

BEFORE THE
SURFACE TRANSPORTATION BOARD
Washington, D.C.

215 359

The Indiana Rail Road Company -- Acquisition --
Lines of Soo Line Railroad Company

Finance Docket No. 34783

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APPLICATION BY THE INDIANA RAIL ROAD COMPANY AND SOO LINE
RAILROAD COMPANY FOR APPROVAL OF INRD'S ACQUISITION OF SOO'S
LATTA SUBDIVISION AND RELATED TRackage RIGHTS

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Appendix No. 1 Letters of Support

Shippers

- A. Cinergy
- B. ExxonMobil
- C. GATX Rail
- D. Hoosier Energy
- E. Indianapolis Power & Light
- F. Marathon Petroleum Company
- G. Peabody Coal Sales
- G-1 Black Beauty (Verified Statement)

US Congress

- H. Hon. Evan Bayh, United States Senator, Indiana
- I. Hon. Richard G. Lugar, United States Senator, Indiana
- J. Hon. Dan Burton, Member of Congress, 5th District of Indiana
- K. Hon. Julia Carson, Member of Congress, 7th District of Indiana
- L. Hon. John N. Hostettler, Member of Congress, 8th District of Indiana
- M. Hon. Michael R. Pence, Member of Congress, 6th District of Indiana
- N. Hon. Michael E. Sodrel, Member of Congress, 9th District of Indiana
- O. Hon. Mark E. Souder, Member of Congress, 3d District of Indiana

Indiana State Government

- P. Hon. Mitchell E. Daniels, Jr., Governor of Indiana
- Q. Hon. J. Murray Clark, Indiana State Senator
- R. Hon. Robert P. Garton, President Pro Tempore, Indiana State Senate
- S. Hon. Glenn L. Howard, Indiana State Senator
- T. Hon. Brent Steele, Indiana State Senator
- U. Hon. R. Michael Young, Indiana State Senator
- V. Hon. Brian C. Bosma, Speaker, Indiana House of Representatives
- W. Hon. Lawrence L. Buell, Indiana House of Representatives
- X. Hon. Ralph M. Foley, Indiana House of Representatives
- Y. Hon. Phillip Hinkle, Indiana House of Representatives
- Z. Hon. Eric A. Koch, Assistant Majority Whip, Indiana House of Representatives
- AA. Hon. John R. Gregg, Indiana House of Representatives

Other

- BB. Hon. Kevin D. Burke, Mayor, City of Terre Haute
- CC. Ed Simcox, President, Indiana Energy Association

Appendix No. 2 Opinions of Counsel

- A. Opinion of John H. Broadley, Counsel for INRD
- B. Opinion of William M. Tuttle, Counsel for Soo

1. Overview of the Proposed Transaction

Soo currently operates a line of railroad running in a generally northwest to southeast orientation between Chicago, IL and Louisville, KY, a total distance of 337.64 miles. Soo's route between Chicago and Louisville consists of overhead trackage rights over the lines of Union Pacific Railroad Company ("UP") and CSX Transportation, Inc. ("CSXT") between Chicago, IL and Terre Haute, IN, a line owned by Soo between Fayette and Bedford, IN, overhead trackage rights over a line owned by CSXT between Bedford and New Albany, IN, and rights to use the former property of the Kentucky & Indiana Terminal Company ("K&ITC"), now owned by Norfolk Southern Railway Company ("NS") between New Albany, IN and Louisville, KY and within Louisville, KY.

The line owned by Soo between Fayette and Bedford, IN is known as the "Latta Subdivision." The overhead trackage rights between Chicago and Terre Haute and between Bedford and Louisville are referred to herein as the "Main Line Trackage Rights." Soo also has certain ancillary trackage rights over other railroads that connect with the Latta Subdivision, which are referred to herein as the "Ancillary Trackage Rights." Collectively, the Main Line Trackage Rights, the Latta Subdivision, and the Ancillary Trackage Rights are referred to herein as the "Acquired Lines."

INRD currently owns and operates a line of railroad running in a generally northeast to southwest orientation between Indianapolis, IN and Newton, IL, a total distance of 155 miles. INRD's existing line intersects Soo's Chicago-Louisville line at Linton, IN. Maps showing the lines involved are attached as Exhibit No. 1. The map at Exhibit No. 1-A focuses on the Acquired Lines, the map at Exhibit No. 1-B focuses on INRD's existing line, and the map

at Exhibit 1-C shows the CPRC system and INRD in the context of the North American rail system.

The transaction for which this application seeks approval is INRD's purchase of the Latta Subdivision, and acquisition by assignment from Soo of all of Soo's right, title and interest in and to the Main Line Trackage Rights and the Ancillary Trackage Rights. The proposed transaction will be referred to herein as the "Transaction."

The Latta Subdivision

Soo's Latta Subdivision extends from Milepost 170.1 at Fayette, IN to Milepost 262.4 at Bedford, IN, a distance of 92.3 miles. The Latta Subdivision includes the so-called Latta Branch, extending from a point of connection with Soo's main line at approximately Milepost 204.3, a total distance of approximately 8.5 miles westerly. The Latta Subdivision also includes Soo's Latta Yard and the shop facilities located there, as well as various side tracks, spur tracks, connections and other related rail properties.

The Main Line Trackage Rights

The Main Line Trackage Rights consist of the following:³

- (i) overhead trackage rights between 80th Street, Chicago and Dolton Junction, IL, referred to herein as the "80th Street-Dolton Trackage Rights Agreement;"
- (ii) overhead trackage rights between Dolton Junction, IL and Woodland Junction, IN, referred to herein as the "Dolton-Woodland Trackage Rights Agreement;"
- (iii) overhead trackage rights between Woodland Junction, IN and Terre Haute, IN, referred to herein as the "Woodland-Terre Haute Trackage Rights Agreement;"⁴

³ Each of the trackage rights is described in greater detail in the discussion below under 49 CFR 1180.6(a)(7)(vi).

(iv) overhead trackage rights between Bedford, IN and New Albany, IN, referred to herein as the "Bedford-New Albany Trackage Rights Agreement;" and

(v) rights to use the property of the former K&ITC between New Albany, IN and Louisville, KY and within Louisville, KY, referred to herein as the "Louisville Terminal Agreement."

The rights granted under the 80th Street-Dolton Trackage Rights Agreement, the Dolton-Woodland Trackage Right Agreement, and the Woodland-Terre Haute Trackage Rights Agreement enable Soo to operate trains between Chicago and a connection with the Latta Subdivision at Terre Haute, IN. The rights granted under the Bedford-New Albany Trackage Rights Agreement and the Louisville Terminal Agreement permit Soo to operate trains between the southern terminus of the Latta Subdivision at Bedford, IN and Louisville, KY.

Ancillary Trackage Rights

The Ancillary Trackage Rights consist of the following:

(i) overhead trackage rights on Indiana Southern Railroad (ISRR) between Elnora, IN and Maysville, IN, referred to herein as the "Elnora-Maysville Trackage Rights Agreement;"

⁴ The CSXT line from Woodland Junction over which Soo has trackage rights crosses the Latta Subdivision northwest of Terre Haute, but without an interchange. CSXT interchanges with Soo in Terre Haute at a point known as the "Con-Milw" connection (a reference to the fact that this was once a point of connection between the lines of Conrail and the former Milwaukee Road) located near the north entrance to Soo's Van Yard, and at another location south of Terre Haute called Spring Hill. See Map at Exhibit No. 1-A.

(ii) Soo's option to acquire trackage rights over certain ISRR trackage between Elnora, IN and Evansville, IN, referred to herein as the "Elnora-Evansville Trackage Rights Option;"⁵ and

(iii) overhead trackage rights over certain ISRR trackage between Beehunter, IN and Sandborn, IN, referred to herein as the "Beehunter-Sandborn Trackage Rights Agreement".⁶

In the Elnora-Maysville Trackage Rights Agreement, ISRR granted overhead trackage rights to Soo over ISRR's line between Elnora and Maysville, IN to permit it to serve the Peabody load-out at Maysville, IN. In the Elnora-Evansville Trackage Rights Option, ISRR granted Soo an option to acquire trackage rights over ISRR's line between Elnora and Evansville, IN as partial compensation for Soo's grant of trackage rights to ISRR over Soo's line between Beehunter, IN and Elnora, IN. In the Beehunter to Sandborn Trackage Rights Agreement, ISRR granted overhead trackage rights to Soo over its line between Beehunter and Sandborn, IN to permit Soo to serve Peabody's Hawthorn Mine at Sandborn, IN.

The Transaction is a minor transaction as that term is defined in the Board's regulations at 49 CFR § 1180.2(c). The Transaction does not involve control or merger, and does not involve two Class I railroads. Soo is a Class I railroad, and INRD will be a Class II railroad under the Board's regulations before the Transaction is consummated. Moreover, the

⁵ Soo's option to acquire trackage rights over ISRR's Elnora to Evansville line would require Board approval if exercised. INRD does not believe that Soo's assignment of this option to INRD requires Board approval under 49 U.S.C. § 11323.

⁶ In addition to the foregoing trackage rights, Soo will assign to INRD its rights under an interchange agreement with INRD, referred to herein as the "Soo-INRD Interchange Agreement."

Transaction will not have anti-competitive effects. INRD will replace Soo as the railroad providing service on the Acquired Lines.

The Board has treated far larger transactions than this as "minor" transactions within the meaning of its regulations. See e.g. Canadian National Railway, et al. -- Control -- Duluth, Missabe & Iron Range, et al., STB Finance Docket No. 34424, (STB served December 1, 2003) (2003 WL 22842680 (S.T.B.)) (\$380 million purchase price); and Canadian National Railway, et al. -- Control -- Wisconsin Central Transportation Corporation, et al., STB Finance Docket No. 34000 (STB served May 9, 2001) (2001 WL 489993 (S.T.B.)) (2,464 route miles acquired).

2. The Indiana Rail Road Company--The Acquiring Carrier

INRD was formed in 1986 to acquire from the Illinois Central Gulf Railroad Company ("ICG") a line of railroad between Indianapolis, IN and Sullivan, IN. INRD, then a non-carrier, filed a notice of exemption on February 18, 1986 under 49 CFR § 1150 Sub-Part D to acquire the IC line. The acquisition was consummated on March 18, 1986. See The Indiana Rail Road Company--Exemption--Acquisition and Operation, Finance Docket No. 30789, (ICC served March 21, 1986). Subsequently, INRD acquired an additional line of railroad from the Illinois Central Railroad Company ("IC") running west from Sullivan, IN to Newton, IL, and south from Newton, IL to Browns, IL. The Interstate Commerce Commission ("ICC") exempted that transaction from regulation. See Indiana R. Co.--Acq. & Oper.--Illinois Central R. Co., 6 I.C.C.2d 1004 (1990), aff'd sub nom. Village of Palestine v. I.C.C., 936 F.2d 1335 (D.C. Cir. 1991), cert. denied 502 U.S. 1030 (1992). INRD later sold the Newton, IL to Browns, IL line to Indiana Hi-Rail Corporation. See Garden Spot & Northern Limited Partnership and Indiana Hi-Rail Corporation--Purchase and Operate--Indiana Rail Road Company Line Between

Newton and Browns, IL, Finance Docket No. 31593, (ICC served March 28, 1991) (1991 WL 45235 (I.C.C.)). INRD's present line thus runs from Indianapolis through Sullivan, IN to Newton, IL, a total distance of 155 miles.

In its first full year of operation (1987), INRD handled approximately 12,000 carloads. By 2004, INRD's traffic had grown to 105,810 carloads, a compounded annual growth rate of approximately 13%. The growth in INRD's revenues has been similarly strong. From revenues of \$4.5 million in its first full year of operation, INRD has grown to the point that, by the end of 2005, its revenues will have exceeded the threshold for Class II carrier status for three consecutive years. Accordingly, in January 2006 INRD will be reclassified as a Class II carrier under the Board's regulations. The compounded annual rate of growth in INRD's revenues over the past 18 years is approximately 10%.

During its initial years of operation, INRD's revenues were derived primarily from coal moves to Indianapolis Power & Light's ("IP&L's") Harding Street electric utility power plant at Indianapolis. Currently, INRD's revenues are generated primarily from (i) coal moves to IP&L's Harding Street power plant, to Ameren's power plant at Lis, IL⁷, and to Hoosier Energy's power plant at Merom, IN, and (ii) from chemical, plastics and petroleum feedstock movements to and from plants in Robinson, IL.

In 1996, CSXT acquired a controlling stock interest in INRD's parent, Midland United Corporation ("Midland United"). CSX Corporation and CSX Transportation, Inc.--

⁷ INRD accesses the Ameren power plant at Lis, IL via an industry track built by Ameren to INRD's line at Newton, IL. INRD also has the right to access the Ameren power plant with coal from certain limited origins on trackage rights over Canadian National Railway Company ("CN"), which rights INRD acquired in connection with its acquisition of the Sullivan to Newton line in 1990. See Indiana R. Co.--Acq. and Oper.--Illinois Central R. Co., 6 I.C.C.2d 1004 (1990).

Control--The Indiana Rail Road Company, STB Finance Docket No. 32892, (STB served November 7, 1996) (1996 WL 648610 (S.T.B.)). CSXT currently owns 85% of the common stock of Midland United, which in turn owns 100% of the common stock of INRD. Thomas G. Hoback, President of INRD and of Midland United, owns the remaining 15% of Midland United's common stock. At the time CSXT acquired control of INRD, it was contemplated that INRD would remain a separate short line or regional railroad and would not be functionally integrated into CSXT. This approach has been followed and INRD retains its separate engineering, operating, mechanical, marketing, accounting and labor relations functions.

3. Soo's Chicago-Louisville Line

Soo is a Minnesota corporation that operates approximately 3,500 miles of track in the States of Illinois, Indiana, Kentucky, Michigan, Minnesota, North Dakota, South Dakota and Wisconsin. Soo is a wholly-owned subsidiary of CPRC. CPRC is a Canadian corporation whose stock is publicly held and traded on the New York and Toronto stock exchanges. Soo acquired its Chicago-Louisville line on February 20, 1985, as part of its purchase of the core rail system of the bankrupt Chicago, Milwaukee, St. Paul and Pacific Railroad Company ("Milwaukee"). See Milwaukee--Reorganization--Acquisition by GTC, 2 I.C.C.2d 161 (1984); Milwaukee--Reorganization--Acquisition by GTC, 2 I.C.C.2d 427 (1985); aff'd sub nom. In the Matter of Chicago, Milwaukee, St. Paul and Pacific Railroad, Debtor, 799 F.2d 317 (7th Cir. 1986).

Prior to 1970, Milwaukee's line south from Chicago ended at Bedford, IN, where Milwaukee interchanged traffic with the Monon Railroad ("Monon"). Monon, in turn, interchanged traffic moving to/from southeastern points with Southern Railway Company ("Southern") at Louisville, KY. In 1968, the Interstate Commerce Commission ("ICC")

approved Louisville & Nashville Railroad Company's ("L&N") acquisition of the Chicago & Eastern Illinois Railroad Company ("C&EI") line between Evansville, IN and Chicago. See Louisville & N. R. Co.--Pur.--Chicago & E. I. R. Co., 334 I.C.C. 273 (1968) (L&N-C&EI). With that acquisition, L&N became the only carrier capable of providing single-system rail service between the Chicago gateway and points in the Southeast. L&N subsequently sought ICC approval to acquire the Monon. See Louisville & N. R. Co.--Merger--Monon Railroad, 338 I.C.C. 134 (1970) ("L&N-Monon"). The Monon operated rail lines extending from New Albany, IN north through Bedford and Bloomington, IN to Michigan City, IN, where it connected with lines running into Chicago. L&N's acquisition of Monon gave it control over a second rail route between the Southeast and Chicago.

Before L&N acquired the C&EI line, rail traffic between the Southeast, on the one hand, and Chicago and points beyond, on the other hand, moved via a number of competing interline routes over the Evansville, Louisville and Cincinnati gateways. In L&N-Monon, Milwaukee, supported by Southern, argued that L&N's control of both the Monon route to Chicago via Louisville and the former C&EI route via Evansville would place L&N in a dominant competitive position for such traffic. See L&N-Monon, 338 I.C.C. at 185. In order to provide an effective competitive alternative to L&N for traffic between southeastern points and points north and west of Chicago, Milwaukee asked the ICC to impose a condition granting it trackage rights over the Monon line between Bedford and New Albany, IN, to enable it to interchange traffic directly with Southern at Louisville. Id. at 137. Milwaukee also requested certain other conditions, including rights to use the property of the former K&ITC that would provide Milwaukee a continuous route between Chicago and Louisville. Id. The ICC granted Milwaukee's proposed conditions. The rights granted to Milwaukee in the L&N-Monon

proceeding are incorporated into the Bedford - New Albany Trackage Rights Agreement and the Louisville Terminal Agreement which are being assigned to INRD as part of the Transaction.

The competitive significance of Milwaukee's Chicago-Louisville route was substantially diminished by subsequent rail consolidations. The Chessie-Seaboard⁸ and N&W/Southern⁹ consolidations created two large eastern rail systems capable of providing service between Chicago and points throughout the Southeast on a single-line basis. In particular, Southern's merger with Norfolk and Western Railway Company ("N&W") created a new single-line "Mid-South Corridor Route" serving Chicago and southeastern points via Cincinnati. Norfolk Southern Control, 366 I.C.C. at 198-199. As the ICC recognized in Norfolk Southern Control, "shippers . . . prefer single-system service." *Id.* at 194. See also CSX Control at 566 (L&N share of Chicago-Southeast traffic attributable to shipper preference for single-system service). Milwaukee's (and later Soo's) participation in Chicago-Southeast traffic via Louisville dwindled in the wake of those major consolidations. Indeed, in 2004 Soo received only 523 carloads in interchange, and forwarded only 1374 carloads, at the Louisville gateway.¹⁰ Of the 523 carloads Soo received at Louisville, only 186 were received from CSXT or NS; the remaining 337 were received from regional carriers serving the Louisville area. Of the 1374

⁸ See CSX Corp.--Control-Chessie and Seaboard C.L.I., 363 I.C.C. 518 (1980) ("CSX Control").

⁹ See Norfolk Southern Corp.--Control--Norfolk & W. Ry. Co. and Southern Ry. Co., 366 I.C.C. 171 (1982) ("Norfolk Southern Control").

¹⁰ Soo also delivered approximately 3,000 carloads of potash to Louisville for transloading to barges at Jeffersonville, IN. This potash traffic originated on CPRC's lines in Saskatchewan and transited the entire line from Chicago to Louisville. The potash traffic is moved across the Ohio River to Jeffersonville, IN by the Louisville and Indiana Railroad Company ("LIRC"). Following the proposed transaction, CPRC will interchange this traffic with INRD at Chicago, and will provide run-through locomotive power in connection with such movements. INRD will deliver the traffic to LIRC for movement to Jeffersonville, IN as Soo does today.

carloads Soo forwarded in interchange at Louisville, only 621 were forwarded to CSXT or NS; the remaining 753 were forwarded to regional carriers. Thus, the competitive role envisioned by L&N-Monon for Milwaukee's Chicago-Louisville route as a bridge between the Southeast and the Chicago gateway has been rendered obsolete.

The overall volume of traffic moving on the Chicago-Louisville line has continued to decline since Soo acquired it in 1985. Soo's current traffic on the line totals approximately 67,000 carloads, the vast majority of which consists of shipments (predominantly Illinois Basin coal) that are local to the Latta Subdivision, or are originated by Soo on the Latta Subdivision and forwarded to connecting carriers at points other than Louisville. The Latta Subdivision serves only one active coal mine, Black Beauty Coal Company's mine at Farmersburg, IN (whose reserves are expected to be depleted by the year 2011)¹¹ and only one electric utility power plant, Cinergy's Wabash River power plant at Fayette, IN.¹² Soo does not serve local shippers on the Main Line Trackage Rights segments between Chicago and Terre Haute, IN, or between Bedford, IN and Louisville, KY, though under the Louisville Terminal Agreement it does have rights to serve certain industries located on the former K&ITC properties though an NS switch.

SPECIFIC INFORMATION REQUIRED BY THE REGULATIONS

49 CFR § 1180.6 specifies information which must be included in every application filed under 49 U.S.C. § 11323. The requested information is provided below,

¹¹ The Farmersburg mine is owned by Black Beauty Coal Company, which is a wholly-owned subsidiary of Peabody Energy.

¹² The Wabash River power plant is owned by PSI, one of Cinergy's wholly-owned operating subsidiaries. We will refer to "Cinergy" when referring to power plants owned by Cinergy or any of its wholly-owned operating subsidiaries.

preceded by the sub-section of the regulations to which it responds. Each regulatory requirement is set forth verbatim in bold italics.

1180.6(a)(1) 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 the applicants, their business address, telephone number, and the name of the counsel to whom questions regarding the transaction can be addressed.***

The proposed transaction is INRD's purchase of Soo's Latta Subdivision, and INRD's acquisition by assignment of all of Soo's right, title and interest in and to the Main Line Trackage Rights and the Ancillary Trackage Rights.

Buyer:
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Tel. 317-262-5140

Seller:
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Counsel:
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- (ii) ***The proposed time schedule for consummation of the proposed transaction.***

The parties propose to consummate the transaction by May 25, 2006, or as soon thereafter as permitted by the Board.

