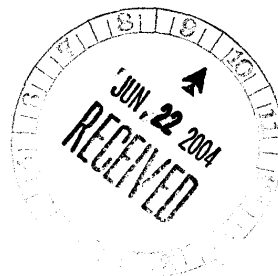


TELEPHONE
(260) 749-5858

CARL M. MILLER
ATTORNEY AT LAW
618 PROFESSIONAL PARK DRIVE
P.O. BOX 332
NEW HAVEN, INDIANA 46774

FAX
(260) 493-7619



June 21, 2004

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

FILED

JUN 22 2004

SURFACE
TRANSPORTATION BOARD

RE: FD No. 34516
The Indiana Northeastern Railroad Company
Acquisition of Line of Railroad Owned by
The Branch and St. Joseph County Rail Users Association, Inc.

Dear Secretary Williams:

With this letter, please find an original and ten (10) copies of the Verified Notice of Exemption in the above encaptioned proceeding.

Also enclosed are a copy of the Notice on a computer disk, formatted to WordPerfect, and a check in the amount of One Thousand Four Hundred Dollars (\$1,400.00) tendered as the filing fee.

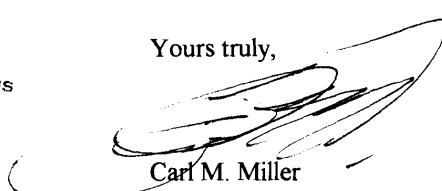
Please be kind enough to file stamp one copy of the Notice and return it in the envelope provided.

Yours truly,

ENTERED
Office of Proceedings

JUN 22 2004

Part of
Public Record


Carl M. Miller

CMM:ma
Enclosures

FEE RECEIVED

JUN 22 2004

SURFACE
TRANSPORTATION BOARD

BEFORE THE
SURFACE TRANSPORTATION BOARD

VERIFIED NOTICE OF EXEMPTION

S.T.B. FINANCE DOCKET NO. 34516



FEE RECEIVED

JUN 22 2004

SURFACE
TRANSPORTATION BOARD

THE INDIANA NORTHEASTERN RAILROAD COMPANY
ACQUISITION
LINE OF RAILROAD OWNED BY THE
BRANCH AND ST. JOSEPH
COUNTY RAIL USERS ASSOCIATION, INC.

FILED
JUN 22 2004
SURFACE
TRANSPORTATION BOARD

ENTERED
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Part of
Public Record

Carl M. Miller
618 Professional Park Drive
P.O. Box 332
New Haven, IN 46774
Phone: 260-749-5858
Facsimile: 260-493-7619
Attorney for Indiana Northeastern
Railroad Company

Charles R. Bappert
BIRINGER, HUTCHINSON, LILLIS &
BAPPERT, P.C.
100 West Chicago Street
Coldwater, MI 49036-1897
Phone: 517-279-9745
Facsimile: 517-278-7844
Attorney for Branch And St. Joseph
Counties Rail Users Association, Inc.

DATED: June 21, 2004

BEFORE THE
SURFACE TRANSPORTATION BOARD

VERIFIED NOTICE OF EXEMPTION

S.T.B. FINANCE DOCKET NO. 34516



**THE INDIANA NORTHEASTERN RAILROAD COMPANY
ACQUISITION
LINE OF RAILROAD OWNED BY THE
BRANCH AND ST. JOSEPH
COUNTY RAIL USERS ASSOCIATION, INC.**

The Indiana Northeastern Railroad Company, ("IN"), a Class III rail carrier, and the Branch and St. Joseph Counties Rail User Association, Inc., ("Rail Users"), as owner of the rail line subject to this Notice, file this Verified Notice of Exemption pursuant to 49 CFR § 1150.41.

In support of their Notice, the parties submit the following information as required by 49 CFR § 1150.43.

- (a) The full name and address of the Class III applicant is:

The Indiana Northeastern Railroad Company
P.O. Box 262
Hillsdale, Michigan 49242

- (b) The name, address, and telephone number of the representative of the applicant who should receive correspondence is:

Attorney for Branch and St. Joseph Counties Rail Users Association, Inc.:

Charles R. Bappert
BIRINGER, HUTCHINSON, LILLIS & BAPPERT, P.C.
100 West Chicago Street
Coldwater, Michigan 49036
517-279-9745

Attorney for the Indiana Northeastern Railroad Company:

Carl M. Miller
618 Professional Park Drive
P.O. Box 332
New Haven, Indiana 46774
260-749-5858

