shall assume and bear all responsibility for Loss caused by acts or omissions of any of its employees resulting from the influence of drugs or alcohol.

Article 16. INDEMNIFICATION FOR LABOR CLAIMS

Each party hereto agrees to indemnify and hold harmless the other party and its parent corporation, subsidiaries and affiliates, and all of 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 pursuant to a collective bargaining agreement where applicable. It is the intention of the parties hereto that each party shall bear the full costs of labor claims and grievances filed by its own employees arising under its collective bargaining agreements with its employees where applicable.

Article 17. INSURANCE

- A. During the term of this Agreement RJCC and RJCM, at their sole cost and expense, shall procure and maintain in effect a policy of public liability insurance, with limits of not less than Five Million Dollars (\$5,000,000.00) single limit, bodily injury and/or property damage, for damages arising out of bodily injuries to or death of all persons in any one occurrence and for damage to, or destruction of property, including the loss of use thereof, in any one occurrence, subject to a self-insured retention limit not to exceed Twenty-Five Thousand Dollars (\$25,000), including contractual liability insurance, which names CSXT as an additional insured and provides for a minimum of thirty (30) days' advance written notice to CSXT prior to any changes or cancellation. Failure to procure and maintain such insurance in force shall constitute a Breach of Contract hereunder.
- B. This Insurance coverage shall be effected under standard form policies issued by insurers of financial responsibility, which are rated "A" or better by either Best's Insurance Reports, Standard & Poor's Insurance Rating Service or Moody's Investors Service. CSXT reserves the right to reject as inadequate coverage by an insurance company rated less than "A" by the aforementioned rating services.
- C. The insurance shall be evidenced by a current certificate furnished by RJCC and RJCM to CSXT as an additional insured with its return of executed Agreement. Subsequently, annual renewal certificates of insurance shall be furnished to:

Risk Management Department
500 Water Street, J907
CSX Transportation, Inc.
Jacksonville, FL 32202

Such certificate shall be subject to the prior approval of CSXT's Risk Management Department. All of the required endorsements and notice provisions shall be stated on the certificate of insurance that is provided to CSXT. In addition, RJCC and RJCM shall provide CSXT's Risk Management Department notice of any claim and any other correspondence dealing with insurance and insurance matters.

- D. During the term of this Agreement, it is understood that CSXT is self-insured. If, however, that changes, CSXT will provide RJCC and RJCM with evidence of insurance naming RJCC and RJCM as an additional insured with coverage to be agreed upon at that time.

Article 18. 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. 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 or employee protective conditions imposed by a governmental agency upon the agency's approval or exemption of this 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 16 shall modify or waive the conditions, obligations, assumptions or apportionments provided in Article 15.

Article 19. DEFAULT AND TERMINATION

In the event of any substantial failure on the part of User to perform its obligations under the terms of this Agreement and any Addendum hereto, and the continuance of User's 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 under such Addendum, subject to any regulatory approval or exemption that may be required under governing law. The exercise of such right by Owner shall not impair its rights under this Agreement, including without limitation trackage rights granted to Owner hereunder, or any cause or causes of action Owner may have against User for the recovery of damages.

Article 20. REGULATORY APPROVAL

- A. Should this Agreement require the prior approval of, an exemption from or a notice of exemption filed with the Surface Transportation Board (STB), the parties shall initiate and thereafter diligently pursue an appropriate application or petition to secure such approval or exemption, or to file such notice of exemption. The parties shall share the cost of such proceedings equally.
- B. In the event this Agreement is modified by the execution of a Trackage Rights Addendum, the User under that Addendum shall initiate and diligently pursue an appropriate application or petition to secure such approval or exemption, or file a notice of exemption, covering such trackage rights with the STB or any successor, at such User's sole expense.
- C. Should the STB or any successor, at any time during the term of this Agreement, impose any labor protective conditions upon one or more of the trackage rights covered by this Agreement, User, solely, shall be responsible for any and all payments in satisfaction of such conditions.

Article 21. ABANDONMENT OF SUBJECT TRACKAGE

- A. Notwithstanding the provisions of Article 22, 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 such portion thereof as Owner has notified User will be abandoned), 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 Sub-article C above.

- G. Except as otherwise expressly agreed in writing, in the event any actions taken by the parties under this Article 21 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 22. TERM

- A. This Agreement shall be effective the day and year first above written or, in the event STB approval is required, on the effective date such approval is secured, and shall remain in full force and effect until terminated by either party upon sixty (60) days written notice to the other.
- 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.