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

This section discusses Soo's rationale for selling the Acquired Lines and INRD's rationale for buying the Acquired Lines. As the following discussion demonstrates, the

Transaction will further the public interest in meeting significant transportation needs in southern and central Indiana within the meaning of 49 U.S.C. § 11324(d).

1. Soo's rationale for selling the Acquired Lines

As discussed above, the Chessie-Seaboard and N&W/Southern consolidations created large rail systems capable of handling traffic moving between the Chicago gateway and points throughout the Southeast on a single-line basis. This rendered Soo's Chicago-Louisville route, which depended upon interchange with NS or CSXT at Louisville to move traffic to/from southeastern points, competitively irrelevant. Indeed, as previously noted, in 2004 Soo interchanged only 807 cars with NS and CSXT at Louisville. The vast majority of the traffic that remains on the Latta Subdivision consists of relatively short-haul shipments of coal and other commodities that are either local to the line, or are forwarded by Soo to connecting carriers at interchange points other than Louisville. In light of these developments, the Chicago-Louisville route is no longer strategically important to Soo's (or CPRC's) long-term commercial interests.

Moreover, a substantial portion of Soo's route between Chicago and Louisville consists of trackage rights over lines owned by other carriers. This limits Soo's ability to exercise control over its operations in the Chicago-Louisville corridor. The proprietary segment of Soo's route, between Fayette and Bedford, IN, is physically isolated from Soo's core system, making that segment more costly to maintain and to operate. Sale of the Acquired Lines to INRD will enable Soo to redirect its resources to meeting the increasing demand for rail service on its core system. At the same time, placing the Acquired Lines in the hands of an efficient and proven short line operator (INRD) that enjoys close working relationships with shippers in

central and southern Indiana will enhance the prospects for increasing the volume of traffic moving over those lines in the future.

2. INRD's rationale for acquiring the Acquired Lines

INRD believes that the Acquired Lines fit well with its existing rail line, and that the Transaction offers substantial opportunities for enhancing efficiency and improving service. Improvement in the economics of both the Acquired Lines and INRD's existing system, and improvement in service to shippers, are in the public interest. INRD also believes that INRD's local marketing focus and expertise in central and southern Indiana will enable it to attract additional business to the Acquired Lines.

Coal mines in Indiana lie in the Illinois Basin which contains coal with a relatively high Btu content, but also with a relatively high sulphur content. Historically, Indiana coal has been consumed within approximately 200 miles of the mines from which it was produced. As more coal-fired electric power plants install scrubbers to remove sulphur dioxide from the flue gas, however, the use of higher sulphur but lower priced coals such as those from the Illinois Basin becomes more economically attractive. INRD believes that the combination of more scrubbers and the relatively low price per Btu of Illinois Basin coal will broaden the potential geographic market for Indiana coal and present opportunities to move additional tonnage by rail.

The Acquired Lines are well positioned to permit INRD to capitalize on such a strategic long-term development. The Acquired Lines will give INRD a line to the Ohio River and connections to railroads serving the Mid-South and Southeast at Louisville. Many southern Indiana coal mines are currently served only by truck. These mines may be able to participate in a larger geographic market if provided with rail options, either by extending spurs to the mines

or by establishing load-out facilities on nearby rail lines where trucked coal can be transferred to rail. With a new connection to the Ohio River and to power plants in the Mid-South and Southeast, INRD believes it can work with coal shippers to develop new markets for Indiana coal as the demand for Illinois Basin coal grows and spreads geographically.

A. The Transaction will produce significant operating efficiencies and service improvements.

INRD's existing lines and Soo's Latta Subdivision intersect at Linton, IN. Soo currently interchanges a substantial amount of coal traffic originating on the Latta Subdivision with INRD. For operating convenience, Soo and INRD have entered into an interchange agreement under which the physical interchange of eastbound traffic from Soo to INRD can take place at Switz City, IN, and the physical interchange of westbound traffic from INRD to Soo can take place at Latta Yard or at Farmersburg (on the Latta Subdivision). Combining the Acquired Lines with INRD's existing system offers the opportunity to achieve substantially greater operating efficiencies than those made possible by the INRD-Soo interchange agreement.

Soo's Latta Yard is close to the geographic center of the Acquired Lines and INRD's existing system. See Map at Exhibit 1- A. By making Latta Yard the central hub of the combined system, INRD can conduct operations on the Acquired Lines and on its existing line more efficiently. INRD's operating plan contemplates that trains will operate between Latta Yard, on the one hand, and Indianapolis, IN, Louisville, KY, Palestine, IL, and Terre Haute, IN, on the other hand. Blocks of cars will be swapped between trains at Latta Yard in a simple hub and spoke approach. See Operating Plan--Minor, Exhibit No. 15.

The proposed Latta Yard hub operation will improve the utilization of INRD train crews and locomotives. Crew productivity will be increased by eliminating unnecessary dead head miles. Similarly, locomotive productivity will be increased by reducing locomotive idle

time and achieving more work per day from these high-value assets. More efficient use of crews and locomotives will reduce INRD's operating costs and permit more frequent train service to customers.

The Transaction also will generate efficiencies by enabling INRD to consolidate shop activities on the Acquired Lines with those on its current line. Soo has a high quality locomotive shop at Latta Yard that INRD will acquire as part of the transaction. INRD will consolidate all of its locomotive repair work at that facility. Likewise, INRD will consolidate some of its car repair activities at Soo's car repair facility at Latta Yard. However, INRD will retain its existing car repair facilities at Indianapolis and Palestine, IL.

Finally, INRD plans to consolidate the dispatching of its entire system at Terre Haute, and to consolidate customer service functions there as well. INRD currently dispatches its lines from Switz City, IN. Soo dispatches the Latta Subdivision from Latta. The consolidation of the dispatching function will require INRD to install new dispatching equipment (rather than moving its existing equipment), so the process of consolidating the combined dispatching operation at Terre Haute will not impose any substantial disruption on INRD's operations. INRD currently performs customer service work at Indianapolis, while customer service for the Acquired Lines is performed by Soo at Minneapolis, MN. Consolidation of the customer service function at Terre Haute will place customer service personnel in closer proximity to shippers on the Acquired Lines.

INRD will improve the level of service to local shippers on the Acquired Lines. For example, INRD will place an additional switch job in service at Terre Haute. This will provide better local service to Terre Haute industries. In addition, INRD plans to change the way traffic moves to Terre Haute. Today, traffic moving in each direction between Chicago and

Terre Haute is moved via the Latta Yard southeast of Terre Haute, requiring an additional "back-track" movement between Terre Haute and Latta. Following the Transaction, southbound traffic from Chicago to Terre Haute will be dropped directly at Terre Haute without first going to Latta Yard, and northbound traffic from Terre Haute will be moved directly to Chicago without a preliminary "back track" to Latta Yard. This will reduce transit time for such moves by 24 hours. In addition, INRD plans to increase local service to/from Louisville from three days per week to five days per week. INRD believes that five day per week service is needed in order to attract more traffic to the Louisville service. Finally, INRD is hoping to work with the Crane Naval Surface Warfare Center at Crane, IN ("Crane Naval Center") to provide additional intermodal service to that facility. There will also be service improvements on traffic that is now interchanged between Soo and INRD as INRD assumes full control of the moves. This is the benefit of single system service that the Board has frequently recognized in other consolidations and acquisitions.

The improved service that INRD will offer on the Acquired Lines is attractive to shippers. IP&L, INRD's largest customer, is looking forward to INRD adding the Latta Subdivision to its system (IP&L October 17, 2005 Letter of Support, Appendix No. 1-E):

IPL takes 1.5 million tons of coal from the Farmersburg mine which originates on the Latta Subdivision. The addition of the Latta Subdivision to The Indiana Rail Road should improve our rail service from the Farmersburg mine. The Indiana Rail Road, a local railroad to IPL, has been flexible and more responsive to our needs than the Canadian Pacific, a major carrier. IPL is actively seeking more mines to originate on The Indiana Rail Road and the Latta Subdivision.

We urge the board to expeditiously approve the sale of the Latta Subdivision to The Indiana Rail Road.

Similarly, ExxonMobil is looking forward to the opportunity to extend service from its Midwest Regional Distribution Center, located on INRD, to customers in Terre Haute (ExxonMobil November 18, 2005 Letter of Support, Appendix No. 1-B):

ExxonMobil has enjoyed an excellent relationship with the Indiana Railroad for a considerable time. ExxonMobil Chemical Company (EMCC) located their Regional Distribution Center (RDC) on the INRD because of their scheduled service and innovative marketing ideas. The success of our Midwest RDC has been a great example of the benefits possible from collaborative initiatives involving Class I Railroads, Shortline Railroads and shippers. We believe that the proposed sale will enable further growth, foster operational efficiencies, and provide improved service to our customers in the Terre Haute area. ExxonMobil looks forward to working with INRD to fully develop the opportunities presented by the transaction.

B. Improved marketing focus will lead to additional traffic.

The Board and the railroad industry have long recognized that one of the major benefits of transferring more lightly used lines to regional carriers is the closer attention and customized services that those carriers can offer to their customers. As discussed above, the Acquired Lines' original function as a bridge for traffic moving between the Chicago gateway and points in the Southeast has been rendered obsolete by industry consolidation. The Acquired Lines must now rely upon traffic originating or terminating at local points on those lines. INRD's marketing experience in, and proximity to, central and southern Indiana permit it to develop closer relationships with local shippers. In addition, the proximity of the Acquired Lines to INRD's existing line will enable INRD to be more responsive to the equipment requirements of local shippers. Because the Latta Subdivision is physically remote from Soo's core system, and Soo does not terminate a large volume of non-coal traffic on that line, Soo often must move empty cars over substantial distances in order to fill orders from shippers located at points served by the Latta Subdivision. INRD's acquisition of the Acquired Lines will help to reverse the

long term decline in traffic on the Acquired Lines, and attract additional business to those lines as INRD has been able to do with its existing line.

INRD has a long history of success in developing traffic on its existing line -- from 12,000 cars in its first full year of operation to more than 100,000 cars per year today. As discussed below, INRD already has identified broad market opportunities as well as some specific potential moves to add originating traffic to the Acquired Lines. Several coal moves that are currently trucked may be divertible to rail with a corresponding reduction in heavy truck traffic on the highways. INRD also believes that, with a Terre Haute interchange with CSXT, it may be able to develop a significant new move of scrubber stone from the Rogers Quarry at Bloomington, IN (on INRD's present line) to Cinergy's Cayuga power plant located on CSXT's line north of Terre Haute. (Cinergy is currently installing new scrubbing equipment at that facility.) INRD will also seek to obtain a larger share of the business at the Crane Naval Center, which is now served primarily by motor carriers, and to develop grain movements by rail from elevators in Terre Haute.

INRD believes that the Transaction will result in a combination of more efficient operations and more frequent and reliable service which, when combined with INRD's Indiana-based marketing expertise, will enable it to attract additional traffic to the Acquired Lines and to its current line, thereby ensuring continued and improved service to shippers and long term traffic growth.

(iv) *The nature and amount of any new securities or other financial arrangements.*

No new securities will be issued in connection with the Transaction. INRD will finance the Transaction with bank loans.

1180.6(a)(2) A detailed discussion of the public interest justifications in support of the application, indicating how the proposed transaction is consistent with the public interest, with particular regard to the relevant statutory criteria, including:

- (i) The effect of the transaction on inter- and intramodal competition, including a description of the relevant markets (see § 1180.7). Include a discussion of whether, as a result of the transaction, there is likely to be any lessening of competition, creation of a monopoly, or restraint of trade in any freight surface transportation in any region of the United States.*

There will not be any lessening of competition, creation of a monopoly, or restraint of trade in freight surface transportation in any region of the United States as a result of the Transaction. To the contrary, Applicants anticipate that the Transaction will promote inter- and intramodal competition.

Because the Transaction qualifies as a minor transaction, the requirements of 49 CFR § 1180.7 for the preparation of detailed market impact analyses do not apply. Nevertheless, this section of the Application discusses the traffic that currently moves on the Acquired Lines, and the competitive impact of INRD's acquisition of the Acquired Lines on existing traffic. This section also addresses the prospects for attracting additional traffic to the Acquired Lines which is a further measure of the long term beneficial competitive effect of the Transaction.

1. The competitive impact of INRD's acquisition of the Acquired Lines

The traffic that currently moves via the Acquired Lines consists of two categories: (1) overhead traffic between the Chicago gateway and points in the Southeast (via Louisville), which was of concern in L&N-Monon; and (2) traffic moving to and/or from local points on the Latta Subdivision. Soo does not have the right to serve local industries at points along the Main Line Trackage Rights segments. Accordingly, only traffic movements to/from local points on

the Latta Subdivision are relevant to a competitive analysis of the Transaction. Applicants will discuss the competitive impacts of the Transaction on each of these categories of traffic.

A. The Transaction will not result in a substantial lessening of competition for overhead traffic between Chicago and the Southeast.

In L&N-Monon, the ICC imposed a condition granting Soo's predecessor, Milwaukee, trackage rights between Bedford, IN and Louisville, KY, to enable it to provide a competitive alternative to L&N for overhead traffic moving between points north and west of the Chicago gateway, on the one hand, and points in the southeastern United States, on the other hand. At that time, such a condition was deemed necessary to preserve competition by assuring the Southern a friendly connection for Chicago – Southeast traffic at the Louisville gateway.

The Transaction will transfer Soo's route between Chicago and Louisville to INRD. As discussed above, CSXT (which is the successor to L&N) holds a controlling stock interest in INRD's parent, Midland United. Nevertheless, the Transaction will not result in a lessening of effective rail competition for overhead traffic between the Chicago gateway and the Southeast, because industry consolidations subsequent to L&N-Monon have rendered Soo's Chicago-Louisville line competitively irrelevant as an overhead route.

The Chessie-Seaboard consolidation (in 1980) and N&W's combination with Southern (in 1982) created two rail systems that can handle traffic moving between the Chicago gateway and points throughout the Southeast on a single-line basis. In particular, the N&W/Southern transaction eliminated Southern's dependence on Milwaukee as a bridge between Louisville and Chicago. As the ICC recognized in Norfolk Southern Control, the new N&W/Southern single-system route created balanced competition between NS and CSXT (formerly L&N) for Chicago-Southeast traffic. 366 I.C.C. at 228.

Other rail consolidations created even more competitive options for shippers moving traffic between points north and west of Chicago, on the one hand, and points in the Southeast, on the other hand. As a result of its acquisitions of the former IC¹³ and Wisconsin Central Transportation Company ("WCL")¹⁴, CN can offer single-system service between points in the Upper Midwest and Western Canada, on the one hand, and the Memphis gateway, on the other hand. Likewise, UP's acquisition of Chicago and North Western Transportation Company ("CNW")¹⁵ enabled it to provide single-line service between many of the same midwestern points that were served by the former Milwaukee and the Memphis gateway. BNSF provides single-line service between numerous midwestern points and Birmingham, AL (where it connects with both NS and CSXT).

The emergence of these far-reaching single-system routes has rendered Soo's Chicago-Louisville route competitively insignificant for traffic moving between the Upper Midwest and the Southeast. In 2004, Soo received only 523 carloads in interchange at Louisville of which only 186 were received from NS and CSXT, and forwarded only 1374 carloads at that gateway of which only 621 were forwarded to NS and CSXT. These figures show that the Acquired Lines' function as a bridge between the Southeast and points west and north of Chicago has almost entirely disappeared. Therefore, INRD's acquisition of the Acquired Lines will have no material competitive impact on overhead traffic between Chicago and the Southeast.

¹³ See Canadian N. Ry. Co., et al.--Control--Illinois C. Corp. et al., 4 S.T.B. 122 (1999).

¹⁴ See Canadian National, et al.--Control--Wisconsin Central Transp. Corp., et al., 5 S.T.B. 890 (2001).

¹⁵ See Union Pacific Corporation et al.--Control--Chicago and North Western Transportation Company et al., ICC Finance Docket No. 32133, (ICC served March 7, 1995) (1995 W.L. 141757 (I.C.C.)).

B. There will be no lessening of competition for traffic originating and/or terminating on the Acquired Lines.

The Transaction will not result in a lessening of competition for rail traffic that originates and/or terminates on the Acquired Lines. No shipper will be left without competitive options as a result of the Transaction, and INRD will not acquire any market power through its purchase of the Acquired Lines.

(i) Description of existing traffic originating or terminating on the Acquired Lines

In 2004, Soo handled the following volumes of traffic that originated and/or terminated or were overhead on the Acquired Lines:¹⁶

<u>Traffic Type</u>	<u>Carloads</u>	<u>Tons</u>
Forwarded	32,379 ¹⁷	3,139,452
Local	24,166	2,384,318
Overhead	2,895	254,160
Received	7,754 ¹⁸	726,429
TOTAL	67,194	6,504,359

As these figures demonstrate, the vast majority of the traffic handled by Soo on the Acquired Lines originates on the Latta Subdivision. In 2004, 56,545 carloads, or 84% of the total carloads handled on the Acquired Lines, originated at a point on the Latta Subdivision. In the same year, 5,523,770 tons, or 85% of the total tonnage handled on the Acquired Lines, originated on the Latta Subdivision.

¹⁶ This data does not include a move of Powder River Basin coal that Soo handled over the Acquired Lines until the end of 2004. That move was interchanged at Linton with INRD, which delivered it to the Ameren Power Plant at Lis, Illinois. Soo no longer participates in that traffic. In 2004 the Ameren Powder River Basin coal traffic comprised carloads and tons.

¹⁷ 21,248 carloads of the forwarded traffic were delivered to INRD.

¹⁸ 1089 carloads of the received traffic were received from INRD.

Among the commodities handled on the Acquired Lines, coal dominates all others, with potash (contained in STCC 28) running a distant second. The following table depicts the Acquired Lines' carload traffic by year (2002, 2003, and 2004) and by two digit STCC code.

Three Year Traffic Summary by Carloads
(Excluding PRB Coal Units)

STCC Group	2002	2003	2004
01-Farm Products	353	668	749
11-Coal	49,960	50,220	52,273
14-Non-Metallic Minerals	1	0	0
19-Ordinance or Accessories	16	3	2
20-Food or Kindred Products	225	449	241
24-Lumber of Wood Products	628	800	1,014
26-Pulp Paper or Allied Products	766	445	578
28-Chemicals or Allied Products	7,375	7,834	7,995
29-Petroleum or Coal Products	4,502	4,992	1,523
30-Rubber or Misc. Plastic Products	0	1	1
32-Clay, Concrete, Glass or Stone Products	64	0	11
33-Primary Metal Products	388	364	399
34-Fabricated Metal Products	0	1	0
36-Electrical Eqpt., Machinery or Supplies	0	0	1
37-Transportation Equipment	1,032	561	405
40-Waste or Scrap Metals	277	283	206
41-Miscellaneous Freight Shipments	0	2	0
49-Hazardous Material or Hazardous Substances	879	1,758	1,796
Subtotal - Carload Traffic	66,466	68,381	67,194

STCC Group	2002	2003	2004
Inter-modal Containers -- all commodities	130	1,004	641
GRAND TOTAL	66,596	69,385	67,835

(ii) **Effect of the Transaction on traffic originating or terminating on the Acquired Lines**

Soo does not have the right to serve local points on those segments of the Acquired Lines over which it operates under trackage rights. Accordingly, the Transaction will have no impact on competition for traffic originating or terminating at points on the Main Line Trackage Rights or the Ancillary Trackage Rights.¹⁹ The following discussion will show that none of the traffic originating or terminating at points on the Latta Subdivision will be adversely affected by the Transaction.²⁰

On-Line Coal

The majority of the coal traffic that moves on the Acquired Lines originates at the Black Beauty coal mine at Farmersburg, IN.²¹ The Farmersburg mine is physically served by CSXT from its line between Evansville, IN and Chicago, IL, and is served by Soo from the Latta Subdivision. After the Transaction, INRD will serve Farmersburg from the Latta Subdivision.

Before analyzing specific movements that originate at Farmersburg, it is useful to consider a number of factors that affect competition for Black Beauty's coal business:

¹⁹ Soo has the right only to serve the Hawthorn Mine under the Beehunter-Sandborn Trackage Rights Agreement. That mine has closed. Soo has the right under the Elnora-Maysville Trackage Rights Agreement to serve the Maysville load-out. That load-out is also served by ISRR.

²⁰ While no traffic will be *adversely* affected by the proposed transaction, INRD expects to be able to improve service to shippers and receivers on the Latta Subdivision, a *beneficial* effect.

²¹ The station at Farmersburg is also sometimes referred to as "Blackhawk."

First, Black Beauty is the largest coal producer in the Illinois Basin and the largest shipper on the Latta Subdivision. It currently manages six active mines in Indiana and four in Illinois. (Peabody Coal Sales' October 31, 2005 Letter of Support, Appendix No. 1-G.) Four of Black Beauty's Indiana mines (the Somerville, Somerville North, Somerville Central, and Somerville South mines) are located on ISRR, as is the Maysville load-out that handles coal from the Air Quality One and Knox Pit mines. Another (Francisco mine) is located on NS, and one (Farmersburg) is served by Soo and CSXT. Thus, Black Beauty and its customers have the ability to source coal from mines in Indiana and Illinois that are served by multiple carriers, a classic example of effective geographic competition.