- (c) An Agreement has been reached between the Rail Users and IN for IN to acquire ownership of Rail Users' line between MP 386.96 near Coldwater, Michigan, and MP 406.84, near Sturgis, Michigan, upon the effective date of this Notice.
- (d) IN will remain as operator of the line.
- (e) A brief summary of the proposed transaction:
 - (1) The name and address of the owner of the rail line is:

Branch and St. Joseph Counties Rail Users Association, Inc.
c/o Charles R. Bappert
BIRINGER, HUTCHINSON, LILLIS & BAPPERT, P.C.
Century Bank and Trust Building
100 West Chicago Street
Coldwater, Michigan 49036
 - (2) The transaction will be consummated on July 1, 2004, or as soon thereafter as this Verified Notice of Exemption becomes effective.
 - (3) Rail Users owns the rail line between MP 376.56 near Quincy, Michigan, to MP 406.84 near Sturgis, Michigan, all of which is presently operated by IN. The segment which is subject of this Notice is operated by IN pursuant to the Notice of Exemption filed in Finance Docket 34273.
 - (4) The total route miles subject to this Notice are nineteen and eighty-eight one-hundredths (19.88) all in Branch and St. Joseph Counties, Michigan.
- (f) A map that clearly indicates the area to be served, including origins, terminals,

stations, cities, counties and states is attached hereto, made a part hereof and marked as Exhibit

A.

(g) A certificate that the applicant's revenues as a result of the transaction will not result in the creation of a Class II or a Class I rail carrier so as to require processing under § 1150.45 is contained within the Verification of Gale Shultz which is attached to and made a part of this Verified Notice of Exemption.

(h) A Caption Summary is attached to this Notice.

(i) Pursuant to 49 CFR § 1105.6(c)(2), no environmental documentation is required by the action described in this Notice.

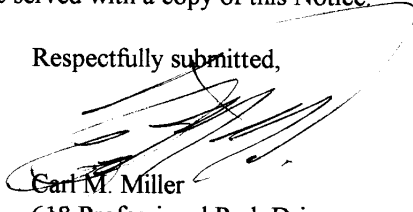
(j) Pursuant to 49 CFR § 1105.8(b)(1), no historic report is required by the action described in this Notice.

(k) The action described in this Notice does not affect land or water uses within a state coastal zone designated pursuant to the Coastal Zone Management Act.

(l) Pursuant to 49 USC § 10902(d), no labor protection is required by the action described in this Notice.

(m) All affected shippers will be served with a copy of this Notice.

Respectfully submitted,



Carl M. Miller

618 Professional Park Drive

P.O. Box 332

New Haven, IN 46774

Phone: 260-749-5858

Facsimile: 260-493-7619

Attorney for Indiana Northeastern Railroad
Company

Charles R. Bappert
BIRINGER, HUTCHINSON, LILLIS &
BAPPERT, P.C.
100 West Chicago Street
Coldwater, MI 49036-1897
Phone: 517-279-9745
Facsimile: 517-278-7844
Attorney for Branch And St. Joseph Counties
Rail Users Association, Inc.

STATE OF INDIANA)

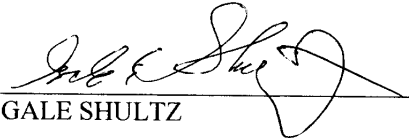
) SS:

COUNTY OF LAGRANGE)

GALE SHULTZ, being first duly sworn upon his oath, alleges and says:

1. He is the duly elected, authorized and acting President of INDIANA NORTHEASTERN RAILROAD COMPANY.
2. He is personally familiar with the representations made in the Verified Notice of Exemption and believes them to be true to the best of his knowledge, information and belief.
3. He is personally familiar with the financial affairs of the Indiana Northeastern Railroad Company. The projected revenues of the Indiana Northeastern Railroad Company as a result of this transaction will not result in the creation of a Class II or Class I rail carrier.

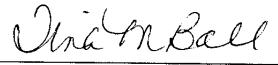
FURTHER AFFIANT SAYETH NAUGHT.


GALE SHULTZ

Subscribed and sworn to before me, the undersigned Notary Public, in and for said
County and State this 18th day of June, 2004.