Article 23. FORCE MAJEURE

Owner shall not be responsible to User for delays or failure to perform under this Agreement if such delays or failure to perform are covered by circumstances beyond its control, including, but not limited to, Acts of God, floods, storms, earthquakes, hurricanes, tornadoes, or other severe weather or climatic conditions, acts of public enemy, war, blockade, insurrection, vandalism or sabotage, fire, accident, wreck, derailment, washout or explosion, strike, lockout or labor disputes experienced by the parties hereto, embargoes or AAR service orders; Federal Railroad Administration (FRA) orders, or governmental laws, orders or regulations.

Article 24. 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 25. SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and be binding upon the successors and assigns, including successors by merger or acquisition, 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 26. 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 RJCC: R. J. Corman Railroad – Central Kentucky Lines, LLC
One Jay Station
Post Office Box 788
Nicholasville, KY 40356
Attention: Contracts/Property Management

If to RJCM: R. J. Corman Railroad – Memphis Line, LLC
One Jay Station
Post Office Box 788
Nicholasville, KY 40356
Attention: Contracts/Property Management

If to CSXT: 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 27. GENERAL PROVISIONS

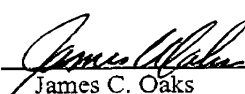
- A. This Agreement and each and every provision hereof is for the exclusive benefit of the parties hereto and not for the benefit of any third party. Nothing herein contained shall be taken as creating or increasing any right of any third party to recover by way of damages or otherwise against either 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 concerning the subject matter of this Agreement.
- 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, affiliate company, or attorney and/or advisors, without the written consent of the other party, except as otherwise required by law, regulation or ruling.

Master Trackage Rights Agreement
Page 20 of 23

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

Witness for RJCC:

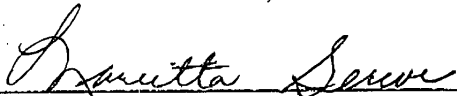
R. J. CORMAN RAILROAD – CENTRAL
KENTUCKY LINES, LLCBy: 
James C. OaksTitle: Attorney-in-Fact for
R. J. Corman Railroad -
Central Kentucky Lines, LLC

Witness for RJCM:

R. J. CORMAN RAILROAD – MEMPHIS
LINE, LLCBy: 
James C. OaksTitle: Attorney-in-Fact for
R. J. Corman Railroad -
Memphis Line, LLC

Witness for CSXT:

CSX TRANSPORTATION, INC.

By: 
Marietta SerweTitle: General Manager –
Intercarrier Agreements

SAMPLE

TRACKAGE RIGHTS ADDENDUM – DATED

To Master Trackage Rights Agreement
Dated October 15, 2003
Between
R. J. Corman Railroad – Central Kentucky Lines, LLC
or
R. J. Corman Railroad – Memphis Line, LLC
And
CSX Transportation, Inc.
covering
Trackage Rights between XXXXXXXXXXXXXXX

This Trackage Rights Addendum dated the ____ day of _____ including Attachment 1 dated _____ by and between R. J. CORMAN RAILROAD – CENTRAL KENTUCKY LINES, LLC (or R. J. CORMAN RAILROAD – MEMPHIS LINE, LLC), a Kentucky limited liability company, hereinafter referred to as “Owner,” and CSX TRANSPORTATION, INC., a Virginia corporation whose principal place of business is Jacksonville, Florida, hereinafter referred to as “User,” constitutes an addendum to the Master Trackage Rights Agreement among the parties dated October 15, 2003 (“Master”).

SECTION 1: DESCRIPTION

Owner hereby grants to User, subject to the terms of the Master, and as further governed herein below, the right to operate its trains, locomotives, cars and equipment with its own crews (hereinafter referred to as “Trackage Rights”) over the following segment of railroad owned or operated by Owner (hereinafter referred to as “Subject Trackage”):

INSERT: COMPREHENSIVE DESCRIPTION OF TRACKAGE RIGHTS

as marked on Attachment 1, included herein and made a part hereof.

SECTION 2: RESTRICTIONS ON USE

The Trackage rights herein granted are granted for the sole purpose of User using same for bridge traffic only, and User shall not perform any local freight service whatsoever at any point located on the Subject Trackage, nor shall User enter or exit the Subject Trackage except at the points herein listed below.