Second, the Farmersburg mine has a limited remaining life span, with mineable reserves expected to be exhausted by 2011. Consequently, Black Beauty (and its parent, Peabody) and its customers are focusing on locating and developing alternative coal sources to meet the future requirements of utilities that currently burn coal originating at Farmersburg. See, e.g., IP&L Letter of Support, Appendix No. 1-E. Both Black Beauty and the coal users have considerable flexibility in developing new coal sources and in making transportation arrangements (including siting of new mines and choosing which railroad to build out to). This provides substantial leverage over the carriers that serve older mines such as Farmersburg whose useful life is ending. If INRD wants to participate in coal traffic moving from such future mine locations, it must provide efficient, competitive service to the Farmersburg mine during its remaining years of operation.

Third, Black Beauty's parent, Peabody, is the largest coal producer in the United States. CSXT currently participates in coal traffic originating at Peabody-owned or controlled

mines at locations outside the Illinois Basin. This relationship provides further competitive leverage to Black Beauty in its dealings with CSXT and INRD.

Black Beauty has recognized that the Transaction will not adversely affect the Farmersburg mine and has submitted the Verified Statement of Bryan A. Galli, Group Executive-Midwest of Peabody Energy Corporation and President of Black Beauty. (Appendix No. 1-G-1.) Mr. Galli states:

Black Beauty is aware that CSX Transportation owns a majority interest in INRD's parent company, Midland United. Based on the information provided to us, we do not believe that this will have a material adverse impact on the rates or the service to be provided should INRD acquire the interests of the Canadian Pacific Railway. As such, Black Beauty is not opposed to the sale of the Canadian Pacific Railway's Latta Subdivision to INRD.

Peabody itself has recognized that the Transaction will not adversely affect the Farmersburg mine and has submitted a letter of support from D. Bryan Bashore, Vice President-Transportation and Customer Service of Peabody Coal Sales which is attached as Appendix No. 1-G. Peabody Coal Sales' letter of support states:

Black Beauty has a long-standing relationship with Indiana Rail Road. In its work for us, the company has had an excellent service and safety record. We are confident that, as operator of the Latta Subdivision, Indiana Rail Road will continue to have an accessible management team, locally based who will be accountable to new customers that the company will acquire when it takes over Canadian Pacific's Indiana assets.

We support the proposed sale of Canadian Pacific Railway's Latta Subdivision to The Indiana Rail Road Company, and we urge the Surface Transportation Board to expedite approval of this transaction.

In 2004, Soo originated carloads (and tons) of coal at Farmersburg. In the same year, CSXT originated no coal traffic at Farmersburg.²² The shipments originated by Soo consisted primarily of three major train-load coal moves:

Train-Load Moves	Approximate Carloads
Farmersburg--Soo--Fayette, IN (Cinergy Wabash River Power Plant)	
Farmersburg--Soo--Linton--INRD--Indianapolis (IP&L Harding Street Power Plant)	
Farmersburg--Soo--Beehunter--ISRR--Martinsville, IN (IP&L Eagle Valley Power Plant)	
Total Train-Load Coal Shipments	

These three train-load moves account for 68% of all coal traffic originated on the Acquired Lines.

An analysis of these moves demonstrates that the Transaction will not result in any anticompetitive impacts with respect to this coal traffic from Farmersburg.

(1) Farmersburg--Fayette

The Farmersburg to Fayette move today is a Soo single-line move, as both the origin and the destination are located on Soo's Latta Subdivision. This move consists of . Cinergy's Wabash River power plant at Fayette is served exclusively by Soo. After the Transaction, the competitive situation will be unchanged, as INRD will become the exclusive carrier at the destination. Because the rail distance between Farmersburg and Fayette over the Latta Subdivision is only 22 miles, an interline move involving CSXT and Soo would not be economically competitive and the shipper would lose the service benefits of single line service.

²² CSXT formerly moved coal from Farmersburg to Cinergy's Cayuga power plant at Cayuga, IN. The coal source for the Cayuga power plant has been changed to Black Beauty's new mines at Vermillion Grove and Riola, IL which are also located on CSXT lines.

Thus, CSXT is not a competitive factor for the transportation of Farmersburg coal to Cinergy's power plant at Fayette, IN. The Transaction, therefore, will have no effect on the competitive forces applicable to this move.

Cinergy has recognized that the Transaction will not adversely affect it and has submitted a letter of support. (Cinergy November 1, 2005 Letter of Support, Appendix No. 1-A) In its letter of support, Cinergy emphasizes the positive nature of its past experience with INRD as its rail carrier, and urges the Board to expedite approval of the Transaction:

We know the IRRC [INRD]²³ to be an exceptional provider of reliable rail transportation, as evidenced by their past coal service to PSI's Noblesville Generating Station and the railroad's record of extraordinary growth and exemplary service as evidenced by their adding limestone quarries and other products on their line . . .

We support the proposed sale of Canadian Pacific Railway's Latta Subdivision to the IRRC, and we urge the Surface Transportation Board to expedite approval of the transaction for the benefit of rail shippers in our extended community.

(2) Farmersburg--Indianapolis

The Farmersburg to Indianapolis move is destined to IP&L's Harding Street power plant.²⁴ This movement consists of

cars annually. Trains are currently interchanged by Soo to INRD at Linton, IN,²⁵ for delivery to the Harding Street power plant. Upon consummation of the Transaction, this will become a single-line INRD move.

²³ In its early years the working acronym for The Indiana Rail Road Company was "IRRC." The "IRRC" acronym had already been used by Iowa Railroad Company (49 CFR 1180.4(a)(2)), so The Indiana Rail Road Company has adopted the acronym "INRD" in STB proceedings. This abbreviation is now in general use.

²⁴ IP&L's Harding Street plant was formerly known as the "Stout" plant. The name was changed when AES acquired IP&L in 2001.

²⁵ Pursuant to an existing interchange agreement between Soo and INRD covering this

While it is physically possible today for CSXT to move coal from Farmersburg to Indianapolis and to interchange that traffic with INRD for delivery to the Harding Street power plant, in practice such a move is not economically feasible. Under CSXT's collective bargaining agreements, the crew districts on CSXT's Chicago -- Evansville line (a former L&N line), on which the Farmersburg mine is located, are separate from those on CSXT's St. Louis to Indianapolis line (a former Conrail line). Therefore, under CSXT's collective bargaining agreements, a coal train moving from Farmersburg to Indianapolis would be required to change crews at Terre Haute (which is only 10 miles from the Farmersburg mine) before entering CSXT's St. Louis to Indianapolis line. A second crew change would be required at CSXT's Avon Yard, west of Indianapolis. The requirement to use three crews for CSXT's portion of a CSXT-INRD routing to the Harding Street power plant (which is only 95 rail miles from Farmersburg) makes such a routing cost prohibitive. Thus, as a practical matter, CSXT is not a competitive option for the movement of coal from Farmersburg to IP&L's Harding Street power plant and exercises no competitive influence on that traffic.

INRD and IP&L have entered into a long-term rail transportation contract covering this move that will not expire until 2008. Soo and IP&L also have a rail transportation contract that expires at the end of 2005 and is currently being renegotiated. While we understand that IP&L has a long-term coal supply contract with Black Beauty for coal from the Farmersburg mine that runs until 2011, the coal can be sourced from other Black Beauty mines that are not served by INRD.

movement, the physical interchange for loaded trains now takes place on INRD's line at Switz City, 6 miles east of Linton. Soo crews run through to Switz City with loaded trains and INRD crews run through to Farmersburg with empty trains.

Finally, as the Board is aware, IP&L has access to competitive rail service at the Harding Street plant. In its decision approving the CSX/NS acquisition of Conrail, the Board imposed a condition which required INRD to grant trackage rights to NS to serve IP&L directly. See CSX Corp. et al.-- Control -- Conrail Inc. et al., 3 S.T.B. 196, 319-20 (1998). INRD has done so. Thus, IP&L not only has alternative sources of coal from which to supply the Harding Street plant, it has alternative means of delivering coal to that plant by rail. Neither of those options will be diminished by the Transaction.

In short, the Transaction will not diminish the realistic competitive options for the Farmersburg to Indianapolis coal movement. IP&L has recognized that the Transaction will not adversely affect it and has submitted a letter of support for the Transaction. (IP&L October 17, 2005 Letter of Support, Appendix No. 1-E.)

(3) Farmersburg--Martinsville

The Farmersburg to Martinsville move is destined to IP&L's Eagle Valley power plant which is served exclusively by ISRR. This move consists of

annually. Trains are currently interchanged by Soo with ISRR at Beehunter, IN for delivery to the Eagle Valley power plant. INRD does not serve that plant, and it will not be able to do so following the Transaction. Rather, INRD will be substituted for Soo as the originating carrier, and will interchange these shipments with ISRR.²⁶

While it would be physically possible for CSXT to participate in an interline move of coal from Farmersburg to Martinsville via an interchange with ISRR near Indianapolis, as a practical matter, such a routing is not economically feasible for the reasons discussed above

²⁶ Soo interchanges with ISRR at Beehunter, IN. INRD interchanges with ISRR at Switz City, IN. The Switz City routing is shorter. INRD may consider moving the interchange on this traffic to Switz City.

in connection with the Farmersburg--Indianapolis move. CSXT participation would require three CSXT crews just to get the traffic to the ISRR interchange at Indianapolis. Moreover, ISRR does not have crews based in Indianapolis to handle train moves to Martinsville. A crew would have to be deadheaded from Worthington, IN, ISRR's nearest crew reporting point, a distance of approximately 78 miles.²⁷ Thus, CSXT is not a realistic competitor to Soo as the originating carrier for the coal move from Farmersburg to Martinsville.

As noted above, IP&L has a long term coal contract with Black Beauty for coal from the Farmersburg mine. However, IP&L and Black Beauty can source coal from Black Beauty's other mines, including several mines in the vicinity of Somerville, IN that are served by ISRR. The Transaction will not affect those options. IP&L has recognized that the Transaction will not adversely affect it and has submitted a letter of support (Appendix No. 1-E).

In addition to the three train-load coal moves, Soo also originates approximately 3000 carloads of coal at Farmersburg that move in carload quantities to various points off the Acquired Lines. The principal carload moves are as follows (showing volumes for 2004):

Farmersburg Originations 2004

Carloads	Destination	Location	Soo Access
	Madison Gas & Electric	Madison, WI	WSOR Switch
	Rochester Municipal Utilities	Rochester, MN	Interchange w/DM&E
	Wausau Mosinee Paper	Mosinee, WI	Interchange w/CN
	Citizens' Thermal	Indianapolis, IN	Interchange w/ISRR ISRR interchange w/CSXT

²⁷ A crew could be based in Indianapolis, but ISRR does not have sufficient work there to make that a cost effective approach.

None of these carload moves is likely to suffer adverse competitive effects as a result of the Transaction. The move to Madison Gas & Electric's facility at Madison, WI is currently handled by Soo on a single-line basis. The Madison plant is served by Wisconsin & Southern Railroad but is open to Soo via switching. Because the destination is served by a carrier other than Soo, Madison Gas & Electric has competitive access to coal located on other railroads.

Likewise, both the Wausau Mosinee Paper and Rochester Municipal Utilities moves involve destinations that are served exclusively by a carrier other than Soo, and Soo (or a third carrier that connects with Soo) interchanges traffic with the delivering carrier. Upon consummation of the Transaction, INRD will be substituted for Soo as the originating carrier for these shipments. Because each of these destinations has options to acquire coal from sources not located on the Acquired Lines, and to transport that coal via carriers other than INRD or CSXT, INRD's acquisition of the Acquired Lines will not result in a substantial lessening of competition for these shipments.

The handling of Citizen's Thermal's traffic between Farmersburg and Indianapolis is illustrative of the present competitive situation at Farmersburg and demonstrates that CSXT is not a competitive influence on eastbound short-distance moves from Farmersburg. Citizen's Thermal is served exclusively by CSXT and CSXT is physically capable of handling this traffic on a single-line basis. Nevertheless, coal traffic from Farmersburg to Citizen's Thermal is routed Soo--Beehunter--ISRR--Indianapolis--CSXT--Citizen's Thermal. This three-carrier routing, in preference to a single carrier CSXT move, illustrates CSXT's inability to compete for traffic east bound from Farmersburg. Not only is Citizen's Thermal using a circuitous three-

carrier routing in place of a single line CSXT move for its Farmersburg coal, it is also trucking a substantial amount of the coal it uses from Farmersburg.

Off-Line Coal

Soo also handles via the Acquired Lines two train-load coal moves that originate at points beyond the Soo system. Both of these moves originate at a new Black Beauty mine at Vermillion Grove, IL. CSXT transports the coal from the Vermillion Grove mine to an interchange with Soo at Terre Haute, IN. One move, involving approximately cars per year, is overhead traffic for Soo. The routing on that traffic is Vermillion Grove--CSXT--Terre Haute--Soo--Beehunter, IN--ISRR--Newburgh, IN. The coal is delivered to an Alcoa plant at Newburgh, IN that is served exclusively by NS, though ISRR has an arrangement with NS whereby it has access to the Alcoa facility. There is no feasible routing under which INRD could extend Soo's existing haul on this traffic. Thus, INRD will have no ability to change the present arrangements for handling this traffic, and INRD will simply substitute for Soo as an overhead carrier between Terre Haute and Beehunter, IN.

The second off-line coal move originating at Vermillion Grove involves approximately cars per year destined for IP&L's Harding Street power plant in Indianapolis. The routing on this move is Vermillion Grove--CSXT--Terre Haute--Soo--Linton - -INRD--Indianapolis. The effect of the Transaction will be to substitute INRD for Soo between Terre Haute and Linton, thereby reducing the move from a three-carrier to a two-carrier move. (The elimination of one carrier and one interchange should enable INRD and CSXT to provide better service to IP&L for this traffic.) The competitive forces affecting the Harding Street plant, discussed above, will not be diminished by the Transaction.

The handling of the coal move from Vermillion Grove to Indianapolis further illustrates the point made above that, notwithstanding its ability to serve the Farmersburg mine, CSXT lacks any competitive influence on eastbound coal traffic originating there. CSXT originates the Vermillion Grove traffic but interchanges it with Soo at Terre Haute which then takes it to Linton where it is interchanged with INRD which moves it northeast to Indianapolis, even though CSXT itself can serve Indianapolis from the origin. The costs to CSXT of moving this traffic on its own line from Terre Haute to Indianapolis are sufficiently high that it short hauls itself by interchanging the traffic with Soo at Terre Haute rather than handling the move more directly to Indianapolis.

Both of these off-line coal moves are new to the Acquired Lines. The Alcoa move via Soo and ISRR to Newburgh, IN commenced in 2005 (although some test shipments were made in 2004 and are included in the 2004 car counts). The move via Soo and INRD to IP&L's Harding Street plant in Indianapolis also commenced in 2005. In each case, the car counts are estimates of the number of cars that will move during calendar year 2005.

Received Petroleum Coke

Soo handles a train-load movement of petroleum coke originating at Rosemount, MN and destined to Fayette, IN for use in the Wabash River IGCC facility there.²⁸ This facility is located on the Latta Subdivision north of Terre Haute and is served exclusively by Soo. It forms part of Cinergy's Wabash River power plant, though the gasification facilities are not

²⁸ Integrated Gasification Combined Cycle ("IGCC") electricity generating plants convert coal or petroleum coke into synthesis gas in a gasifier. The synthesis gas is then cleaned of potential pollutants such as sulphur dioxide and is used to fuel a gas turbine connected to a generator. The exhaust gases from the gas turbine are then used to create steam which is fed through a steam turbine which, in turn, is connected to a generator to produce additional electricity. The Wabash River IGCC plant was a demonstration project partially funded by the United States Department of Energy.

owned by Cinergy. This move was suspended during the last three quarters of 2004 because of financial problems at the gasification plant. However, the gasification plant has been sold to a new operator, and shipments of petroleum coke have resumed in 2005. On an annual basis this move generates approximately . After the Transaction, the destination will be served exclusively by INRD. The Transaction will not affect the level of competition for this traffic.²⁹

Plastics

In 2004, Soo delivered to customers in Terre Haute approximately 2,300 carloads of plastics that originated at points off the Latta Subdivision. Almost all of these carloads were delivered to plastics users that are served exclusively by Soo. Soo also originated approximately 375 carloads of plastics at Terre Haute for delivery to points off the Latta Subdivision. Based on customer surveys, the three major customers for which Soo originates or terminates plastics traffic at Terre Haute are as follows (in 2004 carloads):

Customer	Soo Delivered	Soo Originated	Total
Bemis Company			
PolyOne Company			
Jadcore			
TOTAL			

Soo delivered carloads of plastics to the Bemis Company and originated approximately . Soo delivered approximately carloads and originated approximately from PolyOne Company. For Jadcore the numbers are and respectively. Bemis, PolyOne and Jadcore are all served exclusively by Soo.

²⁹ Because Soo originates this traffic, substitution of INRD as the destination carrier at Fayette may present the operator of the gasification facility with the possibility of enhanced geographic competition for its petroleum coke shipments (by obtaining petroleum coke from sources located on railroads other than Soo).

After the Transaction, INRD will replace Soo as the exclusive rail carrier serving those plastics receivers. Only one receiver of plastics at Terre Haute--which received only 10 carloads of plastics in 2004--will lose an existing option to deal with a rail carrier unaffiliated with CSXT. That plastics user, however, uses such small amounts of product that it would be an ideal customer for a rail-motor carrier transload operating from a rail line unaffiliated with CSXT. No shipper that originated plastics traffic in Terre Haute will lose a competitive rail option. In sum, the Transaction will cause little or no change in the competitive circumstances for plastics shippers and receivers at Terre Haute.

Potash

The last major move on the Acquired Lines is an overhead move of potash that originates on CPRC in Saskatchewan and moves via Soo's line from Chicago via Louisville to the Clark Maritime Center at Jeffersonville, IN. This traffic totals approximately carloads per year. At Jeffersonville the potash is transferred to barges for onward transportation. (This potash traffic is included in STCC 28 in the above commodity table.) Upon consummation of the Transaction, INRD will be substituted for Soo as a bridge carrier between CPRC and the barge carrier at Jeffersonville for this traffic. CPRC controls the origin of this traffic and will do so after the Transaction. As an overhead carrier, INRD will not be in a position to exercise market power with respect to this traffic, because the customer could easily divert it to other terminals or to other carriers to reach Jeffersonville.

Other Commodities

Soo handles small volumes of traffic for three shippers at Terre Haute, IN that can also be served by CSXT. The traffic handled by Soo for those shippers in 2004 is summarized in the following table:

Carloads	Plant	Business	Status
³⁰	International Paper	Mfg. Corrugated Box Paper	
³¹	Tangent	Railroad Tie Treating	CPRC RTC Exhibit G to APA, Exhibit No. 2
³²	GATX	Rail Car Repair Facility	Letter of Support Appendix No. 1-C

International Paper ("IP") at Terre Haute manufactures 58 inch diameter rolls of paper that is used as the interior for corrugated boxes. The facility's production is about 400 tons per day and it operates 24 hours per day seven days per week. IP is served by both Soo and CSXT.

The facility receives the fiber that it uses in the manufacturing process -- wood chips and recycled paper -- by motor carrier. It receives

. This soda ash is transported to Terre Haute by CSXT, and is delivered to Soo for switching to the south side of the IP facility for unloading. As recently as three years ago, IP also shipped 40 - 55% of its outbound product by rail. However, the rail share of outbound shipments has now declined to approximately 15 - 25% of the total. This decline in rail participation is due in large part to service and equipment availability issues. IP orders cars per week from both CSXT and Soo, but according to IP, the orders are rarely filled 100% by either carrier. (As noted above, to fill orders for cars at Terre Haute, Soo must reposition empty cars from points on its core system, which is a significant distance from the Latta Subdivision.) INRD's local presence should enable it to be more responsive to IP's equipment requirements.

³⁰ cars were shipped, were received.

³¹ cars were shipped, were received.

³² cars were shipped, were received.

IP's outbound rail traffic handled by Soo in 2004 is subject to intense motor carrier competition. IP clearly has motor carrier transportation options that it can -- and does -- use to move outbound product. As noted above, IP currently ships approximately 80% of its outbound traffic by motor carrier. A review of IP's 2004 outbound rail traffic handled by Soo shows that out of outbound carloads () were destined to points within 500 highway miles of Terre Haute. Those movements are particularly susceptible to motor carrier competition. The following table summarizes IP's rail traffic handled by Soo.

Highway Miles To IP's Rail-served Destinations

Destination	Number of Carloads	Highway Miles from Terre Haute, IN	Carloads Over 500 mi

Substitution of INRD for Soo at IP will not diminish the intensity of motor carrier competition for IP's outbound traffic. To the contrary, the proposed Transaction offers the prospect that rail service to IP can be improved, and that rail's share of IP's outbound traffic can be restored to its prior level.

Tangent operates a railroad tie treating plant that can be served by both CSXT and Soo. Tangent produces approximately 400,000 ties per year at its Terre Haute plant.

Approximately 50% of the finished ties move by rail and 50% by motor carrier. Tangent clearly has motor carrier options for its outbound traffic. Of the cars shipped by Tangent on Soo in 2004, were non-revenue carloads of ties that were purchased by Soo for itself. After the Transaction, these cars will become revenue moves for INRD. Soo and INRD have entered into a rail transportation contract covering the terms of future transportation of this traffic. Substitution of INRD for Soo at Tangent will not diminish the intensity of motor carrier competition for Tangent's outbound traffic.