My Commission Expires:

11-2-07


Notary Public
(Resident of Allen County, Indiana)

P.O. BOX 202 • 80 WINDGE ST. • HILLSDALE, MICHIGAN 48242



Mainline Rail Network Extending Over 100 Miles

Administrative Offices-South Milford 260-353-2421 Fax 260-353-3358
Operating Offices-Hillsdale 517-438-4671 Fax 438-4222

Railroad System Map

0 1 2 3 4 5
Approx. Scale
Miles

Indiana Northeastern Trackage

MAP NOT TO EXACT SCALE

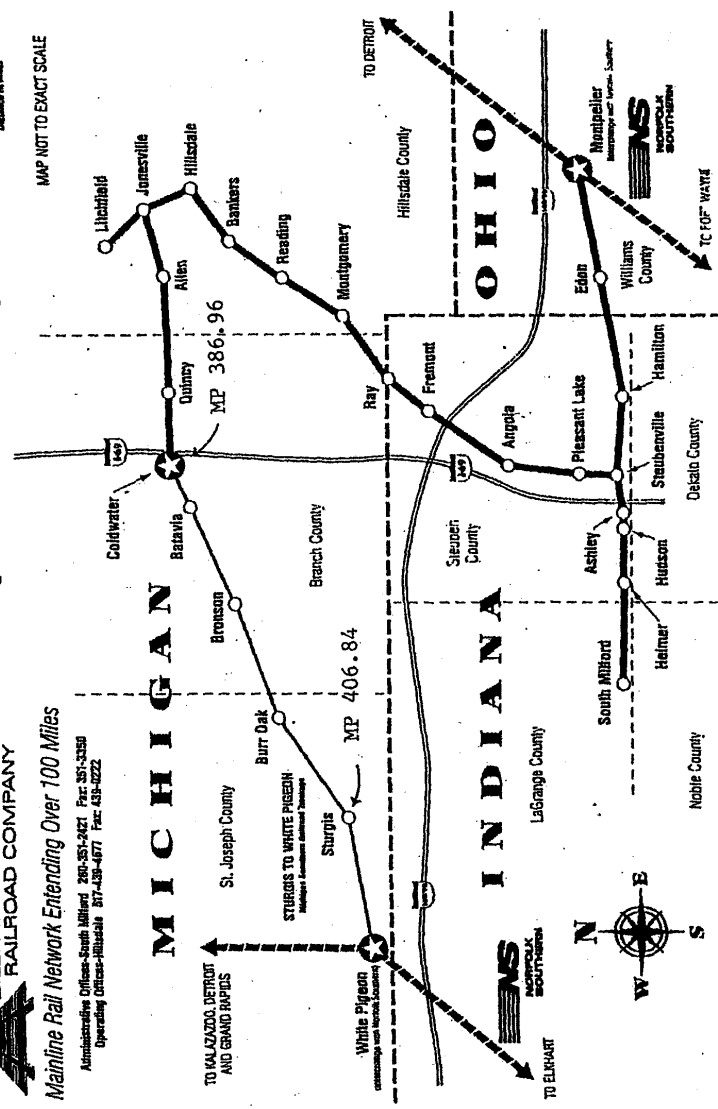


EXHIBIT A

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Verified Notice of Exemption was deposited in the United States mail, first class, postage prepaid, and addressed to each person or entity known to have shipped or received freight on the rail line within the preceding two (2) years.

Dated: June 21, 2004



BEFORE THE
SURFACE TRANSPORTATION BOARD

VERIFIED NOTICE OF EXEMPTION

S.T.B. FINANCE DOCKET NO. 34516

**THE INDIANA NORTHEASTERN RAILROAD COMPANY
ACQUISITION
LINE OF RAILROAD OWNED BY THE
BRANCH AND ST. JOSEPH
COUNTY RAIL USERS ASSOCIATION, INC.**

The Indiana Northeastern Railroad Company and the Branch and St. Joseph Counties Rail Users Association, Inc. have filed a Verified Notice of Exemption for Indiana Northeastern's acquisition of the line of railroad owned by Rail Users extending from MP 386.96 near Coldwater, Michigan, to MP 406.84 near Sturgis, Michigan, in Branch and St. Joseph Counties, Michigan.

Comments must be filed with the Board and served on petitioners' representatives:

Carl M. Miller
618 Professional Park Drive
P.O. Box 332
New Haven, Indiana 46774
Phone: 260-749-5858
Facsimile: 260-493-7619

Charles R. Bappert
BIRINGER, HUTCHINSON, LILLIS
& BAPPERT, P.C.
Century Bank & Trust Bldg.
100 W. Chicago Street
Coldwater, Michigan 49036-1897
Phone: 517-279-9745
Facsimile: 517-278-7844

The notice is filed under 49 CFR § 1150.41. If the notice contains false or misleading information, the exemption is void ab. initio. The filing of a petition to revoke will not automatically stay the transaction.