INSERT: ENTRY AND EXIT POINTS ON SUBJECT TRACKAGE

SECTION 3: COMPENSATION

INSERT: COMPREHENSIVE DESCRIPTION OF COMPENSATION

SECTION 4. TERM AND TERMINATION

- A. This Trackage Rights Addendum shall become effective on the latter of the date first written above, or when regulatory approval is received, the date of such approval following the expiration of any time periods required by the issuance of labor notices by Owner ("Effective Date"), and shall remain in effect until terminated by User upon six (6) months written notice, or until termination of the Master.
- B. Termination of this Trackage Rights Addendum shall not relieve or release any party hereto from any obligations assumed or any liability which may have arisen or been incurred by such party under the terms of this Trackage Rights Addendum prior to termination hereof.

SECTION 5. SIGNATURES

The signatures below confirm the mutual agreement of Owner and User representatives to the provisions of this Trackage Rights Addendum.

TRACKAGE RIGHTS ADDENDUM – DATED OCTOBER 15, 2003

To Master Trackage Rights Agreement

Dated October 15, 2003, Between

CSX Transportation, Inc.

And

R. J. Corman Railroad – Central Kentucky Lines, LLC

covering

Trackage Rights between Winchester, KY, and Berea, KY

This Trackage Rights Addendum dated the 15th day of October, 2003, including Attachment 1, by and between CSX TRANSPORTATION, INC., a Virginia corporation, whose principal place of business is Jacksonville, Florida, (hereinafter referred to as "Owner"), and R. J. CORMAN RAILROAD – CENTRAL KENTUCKY LINES, LLC, a Kentucky limited liability company (hereinafter referred to as "User"), constitutes an addendum to the Master Trackage Rights Agreement between the parties dated October 15, 2003 ("Master").

Section 1: DESCRIPTION

Owner hereby grants to User, subject to the terms of the Master, and as further governed herein below, the right to operate its trains, locomotives, cars and equipment with its own crews (hereinafter referred to as "Trackage Rights") over the following segment of railroad owned or operated by Owner (hereinafter referred to as "Subject Trackage"):

Between Owner/User ownership point at Winchester, KY, Owner's/User's Milepost VB113.81 on the Old Road Subdivision, connecting to Owner's CC Subdivision at Milepost KC96.1 and Berea, KY, Owner's Milepost KC131.0, a distance of 35± miles, as marked on Attachment 1, included herein and made a part hereof.

Section 2: RESTRICTIONS ON USE

The Trackage rights herein granted are granted for the sole purpose of User using same for bridge traffic as part of a joint move with Owner between Berea and (Lewisburg) Logan, KY, with User picking up loaded or delivering empty run through train of aluminum ingots for Alcan Aluminum Corporation, its successors or assigns. User shall not perform any local freight service whatsoever at any point located on the Subject Trackage, nor shall User enter or exit the Subject Trackage except at the points herein listed below.

User shall enter and exit at ownership point between Owner and User at Winchester, KY, Owner's/User's Milepost VB113.81, and one (1) mile beyond the Alcan Aluminum Corporation industrial siding at Berea, KY, approximately Milepost KC131.0.

Section 3: COMPENSATION

In conjunction with the joint move detailed in Section 2, consideration for use of the Subject Trackage shall be through User granting reciprocal rights to Owner over User's line of railroad between Memphis Jct. and Lewisburg (Logan), KY.

Trackage Rights Addendum
Winchester - Berea, KY
Page 2 of 3

Section 4. TERM AND TERMINATION

- A. This Trackage Rights Addendum shall become effective on the latter of the date first written above, or when regulatory approval is received, the date of such approval following the expiration of any time periods required by the issuance of labor notices by Owner ("Effective Date"), and shall remain in effect until terminated by User upon six (6) months written notice, or until termination of the Master, or until cancellation of rail transportation contract providing for joint movement by Owner and User of aluminum ingots.
- B. Termination of this Trackage Rights Addendum shall automatically terminate the Trackage Rights Addendum of even date between the parties granting Owner rights over User's line of railroad between Memphis Jct. and Lewisburg (Logan).
- C. Termination of this Trackage Rights Addendum shall not relieve or release any party hereto from any obligations assumed or any liability which may have arisen or been incurred by such party under the terms of this Trackage Rights Addendum prior to termination hereof.

Section 5. SIGNATURES

The signatures below confirm the mutual agreement of Owner and User representatives to the provisions of this Trackage Rights Addendum.

WITNESS:

Patricia Callin

CSX TRANSPORTATION, INC.