GATX operates a rail car repair facility at Terre Haute. GATX supports the Transaction. See GATX November 17, 2005 Letter of Support, Appendix No. 1-C. Under these circumstances, there is no basis for concluding that GATX will suffer a material reduction in competitive forces for its transportation requirements after the Transaction.

2. New traffic opportunities for the Acquired Lines and INRD

The Transaction will create opportunities for INRD to develop additional rail business on both the Acquired Lines and on INRD's existing line. INRD has identified a number of marketing opportunities, and expects that others will emerge as INRD's Indiana-based marketing department leverages the potential of the combined system. Naturally, these are only opportunities -- whether additional traffic ultimately develops will depend on many factors that are not under INRD's control, such as the business plans of the potential customer, existing transportation arrangements, and changes in the market for the product involved. The following discussion outlines the types of opportunities that may be available to INRD following the Transaction.

A. Short-haul truck moves of coal

The first opportunity is the possibility of diverting to INRD rail service coal that currently moves relatively short distances by truck. Much southern Indiana coal moves by truck a relatively short distance to local power plants. INRD believes that this truck traffic may be subject to diversion to rail. Illustrative of this type of opportunity is coal from Solar Sources' Lewis Mine at Lewis, IN that now moves by truck to Hoosier Energy's power plant at Merom, IN, a highway distance of 30 miles. The Merom plant is served by INRD. INRD believes that it may be possible to offer a rail service via the Lewis Dock coal load-out, which is located on the Latta Subdivision close to Latta Yard, to Merom. Coal would be trucked from the Lewis Mine to the Lewis Dock load-out, a highway distance of 10 miles, put on rail cars and moved by rail to Merom, a rail distance of 20 miles. While such a move is physically possible today, the rail portion would be a two-carrier haul, which is economically unattractive for such a short distance. Whether this specific opportunity, or other opportunities of this type, can be realized after the Transaction will depend on INRD's ability to offer the shipper a rate and service package for truck-rail service that is competitive with the all-truck rate and service package it now has.

B. Widening the geographic market for Indiana coal

A second opportunity for new business is presented by expected growth in the attractiveness of Illinois Basin coal to utilities that have installed scrubbers at their coal-fired power plants. Illinois Basin coal has a relatively high Btu content but also has a relatively high sulphur content. On a Btu basis, Illinois Basin coal is relatively inexpensive compared to lower sulphur eastern coals and even to low sulphur/low Btu western coals after transportation costs are

taken into account. However, the regulatory requirements and financial penalties for burning higher sulphur coal have made Illinois Basin coal an unattractive option for many utilities.³³

Many utilities in the Ohio River valley and the Southeast are now installing scrubbers on their coal-fired boilers to remove sulphur dioxide from the flue gas. After the installation of scrubbers, a utility can burn Illinois Basin coal without suffering a severe penalty in the form of sulphur dioxide allowance costs. INRD believes that this will make Illinois Basin coal economically more attractive and will expand its geographic market. As the geographic market for Illinois Basin coal expands, INRD believes that many of the southern Indiana mines that now truck their coal could truck it to a coal load-out located on a near-by rail line. There it could be placed in rail cars for movement to the Ohio River, either for barge delivery or for interchange to rail carriers serving the Southeast and Mid-South.

Illustrative of this type of opportunity is the situation of Solar Sources' Cannelburg Mine at Cannelburg, IN. Today, that mine moves coal by truck to the Ohio River on a spot basis. INRD is aware of a private coal load-out located on the Latta Subdivision near the Crane Naval Center, 18 highway miles from the Cannelburg mine. From that coal load-out coal could be moved by rail to the Ohio River at Jeffersonville, IN as well as to the Louisville interchange with carriers serving the Mid-South and Southeast via the Acquired Lines.

³³ Under the Clean Air Act, the Environmental Protection Agency has established a program of tradeable sulphur dioxide allowances. Utilities emitting sulphur dioxide into the atmosphere must have an appropriate number of allowances to do so. If they emit more sulphur dioxide than the allowances they have been assigned, they must purchase the difference from other utilities that have surplus allowances. The number of allowances issued every year is declining and the market price of sulphur dioxide allowances is increasing rapidly, from less than \$200 per ton two years ago to over \$1600 per ton today.

C. Stone moves from quarries served by INRD

Many of the scrubbers being installed by utilities on their coal-fired boilers use limestone to remove sulphur dioxide from flue gases before they are discharged into the atmosphere. Southern and central Indiana, particularly the area around Bloomington, contains numerous limestone quarries. The Transaction may present INRD with new opportunities to move scrubber stone from southern and central Indiana limestone quarries by rail. One such quarry, Rogers Quarry in Bloomington, IN, is located on INRD's present line. INRD has recently built a rail spur into Rogers Quarry and is now moving scrubber stone from the quarry to the Hoosier Energy plant at Merom, IN. INRD believes there may be other opportunities for similar limestone moves.

Illustrative of this set of opportunities is the possibility of moving scrubber stone from Rogers Quarry to Cinergy's Cayuga power plant at Cayuga, IN which is currently installing scrubbers. INRD believes it can work with Rogers Quarry, Cinergy and CSXT to develop a competitive scrubber stone move by rail from Rogers Quarry to the Cayuga power plant. Such a move would be physically difficult today as a two carrier move on INRD and CSXT, and would be uneconomical as a three carrier move involving Soo.³⁴

³⁴ The physical obstacle to moving scrubber stone to Cayuga today is INRD's connection with CSXT at Sullivan, IN. The present connecting track is in the northwest quadrant which means it is difficult for INRD trains moving west from the Bloomington area to turn north onto CSXT's Evansville to Chicago line in the direction of Cayuga. Such a move would require INRD to move the train west of CSXT's line to a location where the engines could be "run around" the train and then haul the train back to use the connecting track in the northwest quadrant. In contrast, the Latta Subdivision has a direct connection with CSXT's Evansville to Chicago line at Terre Haute.

D. Grain moves from the Terre Haute area

A large volume of grain moves into elevators in the Terre Haute area. INRD believes that it may be possible for it to develop outbound rail moves of grain on INRD from Growers' Coop, a large elevator located on the Latta Subdivision in Terre Haute. Potential destinations for such traffic include the Lincolnland AgriEnergy ethanol facility at Palestine, IL on INRD's present line, INRD's interchange with CN at Newton, IL for export and for movement to processing plants located on CN, and a potential interline move with ISRR via Switz City to the Grain Processing Corporation's corn milling facility located on ISRR at Washington, IN where starch and alcohol are made.

E. Crane Naval Center

The Crane Naval Center is located on the Latta Subdivision at Crane, IN. Soo currently ranks 7th among the carriers serving this facility (i.e. six different trucking companies each handle more traffic to/from the Crane Naval Center than does Soo.) The Crane Naval Center serves all branches of the armed forces, and ships freight to points all over the country. This traffic would appear to be suitable for intermodal movement. INRD will be qualified to serve the Crane Naval Center well before the anticipated Closing date for the Transaction .

3. The Transaction will enhance intermodal competition.

As described above, INRD believes that its acquisition of the Acquired Lines will provide it with more opportunities to compete effectively with motor carriers than is the case today, and to divert traffic from truck to rail.

- (ii) *The financial consideration involved in the proposed transaction, and any economies to be effected in operations, and any increase in traffic, revenues, earnings available for fixed charges, and net earnings, expected to result from the consummation of the proposed transaction.*

INRD will pay Soo _____ for the Acquired Lines. See Exhibit No. 2 at p.

10. As described above, INRD expects to be able to achieve substantial economies in operations by integrating the Acquired Lines into its present system.

INRD estimates that, in the first full year of operation, the Acquired Lines will add approximately _____ of net operating revenue to INRD, and _____ of net operating expense, an operating ratio of _____, and additional operating income of _____.

INRD estimates that in the second full year of operation, the Acquired Lines will add approximately _____ of net operating revenue and _____ of net operating expense, an operating ratio of _____, and additional operating income of _____.

INRD projects that by the tenth year of operation, the Acquired Lines will add approximately _____ of net operating revenues and net operating expenses of _____, an operating ratio of _____, and additional operating income of _____.

Corresponding figures for EBITDA are an increase of approximately _____ in the first year, _____ in the second year, and _____ in the tenth year.

(iii) *The effect of the increase, if any, of total fixed charges resulting from the proposed transaction.*

The estimated annual interest cost of financing the Transaction will be approximately _____ in the first year based on an assumed interest rate of 6.5%. The annual interest cost will decline as principal payments are made.

Under current financing arrangements, principal will be repaid quarterly, with total principal payments _____

The incremental total fixed charges resulting from the Transaction will be approximately _____ In each of the first five years of the operation of the Acquired Lines, estimated incremental fixed charges resulting from the Transaction are less than the estimated incremental EBITDA resulting from INRD's operation of the Acquired Lines. In each of these years there is a sufficient excess EBITDA that the incremental fixed charges resulting from the Transaction can be met even if there is some shortfall from INRD's estimates of incremental operating income. In the event of a more significant shortfall, cash flow from INRD's current operations is more than adequate to cover the shortfall.

INRD will refinance the balance of the loan before the balloon payment comes due at market rates available at the time. The balloon payment will be _____, assuming that there have been no prepayments of principal beyond those required by the financing agreement in the intervening _____. INRD believes that the balance of the loan can be refinanced on terms that can easily be serviced by the incremental cash flow resulting from INRD's operation of the Acquired Lines.

(iv) The effect of the proposed transaction upon the adequacy of transportation service to the public, as measured by the continuation of essential transportation services by applicants and other carriers.

The Transaction will enhance the quality of transportation service to the shipping public. The greater attention that INRD will be able to devote to shippers on the Latta Subdivision, and the substantial efficiencies it expects to realize from the combined operation of the Acquired Lines and its existing lines, will have positive effects on transportation service and will permit INRD to expand both the quality and quantity of rail service on the Acquired Lines and on its existing system.

All existing services provided to shippers on the Acquired Lines and on INRD's existing lines will be continued, if not improved. For example, merchandise service between Indianapolis and Palestine will take 21 hours and run six days a week under the new operating plan which is approximately the same service level as provided today. Merchandise service to and from Chicago should be substantially improved. For shippers on INRD's existing line the ability to interchange with CSXT at Terre Haute will mean improved service because of the direct connection available there in contrast to the poor connection at Sullivan. For shippers on the Latta Subdivision at Terre Haute, INRD's plan to eliminate the "back track" movement to Latta Yard for both received and forwarded traffic will improve service by approximately 24 hours. Finally, INRD's plan to increase service frequency to and from Louisville and Chicago to five days per week will improve service for all shippers on both lines.³⁵

Existing unit train traffic on the Acquired Lines and on INRD's existing system will continue to operate on approximately the same schedules and over the same routes as is the case today. However, because most of these services are interline moves involving Soo, the elimination of an intermediate carrier or the change from a two carrier to a single carrier move will result in improved service by reducing or eliminating coordination problems that arise when an additional carrier is added to a route.

- (v) *The effect of the proposed transaction upon applicant carriers' employees (by class or craft), the geographic points where the impact will occur, the time frame of the impact (for at least 3 years after consolidation), and whether any employee protection agreements have been reached.*

³⁵ As discussed in the Operating Plan (Exhibit No. 15), INRD is exploring the possibility of a haulage agreement with CSXT between Terre Haute and Chicago that will permit it to offer more frequent service to and from Chicago than Soo does now and than would be economically feasible to provide itself with present traffic levels.

1. **The effect of the Transaction on Soo's employees**

As of December 1, 2005, Soo employed 77 persons on the Acquired Lines, as follows who will be affected by the Transaction as follows:

Class and Craft	Dismissed	Displaced	Relocated
Jasonville, IN (total 32)			
Locomotive Engineers	0	0	8
Conductors & trainmen	0	0	8
Maintenance of way	0	0	11
Carmen	0	0	3
Signal maintainer	0	0	1
Mechanical foreman	0	0	1
Terre Haute, IN (total 38)			
Locomotive Engineers	0	0	14
Conductors & trainmen	0	0	16
Maintenance of way	0	0	2
Signal maintainer	0	0	1
Train dispatcher	0	0	5
Maintenance crew assigned to the territory (total 6)			
Maintenance of way	0	0	5
Mechanic	0	0	1
Management employee (total 1)			
Track maintenance supervisor	0	0	1

Upon conveyance of the Acquired Lines to INRD, Soo will no longer operate over those lines and will therefore abolish all jobs on the Acquired Lines. All Soo agreement employees on the Acquired Lines have seniority under their collective bargaining agreements that would entitle them to hold positions at other locations in Soo's core territory. In addition, INRD will need experienced railroad employees to operate the Acquired Lines and will accept applications for employment from Soo's current employees. Soo employees who are not offered employment by INRD, or who decline INRD offers of employment, may elect to exercise their existing Soo seniority to take jobs in their crafts elsewhere on Soo. The one management employee on the Acquired Lines will be relocated. Consequently, no Soo employee currently working on the Acquired Lines will lose the opportunity for continued employment on Soo as a

result of the Transaction. Moreover, because Soo's work force can absorb the employees who might transfer from the Acquired Lines to positions elsewhere on Soo's system, no other Soo employees will be deprived of employment as a result of the Transaction.

It is anticipated that all of the effects of the Transaction on Soo's employees will occur in the first year, as Soo will abolish all jobs on the Acquired Lines not later than the effective date of the Transaction.

Soo employees who are adversely affected as a result of the Transaction will be entitled to the protection of the employee protective conditions adopted in New York Dock Ry.--Control--Brooklyn Eastern District Terminal, 360 I.C.C. 60, aff'd sub nom. New York Dock Ry. v. United States, 609 F.2d 83 (2d Cir. 1979) ("New York Dock"), as modified by Wilmington Term. RR., Inc.--Pur & Lease--CSX Transp., Inc., 6 I.C.C.2d 799, 814-826 (1990), aff'd sub nom. Railway Labor Executives' Ass'n v. I.C.C., 930 F.2d 511 (6th Cir. 1991). Some of the Soo employees who may be affected will be entitled to elect, alternatively, to receive benefits under provisions of existing employee protective agreements that are in effect on Soo.

The New York Dock conditions, as modified, require, in Article I, section 4, that Soo give notice to the affected employees and their unions, and negotiate (or, if necessary, arbitrate) appropriate implementing agreements. Soo had discussions with the union representatives of the affected employees, explained the nature of the Transaction and the anticipated schedule for its implementation, and addressed the substance of implementing agreements that would be appropriate for adoption with respect to each craft. Soo has entered into voluntary implementing agreements with the following labor organizations representing Soo employees on the Acquired Lines: United Transportation Union, Brotherhood of Locomotive Engineers and Trainmen, American Train Dispatchers Association, Brotherhood of Maintenance

of Way Employees, International Association of Machinists, Brotherhood of Railroad Signalmen, and Brotherhood Railway Carmen Division, Transportation-Communications International Union. No other implementing agreements will be needed.

2. The effect of the Transaction on INRD's employees

INRD expects to be able to handle the combined operation of the Acquired Lines and its existing line with 41 additional employees. The 41 additional employees will be distributed as follows:

<u>Class/Craft</u>	<u>No. of Additional Employees</u>
Train & Engine	24
Maintenance of Way	8
Mechanical	4
Dispatchers	1
Customer Service Agents	2
Accounting	1
Management	1
TOTAL	41

INRD plans to hire the additional 41 people needed to operate the Acquired Lines by taking applications and hiring on the basis of those applications. Applications from current Soo employees who work on the Acquired Lines will be treated on an equal basis with all others received.

INRD's train and engine personnel are represented by the Brotherhood of Locomotive Engineers and Trainmen ("BLET"). INRD has had preliminary discussions with the BLET bargaining representative regarding the terms of an implementing agreement, and further negotiations are scheduled for January 2006. The principal effect of the Transaction on INRD's employees will involve the extent to which former Soo employees that INRD hires are given credit for their prior employment, within INRD's seniority system. INRD expects to be able to

reach a consensual implementing agreement with BLET, and will notify the Board when such an agreement has been reached.

INRD expects to change the reporting point for many of its train and engine personnel from Switz City to Latta Yard. INRD also expects to relocate six mechanical positions from Switz City to Latta Yard. While six mechanical positions will be relocated, only three employees will actually be affected. One of the positions is currently vacant and if it is filled before the move, the person filling it will be aware that it will be moved to Latta after consummation of the Transaction. Two other positions are filled by employees who are moving to new types of positions, not mechanical work. INRD will also relocate five dispatchers from Indianapolis to Terre Haute when it consolidates dispatching of the combined operation at that location. INRD also will move some car repair activities from Indianapolis and Palestine to Latta Yard. INRD's car repair work is performed by outside contractors contract so no INRD employees will be affected by this move.

INRD employees who are adversely affected as a result of the Transaction will be entitled to the protection of the employee protective conditions adopted in New York Dock Ry.--Control--Brooklyn Eastern District Terminal, 360 I.C.C. 60, aff'd sub nom. New York Dock Ry. v. United States, 609 F.2d 83 (2d Cir. 1979), as modified by Wilmington Term. RR., Inc.--Pur & Lease--CSX Transp., Inc., 6 I.C.C.2d 799, 814-826 (1990), aff'd sub nom. Railway Labor Executives' Ass'n v. I.C.C., 930 F.2d 511 (6th Cir. 1991).

(vi) *The effect of inclusion (or lack of inclusion) in the proposed transaction of other railroads in the territory under 49 U.S.C. § 11324.*

Not applicable

1180.6(a)(3) Any other supporting or descriptive statements applicants deem material.

Appendix No. 1 contains letters and verified statements of supporting shippers and government officials.

1180.6(a)(4) An opinion of applicants' counsel that the transaction meets the requirements of the law and will be legally authorized and valid, if approved by the Board. This should include specific references to any pertinent provisions of applicants' bylaws or charter or articles of incorporation.

An opinion of INRD's counsel is attached as Appendix No. 2A. An opinion of Soo's counsel is attached as Appendix No. 2B.

1180.6(a)(5) A list of the State(s) in which any part of the property of each applicant carrier is situated.

Soo has operating property in the following states: Illinois, Indiana, Kentucky, Michigan, Minnesota, North Dakota, South Dakota and Wisconsin.

INRD has operating property in the states of Illinois and Indiana.

1180.6(a)(6) Map (exhibit 1). Submit a general or key map indicating clearly, in separate colors or otherwise, the line(s) of applicant carriers in their true relations to each other, short line connections, other rail lines in the territory, and the principal geographic points in the region traversed. If a geographically limited transaction is proposed, a map detailing the transaction should also be included. In addition to the map accompanying each application, 20 unbound copies of the map shall be filed with the Board.

A map depicting the Acquired Lines and their location in relation to INRD's existing lines is attached as Exhibit No. 1-A. A map depicting INRD's existing line is attached as Exhibit 1-B. A map showing the entire Soo system and the location of the Acquired Lines and of INRD in relation to the rest of Soo's system is attached as Exhibit No. 1-C.

1180.6(a)(7) Explanation of the transaction

(i) Describe the nature of the transaction (e.g., merger, control, purchase, trackage rights), the significant terms and conditions, and the consideration to be paid (monetary or otherwise).

The proposed Transaction includes INRD's purchase of Soo's Latta Subdivision between Fayette and Bedford, IN, and INRD's acquisition by assignment from Soo all of Soo's

right, title and interest in and to the Main Line Trackage Rights between Chicago and Terre Haute, IN, and between Bedford, IN and Louisville, KY, as well as certain Ancillary Trackage Rights, all as described above and in the Asset Purchase Agreement attached hereto as Exhibit No. 2.

The purchase price to be paid by INRD is

In addition, INRD and Soo have entered into three agreements dealing with their future relationship.

The first agreement is a "Power Run Through Agreement" that establishes the terms under which CPRC will supply run-through power for potash trains originating on CPRC and destined for Jeffersonville, IN (via Louisville, KY), and the terms under which INRD will supply run-through power for petroleum coke trains originating in Rosemount, MN and destined for the gasification facility at Fayette, IN. The second agreement is an "Interchange Agreement" that establishes the terms under which CPRC and INRD will interchange traffic at Chicago. The third agreement is a "Marketing and Divisions Agreement" which establishes divisions and other commercial arrangements between INRD and CPRC. All three agreements are exhibits to the Asset Purchase Agreement. See Exhibit No. 2 hereto.

No agreement entered into between the parties creates any "paper barrier" in the form of a penalty or otherwise to INRD's interchange with carriers other than Soo and CPRC.

- (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 § 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.*

A copy of the Asset Purchase Agreement and the exhibits thereto is attached as Exhibit No. 2.

- (iii) *If a consolidation or merger is proposed indicate: (A) The name of the company resulting from the consolidation or merger; (B) the State or territory under the laws of which the consolidated company is to be formed or the merged company is to file its certificate of amendment; (C) the capitalization proposed for the resulting company; and (D) the amount and character of the capital stock and other securities to be issued.*

Not applicable.

- (iv) *Court order (exhibit 3). If a trustee, receiver, assignee, or personal representative of the real party in interest is an applicant, submit a certified copy of the order, if any, of the court having jurisdiction, authorizing the contemplated action.*

Not applicable.

- (v) *State whether the property involved in the proposed transaction includes all the property of the applicant carriers and, if not, describe what property is included in the proposed transaction.*

The property involved in the Transaction does not include all the property of Soo. The only property involved is (i) Soo's Latta Subdivision, (ii) Soo's existing Main Line Trackage Rights Agreements, and (iii) Soo's Ancillary Trackage Rights Agreements.

- (vi) *Briefly describe the principal routes and termini of the lines involved, the principal points of interchange on the routes, and the amount of main-line mileage and branch line mileage involved.*

The Latta Subdivision runs between Milepost 170.1 at Fayette, IN and Milepost 262.4 at Bedford, IN, a distance of 92.3 miles, and includes the Latta Branch which runs westerly from the main line of the Latta Subdivision for approximately 8.5 miles commencing at approximately Milepost 204.3 on the Latta Subdivision. .

The Main Line Trackage Rights Agreements to be assigned to INRD are:

(i) 80th Street - Dolton Junction Trackage Rights

Overhead trackage rights to operate over and use certain trackage of UP between 80th Street, Chicago, and Dolton Junction, IL, on terms established pursuant to the trackage rights agreement between Soo and Missouri Pacific Railroad Company dated August 23, 1995, as amended, a distance of 8.32 miles. These trackage rights are assignable with the consent of UP which shall not be unreasonably withheld.

(ii) Dolton Junction - Woodland Junction Trackage Rights

Overhead trackage rights to operate over and use certain trackage of CSXT and UP from Dolton Junction, IL to Woodland Junction, IN on terms as established by the agreement between Soo and CSXT dated November 23, 1988, as amended, a distance of 65.7 miles.³⁶ The trackage rights are assignable with the consent of CSXT.

(iii) Woodland Junction to Terre Haute Trackage Rights

Overhead trackage rights to operate over and use certain trackage of CSXT from Woodland Junction, IN to Terre Haute, IN as established by the agreement between Soo and CSXT dated November 23, 1988, as amended, a distance of 99.6 miles. The trackage rights are assignable with the consent of CSXT.

(iv) Bedford - New Albany Trackage Rights

Overhead trackage rights to operate over and use certain trackage of CSXT from Bedford, IN to New Albany, IN on terms as established by the agreement between L&N and Milwaukee dated July 17, 1973, as amended, a distance of 71.77 miles. The trackage rights are assignable with the consent of CSXT.

³⁶ CSXT and UP jointly own the Dolton Junction to Woodland Junction line and each has the right unilaterally to grant trackage rights over that line.

(v) Louisville Terminal Agreement

Soo's rights under the Louisville Terminal Agreement to use the former property of the K&ITC between New Albany, IN and Louisville and in Louisville on terms originally set forth in the agreement dated March 1, 1973, by and among Kentucky & Indiana Terminal Railroad Company, The Baltimore & Ohio Railroad Company, L&N, Southern and Milwaukee, as superseded by the Louisville Terminal Agreement dated July 1, 1981 made by and between Southern and Richard B. Ogilvie, Trustee of the Property of the Milwaukee. Soo's rights under the Louisville Terminal Agreement are assignable without the approval of NS (successor to Southern).

The Ancillary Trackage Rights Agreements to be assigned to INRD are:

(i) Elnora - Maysville Trackage Rights

Overhead trackage rights to operate over and use certain trackage of ISRR from Elnora to Maysville, IN on terms as established by the agreement governing Soo's grant of trackage rights to ISRR, dated April 15, 1993, a distance of 19.6 miles. The agreement is assignable without ISRR's consent in connection with a sale of all or substantially all of Soo's interest in its line between Terre Haute and Bedford.

(ii) Beehunter - Sandborn Trackage Rights

Overhead trackage rights to operate over and use certain trackage of ISRR from Beehunter, IN to Sandborn, IN on terms as established by the agreement between Consolidated Rail Corporation ("Conrail") and Milwaukee, dated June 28, 1985, as amended, a distance of

6.12 miles.³⁷ ISRR's consent is required for the assignment of the trackage rights except in connection with the sale or assignment of all or substantially all of Soo's properties.

(iii) Elnora - Evansville Trackage Rights Option

On April 15, 1993 Soo entered into a trackage rights agreement with ISRR whereby ISRR received trackage rights over Soo's line between Beehunter and Elnora, IN. In exchange, Soo obtained an option to acquire trackage rights under specified conditions on ISRR's line between Elnora and Evansville, IN. The agreement will be assigned to INRD and INRD will assume the Soo's obligations under the agreement and will succeed to the benefits of the agreement, including the Elnora - Evansville Trackage Rights Option. ISRR's consent to the assignment and assumption of Soo's obligations and rights under the agreement is not required.

The Applicants are in the process of obtaining consents for the assignments where required and anticipate receiving them prior to closing of the Transaction.

(vii) *State whether any governmental financial assistance is involved in the proposed transaction and, if so, the form, amount, source, and application of such financial assistance.*

There is no government financial assistance involved in the Transaction.

1180.6(a)(8) Environmental data (exhibit 4). Submit information and data with respect to environmental matters prepared in accordance with 49 CFR part 1105. In major and significant transactions, applicants shall, as soon as possible, and no later than the filing of a notice of intent, consult with the Board's Section of Environmental Analysis for the proper format of the environmental report.

No environmental data is required as the Transaction will not result in any changes in operations exceeding the thresholds established in 49 CFR § 1105.7(e)(4) or 49 CFR

³⁷ ISRR assumed these trackage rights obligations when it acquired the line from Conrail.

§ 1105.7(e)(5), nor will the Transaction result in any action that would normally require environmental documentation. See 49 CFR § 1105.6(b)(4).

An historic report is not required because INRD will operate the Acquired Lines and will require further Board approval to discontinue service or abandon any service, and there are no plans to dispose of or alter properties subject to Board jurisdiction that are 50 years old or older. Hence, the Application does not require an historic report under 49 CFR 1105.8(b)(1).

1180.6(b) In a major transaction, submit the following information:

Not applicable. This is a minor transaction.

1180.6(c) In a significant transaction, submit the information specified in paragraphs (b)(3), (b)(5), (b)(6), (b)(7) and (b)(8) of this section..

Not applicable. This is a minor transaction.

1180.8(c) For minor transactions: Operating plan-minor (exhibit 15). Discuss any significant changes in patterns or types of service as reflected by the operating plan expected to be used after consummation of the transaction. Where relevant, submit information related to the following:

The Operating Plan-Minor is attached as Exhibit No. 15. The discussion of changes in operations resulting from the Transaction is included in that Exhibit.

(1) Traffic level density on lines proposed for joint operations.

No lines will be operated jointly.

(2) Impacts on commuter or other passenger service operated over a line which is to be downgraded, eliminated or operated on a consolidated basis.

There are no commuter or passenger services operated over any of the Acquired Lines.

(3) Operating economies, which include but are not limited to, estimated savings.

As discussed above, INRD expects that the Transaction will enable it to increase the productivity of its locomotives and crews. It also expects to achieve savings by consolidating the dispatching of the Acquired Assets and INRD's existing lines at Terre Haute, IN, and by consolidating locomotive repair work at Latta Yard and eliminating the redundant facility at Switz City. It will also use Latta Yard for certain car repair operations, though will retain its present car repair operations at Indianapolis and at Palestine, IL.

(4) Any anticipated discontinuances or abandonments.

INRD does not contemplate any discontinuances or abandonments as a result of the Transaction.

1180.11 Transnational and other informational requirement.

1180.11(a) For applicants whose systems include operations in Canada or Mexico, applicants must explain how cooperation with the Federal Railroad Administration would be maintained to address potential impacts on operations within the United States of operations or events elsewhere on their systems.

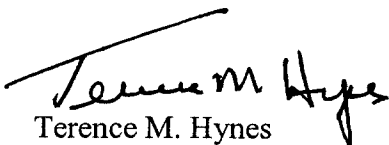
The proposed Transaction involves the sale of the Acquired Lines by Soo to INRD. The purchaser, INRD, is incorporated in the United States and operates entirely in the United States and the Acquired Lines are located entirely within the United States. INRD's operations over the Acquired Lines will be subject to Federal Railroad Administration jurisdiction just as Soo's operations, and INRD's other operations, are today. Soo is a wholly owned subsidiary of CPRC, a Canadian corporation that operates rail lines in Canada. However, Soo does not own or operate any rail lines outside the United States, and all of Soo's operations are, and will continue to be, subject to Federal Railroad Administration jurisdiction.

1180.11(b) All applicants must assess whether any restrictions or preferences under foreign or domestic law or policies could affect their commercial decisions, and discuss any ownership restrictions applicable to them.

No restrictions or preferences under foreign or domestic law or policies could affect commercial decisions of INRD. No ownership restrictions are applicable to INRD. While Soo is a wholly owned subsidiary of CPRC, neither Soo nor CPRC is aware of any restriction or preference under foreign or domestic law or policies that could affect commercial decisions of Soo. No ownership restrictions are applicable to Soo.

CONCLUSION

For all of the foregoing reasons, Applicants respectfully request that the Board approve, pursuant to 49 U.S.C. §§ 11323 et seq., the Transaction contemplated by this Application.



Terence M. Hynes
Sidley Austin Brown & Wood, LLP
1501 K Street, N.W.
Washington, D.C. 20005
Tel. 202-736-8000
Fax 202-736-8711

Respectfully submitted,



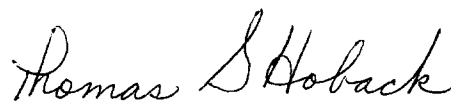
John Broadley
John H. Broadley & Associates, P.C.
1054 31st Street, N.W., Suite 200
Washington, D.C. 20007
Tel. 202-333-6025
Fax 202-333-5685

Counsel for Soo Line Railroad Company

Counsel for The Indiana Rail Road Company

VERIFICATION AND SIGNATURE PAGE
(Applicant The Indiana Rail Road Company)
(28 U.S.C. 1746)

I, Thomas G. Hoback, declare under penalty of perjury: (i) that I am President of The Indiana Rail Road Company, (ii) that I am one of the executive officers duly authorized to execute, verify and file this Application on behalf of The Indiana Rail Road Company, (iii) that I have knowledge of the matters contained herein as they pertain to The Indiana Rail Road Company, and (iv) that the statements made herein are true and correct to the best of my knowledge, information and belief.



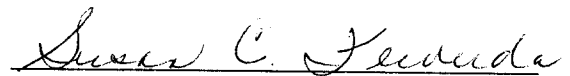
Thomas G. Hoback
101 West Ohio Street
Suite 1600
Indianapolis, IN

Executed on December 12, 2005

CERTIFICATE
(28 U.S.C. 1746)

Susan C. Ferverda certifies this 12th day of December 2005: (i) that she is the Corporate Secretary of The Indiana Rail Road Company; (ii) that Thomas G. Hoback is President of The Indiana Rail Road Company; and (iii) that Thomas G. Hoback is duly authorized to sign, verify and file the foregoing Application and Exhibits thereto on behalf of The Indiana Rail Road Company.

I certify under penalty of perjury that the foregoing is true and correct.

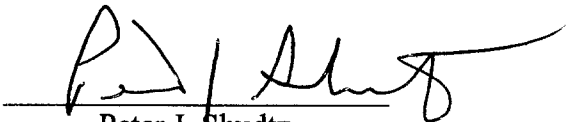


Susan C. Ferverda
101 West Ohio Street
Suite 1600
Indianapolis, IN 46204

Executed on December 12th, 2005

SIGNATURE PAGE CSX TRANSPORTATION, INC.

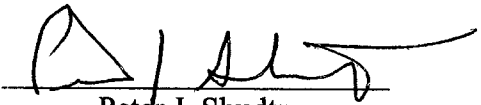
I, Peter J. Shudtz, declare under penalty of perjury that I am Vice President-Regulatory Affairs and Washington Counsel of CSX Transportation, Inc. and that I am one of the executive officers duly authorized to sign this application on behalf of the foregoing.


Peter J. Shudtz

Executed on December 14, 2005

SIGNATURE PAGE CSX CORPORATION

I, Peter J. Shudtz, declare under penalty of perjury that I am Vice President-Regulatory Affairs and Washington Counsel of CSX Corporation and that I am one of the executive officers duly authorized to sign this application on behalf of the foregoing.



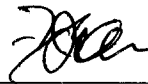
Peter J. Shudtz

Executed on December 14, 2005

49 CFR 1180.4(c)(2)(i)

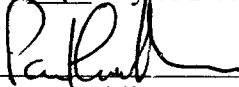
VERIFICATION AND SIGNATURE PAGE

I, Fred Green, being duly sworn, state that I am President and Chief Executive Officer of Soo Line Railroad Company, and that I am an officer duly designated to execute, verify and file this Application. I have knowledge of the matters contained herein as they pertain to Soo Line Railroad Company, and the statements made herein are true and correct to the best of my knowledge, information and belief.



FRED GREEN

Subscribed and sworn to before me
this 9 day of December 2005.



Notary Public

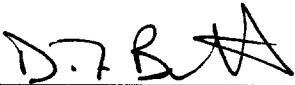
My Commission Expires: N/A

PAUL A. GUTHRIE
Barrister & Solicitor

49 CFR 1180.4(c)(2)(i)

CERTIFICATION

I, Donald F. Barnhardt, being duly sworn, state that I am Corporate Secretary of Soo Line Railroad Company, and I certify that Fred Green is authorized by Soo Line Railroad Company to sign, verify, and file the foregoing Application.



DONALD F. BARNHARDT

Subscribed and sworn to before me
this 9 day of December 2005.



Notary Public

My Commission Expires: N/A

PAUL A. GUTHRIE
Barrister & Solicitor

49 CFR 1180.4(c)(2)(i)

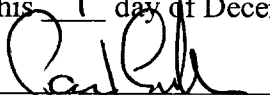
VERIFICATION AND SIGNATURE PAGE

I, Fred Green, being duly sworn, state that I am President and Chief Operating Officer of Canadian Pacific Railway Company, and that I am an officer duly designated to execute, verify and file this Application. I have knowledge of the matters contained herein as they pertain to Canadian Pacific Railway Company, and the statements made herein are true and correct to the best of my knowledge, information and belief.



FRED GREEN

Subscribed and sworn to before me
this 9 day of December 2005.



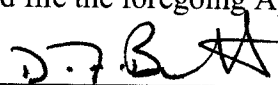
Notary Public

My Commission Expires: N/A
PAUL A. GUTHRIE
Barrister & Solicitor

49 CFR 1180.4(c)(2)(i)

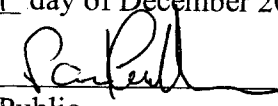
CERTIFICATION

I, Donald F. Barnhardt, being duly sworn, state that I am Senior Counsel and Corporate Secretary of Canadian Pacific Railway Company, and I certify that Fred Green is authorized by Canadian Pacific Railway Company to sign, verify, and file the foregoing Application.



DONALD F. BARNHARDT

Subscribed and sworn to before me
this 9 day of December 2005.



Notary Public

My Commission Expires: N/A

Appendix No. 1

Letters of Support



November 1, 2005

Cinergy Corp.
139 East Fourth Street
P.O. Box 960 - EA606
Cincinnati, OH 45201-0960

Hon. Roger Nober
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Dear Chairman Nober:

This letter is to acknowledge and express support for the proposed sale of Canadian Pacific Railway's Latta Subdivision in Indiana to The Indiana Rail Road Company (the "IRRC").

PSI Energy, Inc. has been a rail shipper on the Latta Subdivision for over 50 years, receiving over 20,000 carloads per year of coal, petroleum coke and other products used in the production of electricity.

The IRRC, one of the original independent railroad companies spawned by Class 1 divestiture in the wake of the Staggers Act, offers an exceptional example of competence in the industry. The IRRC has an excellent record of safety, management continuity, and financial stability, and has aggressively invested in infrastructure improvements and operating innovations. The IRRC has also proven its ability to generate increased utilization of rail transportation, by growing annual carloadings nearly tenfold in its 20-year history and participating in regional economic and industrial development efforts.

We know the IRRC to be an exceptional provider of reliable rail transportation, as evidenced by their past coal service to PSI's Noblesville Generating Station and the railroad's record of extraordinary growth and exemplary service as evidenced by their adding limestone quarries and other products on their line. We have confidence in the executive management team's accessibility, since the IRRC's corporate headquarters is local, and we believe the company will be accountable to new customers that it will acquire through the acquisition of Canadian Pacific's Indiana assets, as it has been to existing customers.

We support the proposed sale of Canadian Pacific Railway's Latta Subdivision to the IRRC, and we urge the Surface Transportation Board to expedite approval of the transaction for the benefit of rail shippers in our extended community.

Please feel free to contact me as necessary to discuss further our position regarding the proposed transaction. Thank you.

Sincerely,

Vince Stroud
Vice President Commercial Fuels

cc: Thomas G. Hoback, President and Chief Executive Officer, The Indiana Rail Road Company

Appendix 1-A

ExxonMobil
Global Services Company
13501 Katy Freeway
Houston, Texas 77079-1398

November 18, 2005

ExxonMobil

Honorable Roger Nober, Chairman
Surface Transportation Board
1925 K Street, NW
Washington, DC 20423-0001

Subject: Support for Sale of Canadian Pacific RR Southern Indiana Line to Indiana Railroad

Dear Chairman Nober,

ExxonMobil supports the proposed sale of Canadian Pacific Railway's (CPR) southern Indiana line to the Indiana Railroad (INRD).

As a major rail freight user with over 100,000 shipments annually, ExxonMobil has a longstanding relationship with both CPR and INRD. In our view, the proposed transfer supports the best interests of both railroads, shippers and our rail-served customers.

ExxonMobil has enjoyed an excellent relationship with the Indiana Railroad for a considerable time. ExxonMobil Chemical Company (EMCC) located their Regional Distribution Center (RDC) on the INRD because of their scheduled service and innovative marketing ideas. The success of our Midwest RDC has been a great example of the benefits possible from collaborative initiatives involving Class I Railroads, Shortline Railroads and shippers. We believe that the proposed sale will enable further growth, foster operational efficiencies, and provide improved service to our customers in the Terre Haute area. ExxonMobil looks forward to working with INRD to fully develop the opportunities presented by this transaction.

Request that the proposed sale of the Southern Indiana Line to INRD be approved as expeditiously as possible.

Thank you.

Sincerely,


Gary Furneaux
Transportation Sourcing Specialist

Appendix 1-B



GATX Rail
500 West Monroe Street
Chicago, IL 60661

Jim Earl
Executive Vice President

Tel: 312.621.4571
Fax: 312.621.6646
jim.earl@gatx.com

November 17, 2005

The Honorable Roger Nober
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Re: Acquisition of CP Rail Trackage in Indiana by the Indiana Rail Road Company

Dear Chairman Nober:

I am writing in support of the acquisition by The Indiana Rail Road Company of certain CP Rail operated lines located in Indiana. GATX owns and operates an important service facility on the subject line, and our company and its customers are very sensitive to the rail service levels provided to our facility. It is our belief that this line's service performance will be enhanced through the aggressively managed, locally oriented approach which characterizes the current operations of The Indiana Rail Road.

GATX Rail is a leading owner and operator of railcars and locomotives. The company operates a fleet of over 120,000 cars and 500 locomotives in North America, with a lessee customer base in excess of 850 shippers, railroads and governmental agencies.

The safe and efficient operation of this large fleet of rail assets is GATX's primary focus, and to this end the company operates an extensive network of service facilities throughout the United States, Canada and Mexico. Our customers count on GATX's ability to provide reliable, safe and efficient rail equipment when and where they need the assets.

GATX operates a service facility in Terre Haute, Indiana on the line currently served by CP Rail. It is our understanding that The Indiana Rail Road Company has proposed to take over ownership and operation of this line. GATX Rail fully supports this transaction, and strongly believes that service to our facility (and therefore to our customers) will be significantly improved. Our facility repairs approximately 650 railcars annually; with improved rail service, it is possible that we may be able to shift additional work into the Terre Haute location. With better service, turn-around time on repair work for our customers would improve, in turn helping to satisfy the strong current demand for railcars.

GATX Rail strongly encourages the Surface Transportation Board to approve this proposed transaction expeditiously. Please don't hesitate to contact me should you require any additional information.

Sincerely,

Appendix 1-C

HOOSIERENERGY

RURAL ELECTRIC COOPERATIVE, INC.

A Touchstone Energy® Cooperative



October 19, 2005

Hon. Roger Nober, Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Dear Chairman Nober:

This letter is to acknowledge and express support for the proposed sale of Canadian Pacific Railway's Latta Subdivision in Indiana to The Indiana Rail Road Company.

Hoosier Energy has been a periodic rail shipper on the Latta Subdivision for 20 years, shipping as many as 7,000 carloads of coal in a single year to be used in the generation of electricity. Hoosier Energy burns over 4,000,000 tons of Indiana coal every year with approximately 65% of it transported by the Indiana Rail Road Company. In addition, we transport over 300,000 of limestone per year via the Indiana Rail Road. We would support any move which could increase the amount of business we conduct with the Indiana Rail Road. They are customer focused and service oriented and a pleasure to do business with.

The Indiana Rail Road Company, one of the original independent railroad companies spawned by Class 1 divestiture in the wake of the Staggers Act, offers an exceptional example of competence in the industry. The company has an excellent safety record, management continuity, and financial stability, and has aggressively invested in infrastructure improvements and operating innovations. The company has grown annual carloadings nearly tenfold in its 20-year history and has participated in regional economic and industrial development efforts.