By: Marietta Serwe

Marietta Serwe

Title: General Manager -
Inter-carrier Agreements

WITNESS:

Patricia Callin

R. J. CORMAN RAILROAD - CENTRAL
KENTUCKY LINES, LLC

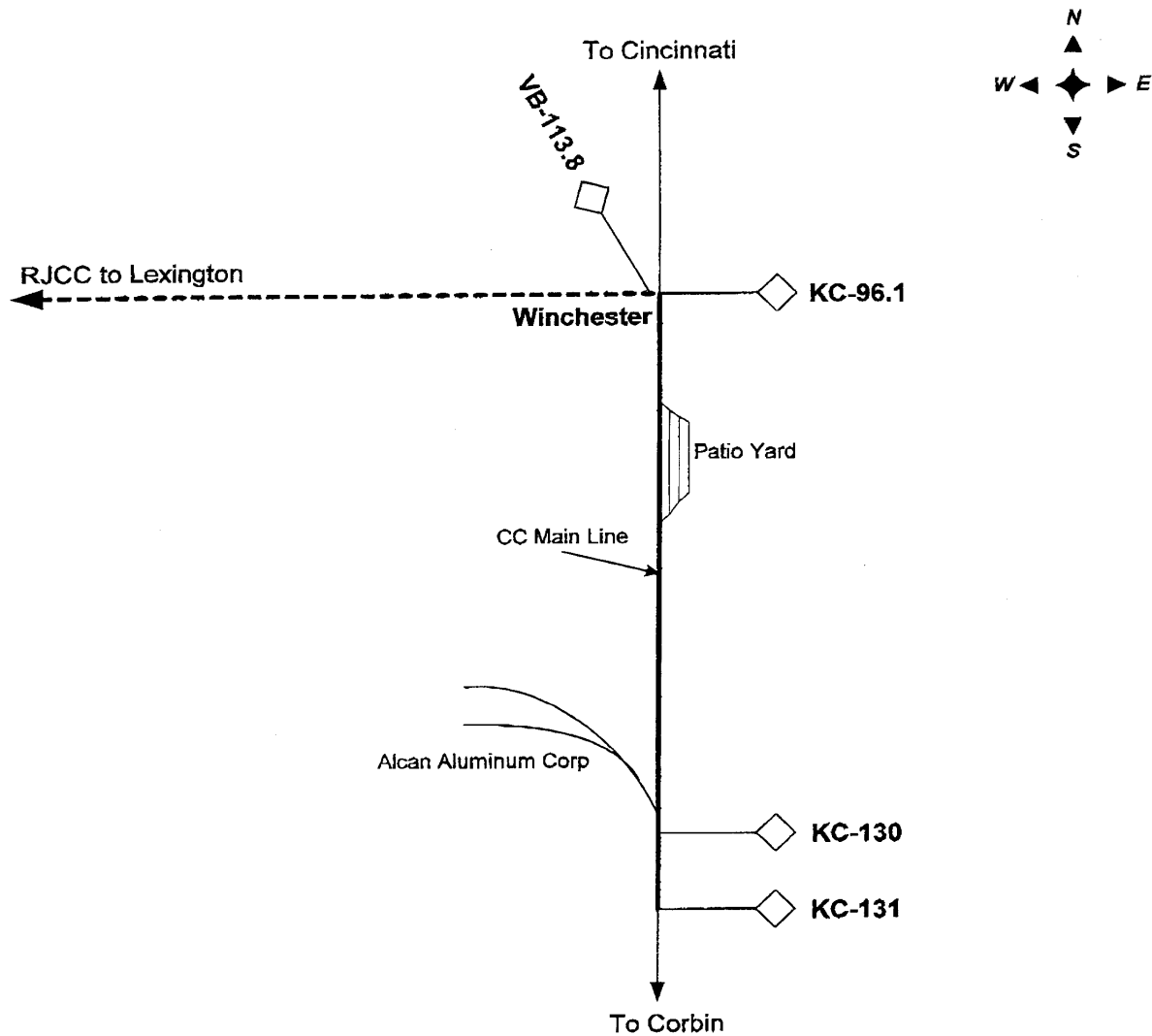
By: James C. Oaks

James C. Oaks

Title: Attorney-in-Fact for
R. J. Corman Railroad -
Central Kentucky Lines, LLC

NOTE: To view sketch, make sure Word is in "Print Layout View."