We know the Indiana Rail Road Company to be an exceptional provider of reliable rail transportation, as evidenced by their record of extraordinary growth and exemplary service. We have confidence in the executive management team and since the corporate headquarters is local, we believe the company will be accountable to new customers that it acquires through the acquisition of Canadian Pacific's Indiana assets.

We support the proposed sale of Canadian Pacific Railway's Latta Subdivision to The Indiana Rail Road Company, and we urge the Surface Transportation Board to expedite approval of the transaction for the benefit of rail shippers in our extended community.

Sincerely,

Harold D. Leitze
Department Manager, Fuels

HDL/pjm

Appendix 1-D

cc: Thomas G. Hoback, President and CEO, The Indiana Rail Road Co.
M2.35



An AES Company

October 17, 2005

Hon. Roger Nober
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Dear Chairman Nober:

I am writing to recommend that the board approve the sale of the Latta Subdivision of Canadian Pacific Railway to the Indiana Rail Road Company.

Since commencing operations in 1986, The Indiana Rail Road Company has served our Harding Street Generating Station in Indianapolis. The Harding Street Generating Station is one of three IPL electric generating plants that provide reliable electric service to approximately 460,000 residential, commercial, and industrial customers in Indianapolis. Current movements handled for IPL by The Indiana Rail Road Company amount to approximately 1.8 million tons of coal annually.

The Indiana Rail Road Company's efforts have been marked by ongoing attention to providing reliable, competitive service to our plant through a variety of means, including scheduled service, upgrades to track and locomotives, and the construction of a siding near our plant which has helped expedite our unit coal trains. We have been impressed with their level of customer service. Additionally, The Indiana Rail Road Company has worked well with us and its connecting carriers to monitor interline service to ensure that overall transit times and resulting equipment turns meet our needs.

IPL takes 1.5 million tons of coal from the Farmersburg mine which originates on the Latta Subdivision. The addition of the Latta Subdivision to The Indiana Rail Road should improve our rail service from the Farmersburg mine. The Indiana Rail Road, a local railroad to IPL, has been flexible and more responsive to our needs than the Canadian Pacific, a major carrier. IPL is actively seeking more mines to originate on The Indiana Rail Road and the Latta Subdivision.

We urge the board to expeditiously approve the sale of the Latta Subdivision to The Indiana Rail Road.

Sincerely,

Dennis Dininger
IPL Fuel Supply

Appendix 1-E



Marathon Petroleum Company LLC

539 South Main Street
Findlay, OH 45840
Telephone: (419) 421-3076
FAX: (419) 421-3624

November 1, 2005

Hon. Roger Nober
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

RE: proposed sale of Canadian Pacific Railway's Latta Subdivision in Indiana to the Indiana Rail Road Company:

Dear Mr. Nober,

I am the Manager of Rail & Administration for Marathon Petroleum. Marathon annually ships approximately 28,000 rail shipments in the United States. Indiana Railroad originates about 9,500 of those shipments for our company.

I have been made aware of the above referenced transaction and am writing to offer my support for its successful conclusion. My company has always enjoyed good customer service and support from the INRD and I look forward to this transaction increasing our business relationship with them. I have found that a local or regional railroad often displays a better commitment to that market than one that has national interests. This has certainly been true of the INRD.

I urge the STB to approve this transaction expeditiously.

I can be contacted at the above address and phone number if you would like any further comments.

Sincerely,

A handwritten signature in black ink, appearing to read 'David J. Causey', with a long horizontal flourish extending to the right.

David J. Causey
Manager

Appendix 1-F

COALSALES

COALSALES, LLC
A Peabody Energy Company

701 Market Street
St. Louis, Missouri 63101-1826
314.342.7600

October 31, 2005

Hon. Roger Nober, Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Dear Chairman Nober:

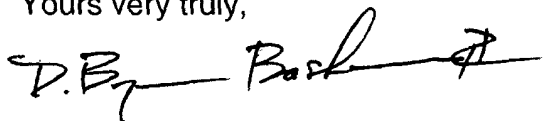
This letter is to acknowledge and express support for the proposed sale of Canadian Pacific Railway's Latta Subdivision in Indiana to The Indiana Rail Road Company.

Peabody, through its affiliate Black Beauty Coal Company, is the largest coal producer in the Illinois Basin. Black Beauty currently manages six active mines in Indiana and four in Illinois, and is the largest shipper on the Latta Subdivision. Black Beauty has a long-standing relationship with Indiana Rail Road. In its work for us, the company has had an excellent service and safety record. We are confident that, as operator of the Latta Subdivision, Indiana Rail Road will continue to have an accessible management team, locally based, who will be accountable to new customers that the company will acquire when it takes over Canadian Pacific's Indiana assets.

We support the proposed sale of Canadian Pacific Railway's Latta Subdivision to The Indiana Rail Road Company, and we urge the Surface Transportation Board to expedite approval of this transaction.

Please feel free to contact me if you would like to further discuss our position regarding the proposed transaction.

Yours very truly,



D. Bryan Bashore, Vice President - Transportation
and Customer Service

cc: Thomas G. Hoback, President and Chief Executive Officer, The Indiana Rail Road
Company

Appendix 1-G



Black Beauty Coal Company

VERIFIED STATEMENT OF BRYAN A. GALLI

My name is Bryan A. Galli. I am currently employed by Peabody Energy Corporation as Group Executive-Midwest, headquartered in St. Louis, Missouri. I also serve as President of Black Beauty Coal Company, headquartered in Evansville, Indiana.

I am a graduate from the University of Missouri-Rolla, with a BS in Mine Engineering. I have worked full time in the coal industry for twenty-three years. In my current capacity, I am responsible for the management of Peabody Energy Corporation's subsidiary companies' mining operations in the Midwest.

Black Beauty Coal Company currently mines approximately twenty-five million tons of coal annually, and is the largest coal producer in Indiana. Its mines are served by several different railroads, including the Indiana Southern Railroad, Norfolk Southern, the Canadian Pacific Railway, and CSX Transportation. Currently, The Indiana Rail Road Company ("INRD") does not originate any Black Beauty traffic, but does handle some of our rail carrier business through and in conjunction with other rail carriers.

Because of the relatively high utilization of coal within the Midwest and the characteristics of the coal, Indiana coal has generally been sold to utility generating stations in close proximity to the mines (within two hundred miles of production), which has been delivered primarily by a combination of rail, truck and barge.

Black Beauty has enjoyed reasonably good service from Canadian Pacific Railway, which has handled the bulk of the coal (approximately 3.5 MTPY) leaving its Farmersburg's Mine. About half of the coal handled by Canadian Pacific Railway is destined to Cinergy's Wabash River generating station at Fayette, Indiana. The other large movement from the Farmersburg's Mine is a joint line haul involving Canadian Pacific Railway and INRD to Indianapolis Power and Light's ("IP&L") Harding Street generating plant in Indianapolis, Indiana. It is my understanding that both Cinergy and IP&L have written letters strongly supporting the sale of the Canadian Pacific Railway's Latta Subdivision to INRD.

Black Beauty is aware that CSX Transportation owns a majority interest in INRD's parent company, Midland United. Based on the information provided to us, we do not believe that this will have a material adverse impact on the rates or the service to be expected should INRD acquire the interests of the Canadian Pacific Railway. As such, Black Beauty is not opposed to the sale of the Canadian Pacific Railway's Latta Subdivision to INRD.

Finally, I personally have enjoyed a close relationship with the INRD management team over the years and know them to be totally committed to the customer and to this region. I appreciate the accessibility of management, the personal treatment and the steady service that we have received from INRD in the past and anticipate that this would continue to all existing and the new mine locations. Pursuant to 28 USC 1746 I declare under penalty of perjury that the foregoing is true and correct.

Bryan A. Galli
Executed on December 15, 2005

Appendix 1-G-1

EVAN BAYH
INDIANA

463 RUSSELL SENATE OFFICE BUILDING
WASHINGTON, DC 20510-1404
(202) 224-5623
<http://bayh.senate.gov>

1650 MARKET TOWER
10 WEST MARKET STREET
INDIANAPOLIS, IN 46204
(317) 554-0750

United States Senate

WASHINGTON, DC 20510-1404

COMMITTEES:
ARMED SERVICES
BANKING, HOUSING, AND URBAN AFFAIRS
SELECT COMMITTEE ON INTELLIGENCE
SMALL BUSINESS
SPECIAL COMMITTEE ON AGING

November 22, 2005

The Honorable Roger Nober
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Dear Chairman Nober:

I am writing in support for the proposed sale of the Canadian Pacific Railway's Latta Subdivision to the Indiana Rail Road Company.

The Indiana Rail Road Company is committed to safety, management continuity, and financial stability. They have also aggressively invested in infrastructure improvements and operating innovations. In addition, the company has grown annual carloadings significantly over its twenty-year history and has helped to maintain and stimulate regional economic development.

Indiana, or "The Crossroads of America," serves as a vital economic center for manufacturing, trade, and transportation of our great nation's commerce. As one of the most rail intensive states in the nation, Indiana serves as a major thoroughfare for most rail traffic navigating the country. We nevertheless look for opportunities to support any initiative that would further strengthen the quality and efficiency of our existing rail infrastructure. In my opinion the proposed transaction is just that kind of initiative.

Maintaining quality service, efficiency, and access for rail transportation is vital to the strength of our state's economy and to the continued efficient flow of intrastate and interstate commerce.

Thank you in advance for all of your consideration in this important transaction. I am hopeful that in the end a favorable decision will be awarded to the Indiana Rail Road Company for their proposal. Please contact me if I can be of any further assistance. Please send any response to my Regional Director, Doran Moreland, at 1650 Market Tower, 10 West Market Street, Indianapolis, IN 46204

Sincerely,



Evan Bayh

Appendix 1-H

RICHARD G. LUGAR
INDIANA

306 HART SENATE OFFICE BUILDING
WASHINGTON, DC 20510
202-224-4814

senator_lugar@lugar.senate.gov

COMMITTEES:
FOREIGN RELATIONS, CHAIRMAN
AGRICULTURE, NUTRITION, AND FORESTRY

United States Senate

WASHINGTON, DC 20510-1401

October 25, 2005

The Honorable Roger Nober
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Dear Chairman Nober:

I am writing to share with you my interest in the proposed sale of Canadian Pacific Railway's Latta Subdivision to the Indiana Rail Road Company. I support the proposed sale to the Indiana Rail Road Company and would appreciate the timely approval of the transaction.

The Indiana Rail Road Company is committed to safety, management continuity, and financial stability. They have aggressively invested in infrastructure improvements and operating innovations. In addition, the company has significantly grown annual carloadings in its 20-year history and has helped to maintain and spur regional economic development.

Competitive and efficient rail transportation is critical to the nation's economic strength. As a U.S. Senator for Indiana, I am interested in ensuring a balance between Canadian Pacific's need to operate efficiently and competitively with attention to the importance of the continued economic strength and viability of our cities, towns, communities, and businesses.

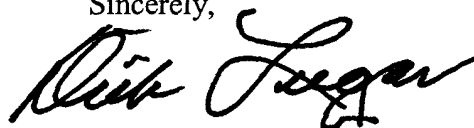
As the Crossroads of America, Indiana serves as a vital economic center for manufacturing, trade and transportation of the nation's commerce. Indiana is one of the most rail-intensive states in the nation -- most of the rail traffic moving east and west across our nation travels through our State. A sophisticated transportation network has been developed throughout Indiana to move people, goods and materials to their destinations in a safe and efficient manner.

Maintaining quality service and competition and access for rail transportation is vital to the strength of our State's economy and to the continued efficient flow of intrastate and interstate commerce.

As you continue your important work, I hope thorough consideration will be given to the merits of the proposal submitted by the Indiana Rail Road Company.

Thank you for your consideration.

Sincerely,



Richard G. Lugar
United States Senator

Appendix 1-I

RGL/ao

DAN BURTON
5TH DISTRICT, INDIANA

COMMITTEES:
INTERNATIONAL RELATIONS

SUBCOMMITTEES:
WESTERN HEMISPHERE
CHAIRMAN

ASIA AND THE PACIFIC
VICE CHAIRMAN

GOVERNMENT REFORM
FORMER CHAIRMAN (1997-2002)

SUBCOMMITTEES:
NATIONAL SECURITY, EMERGING THREATS AND
INTERNATIONAL RELATIONS
CRIMINAL JUSTICE, DRUG POLICY, AND
HUMAN RESOURCES

VETERANS' AFFAIRS

NATO PARLIAMENTARY ASSEMBLY
VICE CHAIRMAN



Congress of the United States
House of Representatives
Washington, DC 20515-1405

WASHINGTON OFFICE:
2185 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-1405
TELEPHONE: (202) 225-2276

DISTRICT OFFICES:
8900 KEYSTONE AT THE CROSSING
INDIANAPOLIS, IN 46240
TELEPHONE: (317) 848-0201
TOLL-FREE: (800) 382-6020

209 SOUTH WASHINGTON STREET
MARION, IN 46952
TELEPHONE: (765) 662-6770
TOLL-FREE: (877) 846-2936

www.house.gov/burton

November 1, 2005

The Honorable Roger Nober
Chairman, Surface Transportation Board
1925 K Street, N. W.
Washington, DC 20423-0001

Dear Chairman Nober:

I learned with great interest of the Indiana Rail Road Company's proposed purchase of Canadian Pacific Railway's Latta Subdivision. I strongly support the proposed sale and would appreciate the timely approval of the transaction.

Indiana Rail Road Company is seeking the Surface Transportation Board's approval in order to expand their freight hauling services. Indiana Rail Road Company's 20-year commitment to safety, management continuity, and financial stability has helped to maintain and spur regional economic development. Due to Indiana's central location we are one of the most rail-intensive States in the Nation. Maintaining quality service, competition and access for rail transportation is vital to the strength of our State's economy and to the continued efficient flow of intrastate and interstate commerce. As you can see, this proposed sale will directly involve and benefit both Indiana and the Nation for years to come. I hope you will give Indiana Rail Road Company's proposal your support and approval.

I trust Indiana Rail Road Company will be a responsible steward in implementing the process and purchase of Canadian Pacific Railway's Latta Subdivision. I ask that you give every appropriate consideration to this request for approval, consistent with applicable rules and regulations and relevant statutes. If there is anything further I can do to support Indiana Rail Road Company's application, please do not hesitate to contact Monica Knab. She can be reached at (317) 848-0201. Thank you for your efforts and consideration on behalf of this request.

Sincerely,

Dan Burton
Member of Congress

DB/mk

Appendix 1-J

JULIA CARSON
7th District, Indiana

COMMITTEE ON
FINANCIAL SERVICES
Subcommittee on Housing and
Community Opportunity
Subcommittee on Financial Institutions &
Consumer Credit

COMMITTEE ON
TRANSPORTATION &
INFRASTRUCTURE
Subcommittee on Highways, Transit & Pipelines
Subcommittee on Railroads

Internet:
<http://juliacarson.house.gov>

Congress of the United States
House of Representatives
Washington, DC 20515-1410

WASHINGTON OFFICE:
1535 Longworth Building
Washington, DC 20515
(202) 225-4011
(202) 225-5633 Fax

DISTRICT OFFICE:
300 E. Fall Creek Pkwy N. Dr.
Suite 300
Indianapolis, IN 46205
(317) 283-6516
(317) 283-6567 Fax

E-Mail:
rep.carson@mail.house.gov

November 1, 2005

Hon. Roger Nober, Chairman
Surface Transportation Board
1925 K Street
Washington, DC 2043-0001

Dear Chairman Nober:

Indiana's rail assets need and deserve preservation and improvement. To that end, I write to urge your favorable consideration of the proposed sale of the Canadian Pacific's Latta Subdivision to the Indiana Rail Road Company (IRRC), headquartered in Indiana's 7th Congressional District.

Ours is a state long committed to transportation, freight handling and distribution, functions integral to the vitality and growth of our economy. Because of Indiana's history and location, rail plays a more prominent role in the life of our state than in the case of most other states. Thus, the efficiency and competitiveness of our rail service is especially critical not only to our economic prospects but also to the entire fabric of our nation's commerce.

The Indiana Rail Road Company offers great promise of effective operations for the track they seek to acquire. Over the twenty-year history of their operations the IRRC has compiled a record of commitment to safety, sound management and financial stability of the sort essential to reliable service. Their aggressive investment in infrastructure improvement and operating innovations has helped to assure the further development of capacity and service in a manner that has contributed importantly to regional economic development in the areas of Indiana they serve and a manner which predicts the further sound growth of their rail service.

Thank you very much for your consideration in this matter of great importance to Indiana.

Sincerely,

Julia Carson
Member of Congress

Appendix 1-K

JOHN N. HOSTETTLER
8TH DISTRICT, INDIANA

COMMITTEE ON ARMED SERVICES

SUBCOMMITTEES:
PROJECTION FORCES
READINESS

COMMITTEE ON THE JUDICIARY

SUBCOMMITTEES:
THE CONSTITUTION
CHAIRMAN, IMMIGRATION,
BORDER SECURITY AND CLAIMS



Congress of the United States
House of Representatives

November 1, 2005

1214 LONGWORTH HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-4636

INTERNET: John.Hostettler@mail.house.gov
<http://www.house.gov/hostettler/>

COUNTIES:

CLAY	PIKE
DAVIESS	POSEY
FOUNTAIN	PUTNAM
GIBSON	SULLIVAN
GREENE	VANDERBURGH
KNOX	VERMILLION
MARTIN	VIGO
OWEN	WARREN
PARKE	WARRICK

The Honorable Roger Nober
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Dear Chairman Nober,

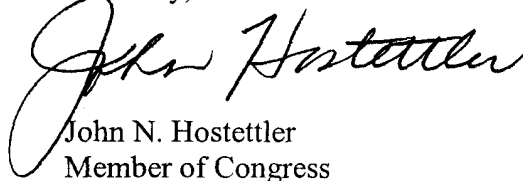
I am writing to share with you my support of the proposed sale of Canadian Pacific Railway's Latta Subdivision to the Indiana Rail Road Company.

As you may know, Indiana serves as an economic center for manufacturing, trade, and transportation. Much of the continued economic vitality Indiana has experienced is due to a sophisticated transportation network which has been developed throughout the state. The sale of the Canadian Pacific Railway's Latta Subdivision to the Indiana Rail Road Company goes a long way to improving the rail network in Indiana.

As the United States Congressman for much of Southwest Indiana, I have a particular interest in ensuring that Southwest Indiana continues its strong tradition of economic vitality, specifically intrastate and interstate commerce. The Indiana Rail Road Company has a strong track record of growth and proven customer satisfaction. It is uniquely qualified to operate this and provide a vital link between local and regional shippers and the large, long-haul railroads that move freight from coast to coast.

As you evaluate the proposal, I hope you give thorough consideration to the merits of the proposal submitted by the Indiana Rail Road Company.

Sincerely,


John N. Hostettler
Member of Congress

Appendix 1-L

101 N.W. MARTIN LUTHER KING, JR. BOULEVARD
ROOM 124
EVANSVILLE, IN 47708
(812) 465-6484

411 THIRD STREET
COVINGTON, IN 47932
(765) 793-2161

328 NORTH 2ND STREET
SUITE 304
VINCENNES, IN 47591
(812) 882-0632

901 WABASH AVENUE
SUITE 140
TERRE HAUTE, IN 47807
(812) 232-0523

MICHAEL R. PENCE
SIXTH DISTRICT, INDIANA

CHAIRMAN,
REPUBLICAN STUDY COMMITTEE

COMMITTEES:
AGRICULTURE
JUDICIARY
INTERNATIONAL RELATIONS

Congress of the United States
House of Representatives
Washington, DC 20515-1406

November 17, 2005

WASHINGTON OFFICE:
426 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-3021
FAX: (202) 225-3382

DISTRICT OFFICES:
1134 MERIDIAN PLAZA 220 EAST MAIN STREET
ANDERSON, IN 46016 MUNCIE, IN 47305
(765) 640-2919 (765) 747-5566
FAX: (765) 640-2922 FAX: (765) 747-5586

50 NORTH 5TH STREET
RICHMOND, IN 47374
(765) 962-2883
FAX: (765) 962-3225

The Honorable Roger Nober
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Dear Chairman Nober:

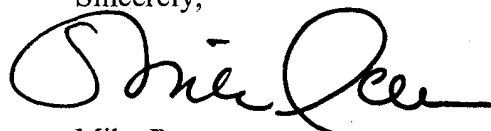
I write to you today regarding my interest in the proposed sale of Canadian Pacific Railway's Latta Subdivision to the Indiana Rail Road Company. I support the proposed sale and would appreciate the timely approval of the transaction.

The Indiana Rail Road Company is committed to safety, management continuity and financial stability, and it has aggressively invested in infrastructure improvements and operating innovations. The company has grown annual carloadings nearly tenfold in its twenty-year history and has participated in regional economic and industrial development initiatives.

As the "Crossroads of America," Indiana is a vital center for manufacturing, trade and transportation for the entire nation. Indiana is one of the most rail-intensive states in the country, with most of the rail traffic moving east and west across the country traveling through Indiana. Maintaining quality service, competition and access for rail transportation is vital to the strength of Indiana's economy and to the continued efficient flow of commerce across the country.

This proposed sale would directly involve and benefit both Indiana and the country for years to come. I am hopeful that as you continue your important work, thorough consideration will be given to the merits of the proposal submitted by the Indiana Rail Road Company. Thank you for your consideration on behalf of this request.

Sincerely,



Mike Pence
Member of Congress

Appendix 1-M

MICHAEL E. SODREL
9TH DISTRICT, INDIANA

COMMITTEES:
TRANSPORTATION AND
INFRASTRUCTURE

SCIENCE
SMALL BUSINESS



WASHINGTON OFFICE:
1508 LONGWORTH HOUSE OFFICE BUILDING
(202) 225-5315

Congress of the United States
House of Representatives

November 17, 2005

The Honorable Roger Nober
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Dear Chairman Nober,

I express my support for the sale of the Canadian Pacific Railway Latta Subdivision to the Indiana Rail Road Company. I believe this transaction will benefit the people of Indiana and endorse the speedy approval of the sale.

Part of the current Indiana Rail Road system runs through the North West portion of my district and serves as a critical link for goods and materials moving through the region to feed manufacturing and fuel commerce. This sale will strengthen a Flag important to the economy of southern Indiana, the state, and the region. Efficient and economic transportation is the lifeblood of our state. I believe the approval of this sale will ensure this asset to our state continues to facilitate commerce.

I believe the Indiana Rail Road will manage responsibly the purchase and administration of the Canadian Pacific Railway Latta Subdivision. I ask that you give positive consideration to this application consistent with relevant law and regulation.

Thank you for your consideration and timely handling of this matter.

Sincerely,



Mike Sodrel
Member of Congress

Appendix 1-N

279 QUARTERMASTER DRIVE
JEFFERSONVILLE, IN 47130
PHONE: (812) 288-3999
FAX: (812) 288-3877

812 SOUTH WALNUT STREET
BLOOMINGTON, IN 47401
PHONE: (812) 330-1543
FAX: (812) 330-1546

215 EAST 5TH STREET
JASPER, IN 47546
PHONE: (812) 482-9864

415 SOUTH WALNUT STREET
SUITE 115
SEYMOUR, IN 47274
PHONE: (812) 523-8050
FAX: (812) 523-1306

829 SOUTH ADAMS STREET
VERSAILLES, IN 47042
PHONE: (812) 689-7300
FAX: (812) 689-7377

MARK E. SOUDER
3RD DISTRICT, INDIANA

GOVERNMENT REFORM COMMITTEE

SUBCOMMITTEE ON CRIMINAL JUSTICE,
DRUG POLICY AND HUMAN RESOURCES
CHAIRMAN

RESOURCES COMMITTEE

SELECT COMMITTEE ON
HOMELAND SECURITY

SPEAKER'S DRUG TASK FORCE
CO-CHAIRMAN

Congress of the United States
House of Representatives
Washington, DC 20515

15 November 2005

The Honorable Roger Nober
Chairman
Surface Transportation Board
1935 K St, NW
Washington, DC 20423

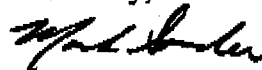
Dear Chairman Nober:

I am writing in support of the proposed sale of Canadian Pacific Railway's Latta Subdivision to the Indiana Rail Road Company, and urge speedy approval of the sale.

As a manufacturing and agricultural state, Indiana relies on its transportation networks to move goods around the country and around the world. Given the importance of rail transportation in Indiana, maintaining safe and quality service is essential to the strength of the Hoosier economy and to the economic well-being of interstate commerce. The Indiana Rail Road Company serves a vital role in maintaining that strength. I believe the acquisition of the Latta Subdivision by the Indiana Rail Road Company will further improve the Hoosier transportation network and further enhance the Indiana and United States economies.

Thank you for your consideration of the Indiana Rail Road Company's proposed acquisition. If you have any questions, please do not hesitate to contact Mark Pfundstein in my office at (202) 225-4436.

Sincerely,



Mark E. Souder
Member of Congress

WASHINGTON OFFICE:
2221 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-4436

DISTRICT OFFICES:

E. ROSS ADAIR FEDERAL BUILDING
1300 SOUTH HARRISON STREET, ROOM 3105
FORT WAYNE, IN 46802
(260) 424-3041
(800) 959-3041
FAX: (260) 424-4042

FIRST SOURCE BANK BUILDING
102 WEST LINCOLN AVENUE, SUITE 250
GOSHEN, IN 46526
(574) 533-5802
(800) 959-3041

THE BOATHOUSE
700 PARK AVENUE, SUITE D
WINONA LAKE, IN 46590
(574) 289-1540
(800) 959-3041

www.house.gov/souder



STATE OF INDIANA
OFFICE OF THE GOVERNOR
State House, Second Floor
Indianapolis, Indiana 46204

Mitchell E. Daniels, Jr.
Governor

November 3, 2005

The Honorable Roger Nober
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Dear Chairman Nober:

This letter serves as my expression of support for the proposed sale of the Canadian Pacific Railway's Latta Subdivision to the Indiana Rail Road Company. It is my hope that, after reviewing the transaction, you arrive at a similarly favorable conclusion and see fit to grant it your approval.

The Indiana Rail Road Company is committed to safety, management continuity, and financial stability, and has aggressively invested in infrastructure improvements and operating innovations. With a demonstrated ability to generate increased utilization of rail transportation, the company has grown annual carloadings nearly tenfold in its 20-year history and has participated in regional economic and industrial development initiatives.

True to its motto as "The Crossroads of America," Indiana is a vital center for manufacturing, trade and transportation for the entire country. As one of the most rail intensive states in the nation, Indiana serves as a major thoroughfare for most rail traffic traversing the country. We nevertheless look for opportunities to support any initiative that would further strengthen the quality and efficiency of our existing rail infrastructure. In my opinion, the proposed transaction is just such an initiative.

Thank you in advance for your consideration of the proposal submitted by the Indiana Rail Road Company. Again, I am hopeful that the merits of the transaction will be as evident to you as they have been to the State of Indiana.

Sincerely,

Mitchell E. Daniels, Jr.

Appendix 1-P

State of Indiana

Senate

Senator J. Murray Clark
State House
200 West Washington Street
Indianapolis, Indiana 46204-2785
Senate 317-232-9400

Committees:
Economic Development & Technology, R.M.
Insurance & Financial Institutions, R.M.
Tax & Fiscal Policy
Governmental Affairs & Interstate Cooperation
Governmental Affairs Subcommittee, Chair

October 26, 2005

Mr. Roger Nober
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Dear Chairman Nober:

I am writing to express my support for the proposed sale of Canadian Pacific Railway's Latta Subdivision in Indiana to the Indiana Rail Road Company. This proposed sale will not only benefit rail shippers but will parallel the state of Indiana's efforts to improve economic development.

Indiana Rail Road is exemplary of exceptional competence in the rail industry, has an excellent safety record, maintains financial stability, and has aggressively invested in infrastructure improvements and operating innovations. Throughout its 20-year history, Indiana Rail Road has proven their ability to generate increased utilization of rail transportation through its regional economic and industrial development efforts.

As evidenced by the railroad's record of extraordinary growth and exemplary service, Indiana Rail Road is an exceptional provider of reliable rail transportation. I am confident in the executive management team's accessibility, since the railroad's corporate headquarters is locally based, and I believe the company will be accountable to new customers acquired through the acquisition of Canadian Pacific's Indiana assets.

I support this expansion and would appreciate the Surface Transportation Board's full consideration of the Indiana Rail Road Company's transaction. Please do not hesitate to contact me at (317) 232-9494 or at 200 W. Washington St. Indianapolis, IN 46204 if I may be of any assistance in this matter.

Very Truly Yours,


J. Murray Clark
State Senator

JMC/ah

Appendix 1-Q



State of Indiana

Senate

Senator Robert D. Garton
President Pro Tempore
Chairman, Rules and Legislative Procedure Committee
www.IN.gov/S41

State House
200 West Washington Street
Indianapolis, Indiana 46204-2785
317-232-9416

November 7, 2005

The Honorable Roger Nober, Chair
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Dear Chairman Nober:

It is my understanding that the Indiana Rail Road Company and the Canadian Pacific Railway's Latta Subdivision have a buy/sell agreement. I enthusiastically endorse this transaction.

Indiana Rail Road has provided efficient rail transportation for more than 20 years and is committed to this region's stability and economic growth. This acquisition will increase the use of rail transportation and will be beneficial to the entire Midwest.

Again, I support the transaction and urge the Surface Transportation Board's favorable and timely approval.

Best regards,

A handwritten signature in black ink, appearing to read "Bob Garton", written over a horizontal line.

ROBERT D. GARTON
President Pro Tempore

RDG/gp



State of Indiana

Senate

Senator Glenn L. Howard
1005 W. 36th St.
Indianapolis, IN 46208-4129
Business (317) 261-8999
Residence (317) 923-1101
EMAIL: S33@IN.gov

Committees:
Commerce & Transportation, R.M.M.
Corrections, Criminal & Civil Matters
Economic Development & Technology
Insurance & Financial Institutions

November 2, 2005

The Honorable Roger Nober, Chairman
Surface Transportation Board
1925 K. Street N. W.
Washington, DC 20423-0001

Dear Chairman Nober:

I am pleased to write this letter supporting the Indiana Rail Road's desire to purchase the Canadian Pacific Railway's LATTA Subdivision.

I am well acquainted with the staff at the Indiana Rail Road and I am happy to learn of their desire and ability to expand their business. The Indiana Rail Road is currently headquartered in the Senate District that I represent. Per their record of service, Indiana Rail Road has served its community well. If given the opportunity, I am assured that Indiana Rail Road will continue to provide this same level of service to the new communities it will serve.

I am in full support of the Indiana Rail Road's efforts to purchase the LATTA Subdivision. Please know that I will be glad to assist you in any way that I can to help you reach an affirmative decision. If I can offer further assistance, please do not hesitate to contact me at 317-232-9434.

Sincerely,

A handwritten signature in black ink that reads "Glenn L. Howard".

Glenn L. Howard
Indiana State Senator
District 33

Appendix 1-S



State of Indiana

Senate

Senator Brent Steele
State House
200 West Washington Street
Indianapolis, Indiana 46204
(800) 382-9467
www.in.gov/S44

Committees:
Judiciary
Civil Matters Subcommittee, Chair
Corrections, Criminal & Civil Matters
Insurance and Financial Institutions
Elections & Civil Affairs

November 3, 2005

The Honorable Roger Nober
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Dear Chairman Nober:

This letter is to convey my support of the proposed sale of Canadian Pacific Railway's Latta Subdivision to the Indiana Rail Road Company, inasmuch as the proposed sale would, in my opinion, maintain the quality service that is vital not only to Indiana's economy, but also to the economy of my district.

Indiana enjoys the geographical distinction of being centrally located and as the crossroads of our country, it serves as an economic center for warehousing, manufacturing, trade and transportation. With one of our nation's most important naval warfare support center being centrally located, we are especially dependent on the rail system for the continued distribution of high tech ordnance manufactured at the Naval Surface Warfare Center, near Crane, Indiana. Efficient rail transportation is vital and the Indiana Rail Road Company has a great reputation for good business practices and customer satisfaction.

Thank you in advance for your attention to this letter. I urge you to give positive consideration to the proposed expansion.

Sincerely,

A handwritten signature in black ink, appearing to read "Brent Steele", written over a horizontal line.

Brent Steele
State Senator, District 44

BES/j
L-1103rn.bes

Appendix 1-T



State of Indiana

Senate

Senator R. Michael Young
3102 Columbine Circle
Indianapolis, Indiana 46224
Senate (317) 232-9476

Committees:
Corrections, Criminal & Civil Matters, R.M.
Elections & Civic Affairs
Governmental Affairs & Interstate Cooperation
Pensions and Labor, R.M.

November 9, 2005

The Honorable Roger Nober
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20433-0001

Dear Chairman Nober;

I am writing to you to let you know that I concur with my colleagues, and join them in their expressions of support for the proposed sale of the Canadian Pacific Railway's Latta Subdivision to the Indiana Rail Road Company. I hope, after reviewing the transaction, you arrive at a favorable conclusion and grant this transaction.

The Indiana Rail Road Company is an extraordinary success story among the scores of independent short line and regional railroads spawned in the wake of railroad deregulation. The company was reborn as a robust, profitable carrier and has become a new model for the American regional railroad. As evidence by the railroad's record of extraordinary growth and exemplary service, Indiana Rail Road is an exceptional provider of reliable rail transportation.

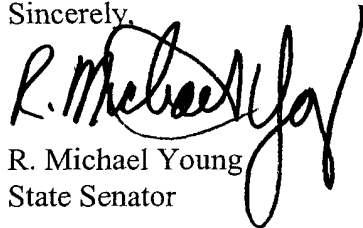
Having said this, combining the resources, locations and income from the Canadian Pacific Railway's Latta Subdivision to the Indiana Rail Road Company can only continue to increase utilization of rail transportation and economic and industrial development initiatives. Both of which are critical to the nation's economic strength.

In conclusion, I support this expansion and would appreciate the Surface Transportation board's full consideration of the Indiana Rail Road company's transaction. This transaction is an opportunity to grow rail transportation for the benefit of customers and assist them in finding additional new markets for their products.

The Honorable Roger Nober
Chairman
Surface Transportation Board
November 9, 2005
Page 2

Thank you in advance for your consideration of the proposal submitted by the Indiana Rail Road company. I am hopeful that the merits of the transaction will be as evident to you as they have been to the State of Indiana. If you have any questions please contact me at the State Senate at 317 232-9489.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Michael Young", written over the printed name and title.

R. Michael Young
State Senator

RMY:jlk



**STATE OF INDIANA
HOUSE OF REPRESENTATIVES**

THIRD FLOOR STATE HOUSE
INDIANAPOLIS, INDIANA 46204

Brian C. Bosma
Speaker of the House

Website: www.in.gov/h88
E-mail: H88@in.gov

November 4, 2005

The Honorable Richard Nober, Chairman
Surface Transportation Board
1925 K St. N.W.
Washington, D.C. 20423-0001

Dear Chairman Nober,

I would like to take a moment to offer my support on behalf of the Indiana Rail Road Company's attempt to purchase the assets of Canadian Pacific Railway's Latta Subdivision.

The Indiana Rail Road Company is a dynamic, responsive carrier that is committed to serving the needs of its customers in the most efficient way possible. That commitment is responsible for the company's rapid growth throughout its twenty year history, helping it become a key logistical partner for a number of important midwest-based industries. In pursuit of even more growth, the company has invested \$50 million in equipment and property upgrades.

In addition to their record of sales and service, the Indiana Rail Road Company has a strong commitment to customer and community satisfaction. Customers and community leaders alike have routinely praised the company for the level of service and accessibility they offer, and the company's presence is obvious in the communities it serves.

Reliable, dependable railways are crucial to a balanced economic development strategy in Indiana, as a majority of our nation's east-west rail traffic crosses our borders. It is important, therefore, that organizations like the Indiana Rail Road Company have the ability to grow and expand their business within our state and region.

I strongly support the sale of Canadian Pacific Railway's Latta Subdivision to the Indiana Rail Road Company, and I strongly urge you to give this sale expedited approval. I greatly appreciate your time and attention in this matter, and I am open to any questions you may have.

Sincerely,

A handwritten signature in black ink, reading "Brian C. Bosma".

Brian C. Bosma, Speaker
Indiana House of Representatives
114th General Assembly

Appendix 1-V



STATE OF INDIANA
HOUSE OF REPRESENTATIVES

THIRD FLOOR STATE HOUSE,
INDIANAPOLIS, INDIANA 46204

LAWRENCE L. BUELL
2502 SILVER LANE DRIVE
INDIANAPOLIS, IN 46203

1997-98
COMMITTEES:
ELECTIONS AND APPORTIONMENT
WAYS AND MEANS

November 2, 2005

Hon. Roger Nober
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Dear Chairman Nober:

This letter is to acknowledge and express support for the proposed sale of Canadian Pacific Railway's Latta Subdivision in Indiana to The Indiana Rail Road Company.

The Indiana Rail Road Company, one of the original independent railroad companies spawned by Class 1 divestiture in the wake of the Staggers Act, offers an exceptional example of competence in the industry. The company has an excellent safety record, management continuity, and financial stability, and has aggressively invested in infrastructure improvements and operating innovations. Indiana Rail Road also has proven ability to generate increased utilization of rail transportation: The company has grown annual carloadings nearly tenfold in its 20-year history and has participated in regional economic and industrial development efforts.

I know the Indiana Rail Road Company to be an exceptional provider of reliable rail transportation, as evidenced by their customers' testimonials and the railroad's record of extraordinary growth and exemplary service. We have confidence in the executive management team's accessibility, since the railroad's corporate headquarters is local, and we believe the company will be accountable to new customers that it will acquire through the acquisition of Canadian Pacific's Indiana assets.

I support the proposed sale of Canadian Pacific Railway's Latta Subdivision to The Indiana Rail Road Company and we urge the Surface Transportation Board to expedite approval of the transaction for the benefit of rail shippers in our extended community.

Please feel free to contact me as necessary to discuss further my position regarding the proposed transaction. Thank you.

Sincerely,

Lawrence L. Buell
State Representative

Appendix 1-W

cc: Thomas G. Hoback, President and Chief Executive Officer, The Indiana Rail Road Company



**STATE OF INDIANA
HOUSE OF REPRESENTATIVES**

THIRD FLOOR STATE HOUSE
INDIANAPOLIS, INDIANA 46204

Ralph M. Foley
400 Byram Boulevard
Martinsville, Indiana 46151
Website: www.in.gov/h47

COMMITTEES
Judiciary, RMM:
Courts and Criminal Code
Rules and Legislative Procedures

October 28, 2005

Hon. Roger Nober, Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Re: The Indiana Rail Road Company

Dear Chairman Nober:

I have been informed that The Indiana Rail Road Company has reached agreement to purchase the Indiana assets of the Canadian Pacific Railway. This letter is to advise you that I support the proposed sale of those assets to The Indiana Rail Road Company and urge your Board to expeditiously approve the transaction because of the benefit to rail shippers in our area.

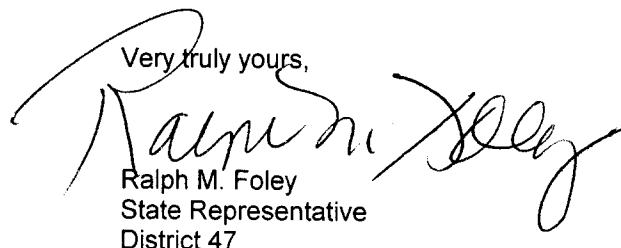
I note that in my legislative district, rail access is important and we have found that The Indiana Rail Road Company has been an important and competent carrier for the companies utilizing rail. Today it is more important than ever that we have efficient, capable and competent transportation for business and industry throughout the State of Indiana.

I point out that The Indiana Rail Road Company was founded in 1986 as a result of the railroad industry deregulation. In the following years I note that the railroad has continually invested in its infrastructure and operations. As a result, it seems to have proven ability regarding utilization of rail transportation. It is my understanding that annual carloadings have increased nearly tenfold and that the company has an excellent record of participating in regional economic and industrial development efforts.

We are happy to have The Indiana Rail Road Company as a vital part of the Indiana transportation system and are of the opinion that this acquisition would be nothing but a positive development.

Therefore, once again, I urge favorable and expeditious consideration by the Surface Transportation Board. Thank you for this opportunity to express my support and offer comment. Should you require something further for which I may be helpful, please do not hesitate to contact me.

Very truly yours,


Ralph M. Foley
State Representative
District 47

RMF:js

Appendix 1-X



**STATE OF INDIANA
HOUSE OF REPRESENTATIVES**

THIRD FLOOR STATE HOUSE
INDIANAPOLIS, INDIANA 46204

Phillip D. Hinkle
7050 Camelot Court
Indianapolis, IN 46214
e-mail h92@in.gov
Statehouse 232-9603
website: www.in.gov/h92

COMMITTEES:
Local Government, Chair
Financial Institutions
Education

November 8, 2005

The Honorable Roger Nober, Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

RE: Indiana Rail Road Company

Dear Chairman Nober:

This letter represents my endorsement for the proposed sale of Canadian Pacific Railway's Latta Subdivision to the Indiana Rail Road Company. The proposed sale will not only enhance transportation within Indiana, it will provide a major step in Indiana's efforts to improve economic development.

Indiana Rail Road Company has shown itself to be dependable in its transportation service and a fiscally sound company that has invested aggressively in infrastructure improvements and operating innovations. I am confident that the expansion of service as a result of the sale will in fact benefit both new and established customers. In its twenty year history Indiana Rail Road Company has proven itself to be a wise and sound investor in economic and industrial development efforts.

Because the maintaining of quality service, competition, and access for rail transportation is vital to the strength of our State's economy, I endorse the proposal of Indiana Rail Road Company to purchase Canadian Pacific Railway's Latta Subdivision.

I hope you and the full board will give full, and hopefully positive, consideration of the proposal. I thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Phillip Hinkle", written over a large, loopy circular flourish.