Attachment 1
Trackage Rights
RJCC over CSXT Winchester - Berea
(Not to Scale)



CSXT Main Line —————
 RJCC Trackage Rights —————
 RJCC Main Line - - - - -

CSX TRANSPORTATION	
RJCC Trackage Rights over CSXT	
File Name:	KY-Winchester-Berea
Origination Date:	July 28, 2003
Revision Date:	XXXXXXXXXX

TRACKAGE RIGHTS ADDENDUM – DATED OCTOBER 15, 2003

To Master Trackage Rights Agreement
Dated October 15, 2003, Between
R. J. Corman Railroad – Memphis Line, LLC
And
CSX Transportation, Inc.
covering

Trackage Rights between Memphis Junction, KY, and Lewisburg (Logan), KY

This Trackage Rights Addendum dated the 15th day of October, 2003, including Attachment 1, by and between and R. J. CORMAN RAILROAD – MEMPHIS LINE, LLC, a Kentucky limited liability company (hereinafter referred to as "Owner"), and CSX TRANSPORTATION, INC., a Virginia corporation, whose principal place of business is Jacksonville, Florida, (hereinafter referred to as "User"), constitutes an addendum to the Master Trackage Rights Agreement among the parties dated October 15, 2003 ("Master").

Section 1: DESCRIPTION

Owner hereby grants to User, subject to the terms of the Master, and as further governed herein below, the right to operate its trains, locomotives, cars and equipment with its own crews (hereinafter referred to as "Trackage Rights") over the following segment of railroad owned or operated by Owner (hereinafter referred to as "Subject Trackage"):

Between Owner/User ownership point at Memphis Junction, KY, Owner's/User's Milepost F-118.74/LF-118.74 and end of Owner's line at Lewisburg (Logan), KY, Owner's Milepost D-152, a distance of 47± miles, as marked on Attachment 1, included herein and made a part hereof.

Section 2: RESTRICTIONS ON USE

The Trackage rights herein granted are granted for the sole purpose of User using same for bridge traffic as part of a joint move with Owner between Berea and Lewisburg (Logan), KY, with User delivering loaded or picking up empty run through train of aluminum ingots for Logan Aluminum, Inc., its successors or assigns. User shall not perform any local freight service whatsoever at any point located on the Subject Trackage, nor shall User enter or exit the Subject Trackage except at the points herein listed below.

User shall enter and exit at ownership point between Owner and User at Memphis Junction, KY, Owner's/User's Milepost F118.74/LF-118.74, and the Logan Aluminum Inc. sidetrack at Lewisburg (Logan), KY, approximately Milepost D-152.

Section 3: COMPENSATION

In conjunction with the joint move detailed in Section 2, consideration for use of the Subject Trackage shall be through User granting reciprocal rights to Owner over User's line of railroad between Berea and Winchester, KY.

Trackage Rights Agreement
Page 2 of 3Section 4. TERM AND TERMINATION

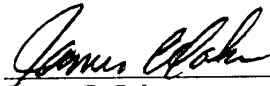
- A. This Trackage Rights Addendum shall become effective on the latter of the date first written above, or when regulatory approval is received, the date of such approval following the expiration of any time periods required by the issuance of labor notices by Owner ("Effective Date"), and shall remain in effect until terminated by User upon six (6) months written notice, or until termination of the Master, or until cancellation of rail transportation contract providing for joint movement by Owner and User of aluminum ingots.
- B. Termination of this Trackage Rights Addendum shall automatically terminate the Trackage Rights Addendum of even date between the parties granting Owner rights over User's line of railroad between Berea and Winchester.
- C. Termination of this Trackage Rights Addendum shall not relieve or release any party hereto from any obligations assumed or any liability which may have arisen or been incurred by such party under the terms of this Trackage Rights Addendum prior to termination hereof.

Section 5. SIGNATURES

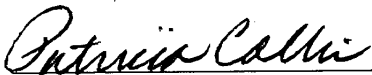
The signatures below confirm the mutual agreement of Owner and User representatives to the provisions of this Trackage Rights Addendum.

WITNESS:

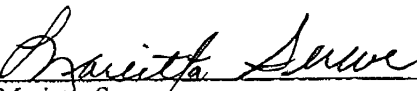
R. J. CORMAN RAILROAD
MEMPHIS LINE, LLC

By: 
James C. Oaks
Title: Attorney-in-Fact for
R. J. Corman Railroad -
Memphis Line, LLC

WITNESS:



CSX TRANSPORTATION, INC.

By: 
Marietta Serwe
Title: General Manager -
Inter-carrier Agreements

NOTE: To view sketch, make sure Word is in "Print Layout View."

Trackage Rights Agreement
Page 3 of 3

Attachment 1
Trackage Rights
CSXT over RJCM Memphis Jct. - Lewisburg
(Not to Scale)