Phillip Hinkle
State Representative, District 92

PDH:ms

Appendix 1-Y



**STATE OF INDIANA
HOUSE OF REPRESENTATIVES**

THIRD FLOOR STATE HOUSE
INDIANAPOLIS, INDIANA 46204

Eric A. Koch
Assistant Majority Whip
P.O. Box 372
Bedford, IN 47421
Statehouse: (800) 382-9841
Website: www.in.gov/H65
Email: H65@in.gov

Committees:
Vice Chairman, Technology, Research & Development
Government & Regulatory Reform
Judiciary

November 8, 2005

The Honorable Roger Nober
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423-0001

Dear Chairman Nober:

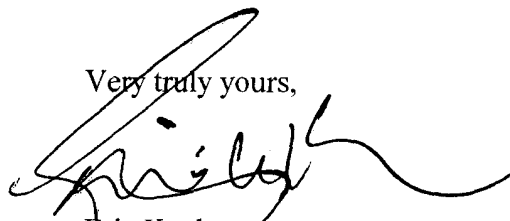
I am writing in support of the proposed sale of Canadian Pacific Railway's Latta Subdivision to the Indiana Railroad Company.

I represent an area of South Central Indiana that is served both by the Latta Subdivision and existing tracks of The Indiana Railroad Company. I am pleased that an Indiana-based company with an excellent safety record, management continuity and financial stability is making this investment in our state and, in particular, in my district.

I am particularly enthusiastic about the transaction given The Indiana Railroad Company's proven ability to generate increased utilization of rail transportation. Our region of the state is seriously in need of the economic development potential offered by that record and commitment.

I would appreciate the timely approval of the transaction. Thank you for your consideration.

Very truly yours,



Eric Koch
State Representative

EAK/cc

Appendix 1-Z

John R. Gregg
20566 E. JERICHO ROAD
SANDBORN, IN 47578

Speaker 1996-2002
Indiana House of
Representatives
Vincennes University
Interim President
2003-2004

Hon. Roger Nober
Chairman
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

November 2, 2005

Dear Chairman Nober:

This letter is to acknowledge and express support for the proposed sale of Canadian Pacific Railway's Latta Subdivision in Indiana to The Indiana Rail Road Company.

The Indiana Rail Road Company, one of the original independent railroad companies spawned by Class 1 divestiture in the wake of the Staggers Act, offers an exceptional example of competence in the industry. The company has an excellent safety record, management continuity, and financial stability, and has aggressively invested in infrastructure improvements and operating innovations. Indiana Rail Road also has proven ability to generate increased utilization of rail transportation: The company has grown annual carloadings nearly tenfold in its 20-year history and has participated in regional economic and industrial development efforts.

I know the Indiana Rail Road Company to be an exceptional provider of reliable rail transportation, as evidenced by their current customers' testimonials and the railroad's record of extraordinary growth and exemplary service. I have confidence in the executive management teams' accessibility, since the railroad's corporate headquarters is local, and I believe the company will be accountable to new customers that it will acquire through the acquisition of Canadian Pacific's Indiana assets.

I support the proposed sale of Canadian Pacific Railway's Latta Subdivision to The Indiana Rail Road Company, and I urge the Surface Transportation Board to expedite approval of the transaction for the benefit of rail shippers in our extended community.

Appendix 1-AA

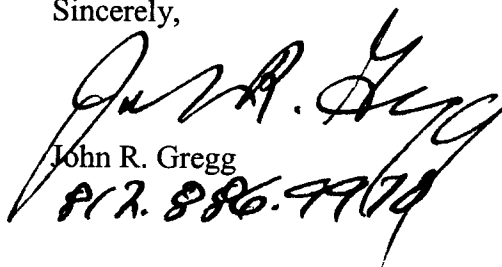
Hon. Roger Nober

November 2, 2005

Page 2

Please feel free to contact me as necessary to discuss further my position regarding the proposed transaction. Thank you.

Sincerely,



John R. Gregg
812.886.7970

JRG:jah

Cc: Thomas G. Hoback
Ken Giffin
Stu Grauel



November 15, 2005

**CITY OF
TERRE HAUTE
OFFICE OF
THE MAYOR**

City Hall
17 Harding Avenue
Terre Haute, IN 47807

Phone: 812.232.9467
Fax: 812.232.6346

www.terrehaute.IN.gov

KEVIN D. BURKE
Mayor

The Honorable Roger Nober, Chairman
Surface Transportation Board
1925 K Street, N. W.
Washington, D. C. 20423-0001

Dear Chairman Nober:

I would like to express my support for the proposed sale of the Canadian Pacific Railway's Latta Subdivision to the Indiana Rail Road Company. I would appreciate the timely approval of the transaction.

Terre Haute has the reputation of being, "The Crossroads of America." In recent years, the rail system not only in Indiana but the nation as a whole has experienced much difficulty. In light of the historical significance of rail roads in our country, I think we have an obligation and responsibility to not only preserve history but do what we can to improve Indiana's rail assets. Our state and city are beginning to experience economic recovery. The Indiana Rail Road Company has aggressively invested in infrastructure improvements and operating innovations. The company has demonstrated ability to generate increased utilization of rail transportation while being committed to safety, management continuity, and financial stability. It has participated in regional economic and industrial development initiatives. Indiana Rail Road Company will be a key player in the recovery process in our City.

As one of the most rail intensive states in our nation, Indiana serves as a major thoroughfare for most rail traffic traversing our country. We look for the opportunity to support any initiative that would further strengthen the quality and efficiency of our existing rail infrastructure.

Thank you in advance for your consideration of the proposal submitted by the Indiana Rail Road Company and urge the Surface Transportation Board to expedite approval of the transaction for the benefit of rail shippers in our community.

Sincerely,

Kevin D. Burke, Mayor
City of Terre Haute

Appendix 1-BB



Indiana **ENERGY**
Association

1600 ONE AMERICAN SQUARE, BOX 82065

INDIANAPOLIS, INDIANA 46282

317-632-4406

FAX 317-262-4940

Ed Simcox, President

Stan Pinegar, Executive Director

Boonville Natural Gas Corp.

Cinergy/PSI

Citizens Gas & Coke Utility

Citizens Gas of Westfield

Community Natural Gas Co. Inc.

Indiana Michigan Power

Indiana Natural Gas Corp.

Indianapolis Power & Light Company

Kokomo Gas & Fuel Co.

Lawrenceburg Gas Co.

Midwest Natural Gas Corp.

Northern Indiana Fuel & Light Co.

Northern Indiana Public Service Co.

Ohio Valley Gas Corp.

Vectren Energy Delivery of Indiana, Inc.

THE VOICE FOR INDIANA ENERGY

November 10, 2005

The Honorable Roger Nober
Chairman
Surface Transportation Board
1925 K Street, NW
Washington, DC 20423-0001

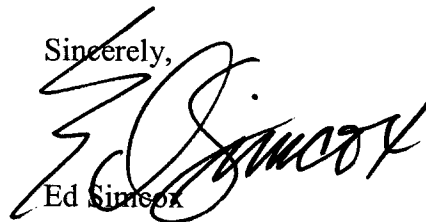
Dear Chairman Nober:

I am writing to express my support for the proposed sale of Canadian Pacific Railway's Latta Subdivision to Indiana Rail Road Company.

The rail network in Indiana is important to the utility industry for use in the transportation of coal to power plants. The sale of the Canadian Pacific Railway's Latta Subdivision to the Indiana Rail Road Company will improve the rail network in Indiana and, in turn, improve Indiana's economic vitality.

I support this expansion and urge the Surface Transportation Board's full and favorable consideration of the Indiana Rail Road Company's transaction.

Sincerely,



Ed Simcox

EJS/kw

Appendix 1-CC

Appendix No. 2

Opinions of Counsel



**CANADIAN
PACIFIC
RAILWAY**

Legal Services

Suite 800
501 Marquette Avenue S
Minneapolis Minnesota
55402

Fax (612) 904-5971

Direct Line: (612) 904-5967
e-mail: bill_tuttle@cpr.ca

December 14, 2005

Calgary

P A Guthrie
Vice President - Law
and General Counsel

D F Barnhardt
J E Erion
K L Fleming
C J Goldie
A T Lloyd
G V Mackenzie
H D Piercy
M W Shannon
G D Wilson

Minneapolis
W M Tuttle

Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Re: Finance Docket No. 34783, *The Indiana Rail Road Company –
Acquisition – Lines of Soo Line Railroad Company*

Dear Sirs:

As counsel for Soo Line Railroad Company, d/b/a Canadian Pacific Railway ("SOO"), I am familiar with the Application by the Indiana Rail Road Company ("INRD") and Soo Line Railroad Company for approval of INRD's acquisition of Soo's Latta Subdivision, a line of railroad between Fayette, IN and Bedford, IN, and INRD's acquisition by assignment from Soo of all of Soo's right, title and interest in and to certain trackage rights currently held by Soo between Chicago, IL and Terre Haute, IN, and between Bedford, IN and Louisville, KY, and certain ancillary trackage rights. I am of the opinion that the transaction described in said Application meets the requirements of law and will be legally authorized and valid, if approved by the Board.

Sincerely,

Soo Line Railroad Company,
d/b/a Canadian Pacific Railway

William M. Tuttle
Senior Attorney

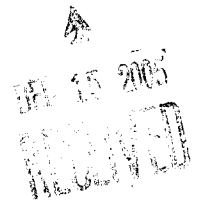
Appendix 2B

BEFORE THE
SURFACE TRANSPORTATION BOARD
Washington, D.C.

215359

The Indiana Rail Road Company -- Acquisition --
Lines of Soo Line Railroad Company

Finance Docket No. 34783



APPLICATION BY THE INDIANA RAIL ROAD COMPANY AND SOO LINE
RAILROAD COMPANY FOR APPROVAL OF INRD'S ACQUISITION OF SOO'S
LATTA SUBDIVISION AND RELATED TRACKAGE RIGHTS

EXHIBITS TO APPLICATION

Terence M. Hynes
Sidley Austin Brown & Wood, LLP
1501 K Street NW
Washington, D.C. 20005
Tel. 202-736-8000
Fax 202-736-8711

Counsel for
Soo Line Railroad Company

Dated: December 15, 2005

John Broadley
John H. Broadley & Associates, P.C.
1054 31st Street, NW Suite 200
Washington, D.C. 20007
Tel. 202-333-6025
Fax 202-333-5685

Counsel for
The Indiana Rail Road Company

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B	Map of INRD showing relationship to Acquired Lines and other carriers.
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Exhibit No. 2	Asset Purchase Agreement
Exhibit Nos. 3 - 14	Not required
Exhibit No. 15	Operating Plan - Minor

Exhibit No. 1

Maps

Exhibit No. 2

PUBLIC VERSION

ORIGINAL
COPY

ASSET PURCHASE AGREEMENT

Dated as of November 1, 2005

between

The Indiana Rail Road Company

and

**Soo Line Railroad Company
d/b/a Canadian Pacific Railway**

CLOSING INDEX

ASSET PURCHASE AGREEMENT

dated as of November 1, 2005
between
The Indiana Rail Road Company
and
Soo Line Railroad Company
d/b/a Canadian Pacific Railway

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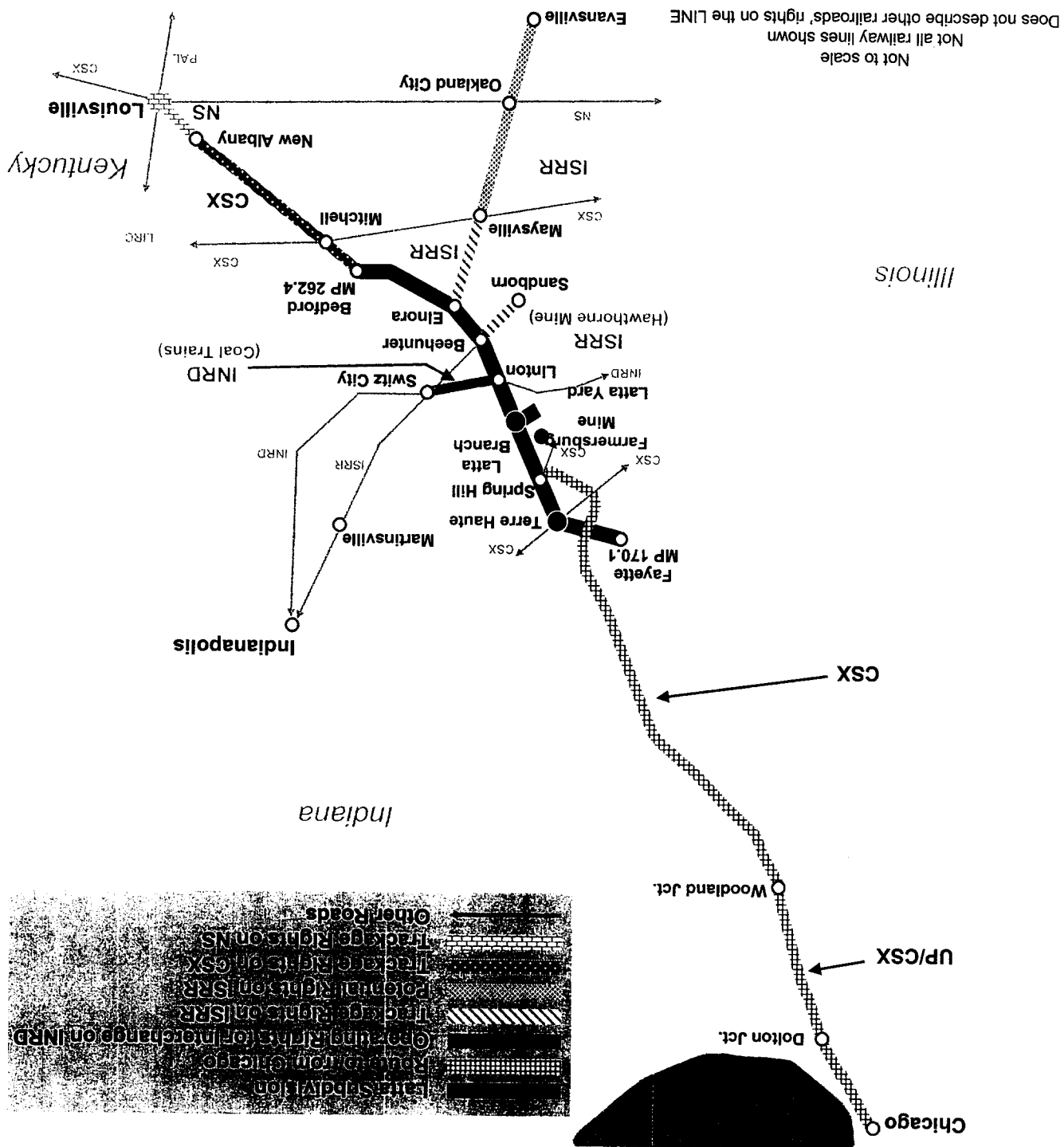
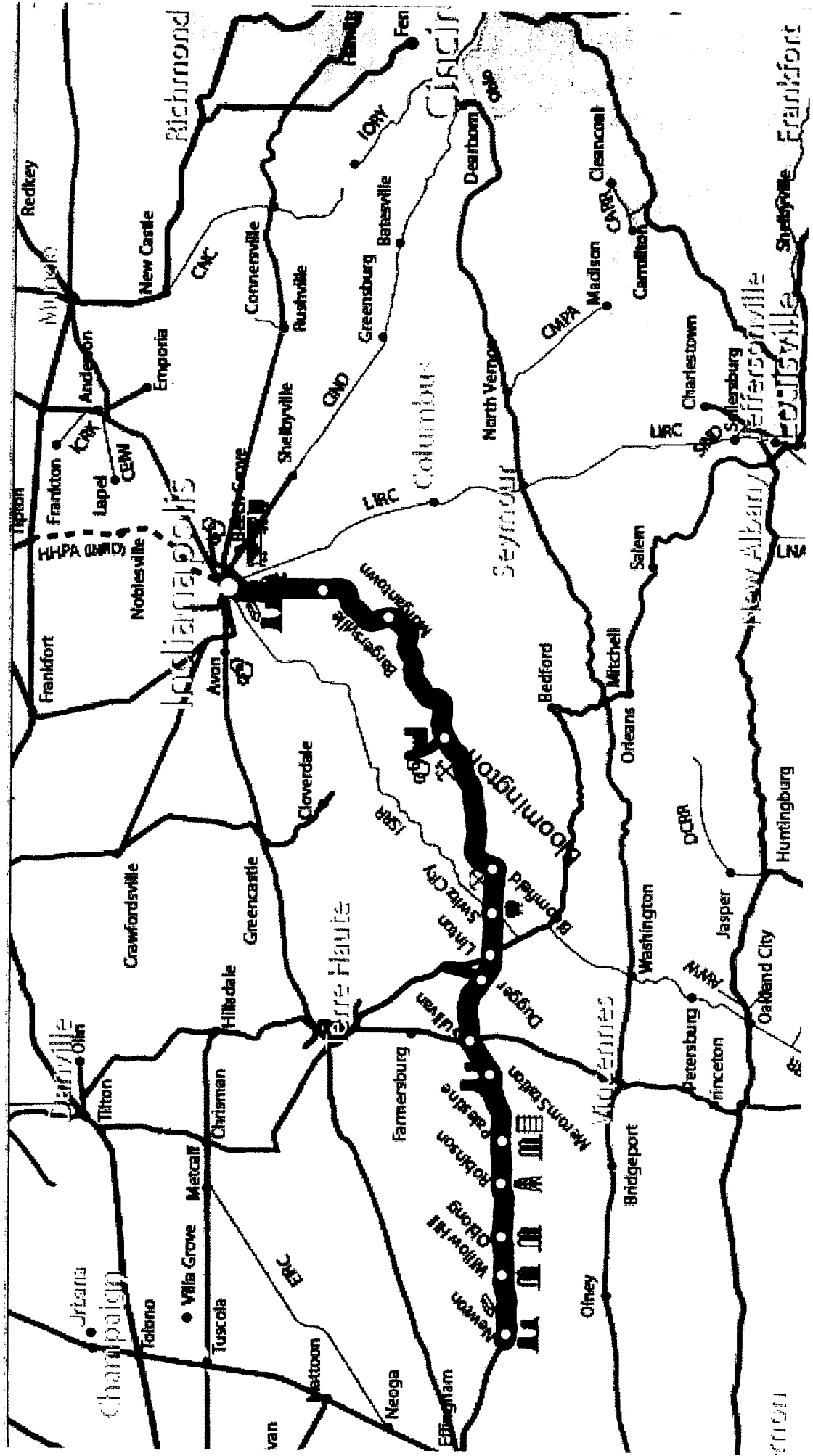


Exhibit 1-B



ASSET PURCHASE AGREEMENT

dated as of November 1, 2005

between

The Indiana Rail Road Company

and

SOO LINE RAILROAD COMPANY
d/b/a CANADIAN PACIFIC RAILWAY

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT, dated as of the 1st day of November, 2005, between The Indiana Rail Road Company ("Buyer" or "INRD") and Soo Line Railroad Company d/b/a CANADIAN PACIFIC RAILWAY, a Minnesota corporation ("Seller").

RECITALS:

A. Seller owns, controls, operates or uses certain railroad properties, rights and facilities relating to a rail line known as the Latta Subdivision commencing at Fayette, Indiana, and continuing to Bedford, Indiana; together with the Latta Branch and all origination points, termination points, connection points and interchange points to which Seller has access in connection with such rail lines and such branch line and the side tracks, spur tracks, connections and other rail properties associated therewith, all as more specifically shown on the map and set forth in the description attached as Exhibit A. The foregoing shall for purposes of this Agreement be referred to as the "Main System".

B. Seller has been granted trackage and other rights pursuant to certain agreements with third parties set forth in Section 2.01(b) (the "Other Acquired Rights").

C. Seller desires to sell and Buyer desires to purchase Seller's interest in the Main System and Other Acquired Rights. Buyer's obligations hereunder are fully and unconditionally guaranteed by Midland United Corporation.

D. The transactions contemplated by this Agreement will enhance competition, promote improved rail service to shippers, and generally serve the public interest.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, the parties hereto hereby agree as follows:

I. DEFINITIONS

1.01 Defined Terms. As used herein, the following terms shall have the meanings specified in this Section 1.01 as follows:

“Acquired Assets” -- As defined in Section 2.01(a).

“Affiliates” -- As defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended.

“Agreement” -- This Asset Purchase Agreement as the same may be amended or supplemented in accordance with the terms hereof.

“Assignment and Assumption Agreement” -- The assignment and assumption agreement in the form of Exhibit B hereto.

“Assigned Contracts” -- As defined in Section 6.09.

“Assumed Obligations” -- As defined in Section 2.03(b).

“Best Efforts” or “best efforts” means, as to any party, an undertaking by such party to perform or satisfy an obligation or duty or otherwise act in a manner reasonably calculated to obtain the intended result by action or expenditure not disproportionate or burdensome in the circumstances, which means, among other things, that such party shall not be required to (i) expend funds other than for payment of the reasonable and customary costs and expenses of employees, counsel, consultants, representatives, agents or lenders of such party and typical loan documentation and due diligence costs in connection with the performance or satisfaction of such obligation or duty or other action (provided that the foregoing shall not require a party to institute litigation or arbitration as a part of its best efforts) or (ii) suffer any economic disadvantage or detriment as a condition to achieving a satisfactory result.

“Billboard Agreements” – The Billboard agreements listed on Exhibit H hereto.

“Bill of Sale” -- The bill of sale in the form of Exhibit C hereto.

“Buyer” -- INRD or any permitted assignee pursuant to Section 13.07.

“Claims” -- As defined in Section 12.02.

“Closing” -- As defined in Section 3.01.

“Closing Date” -- As defined in Section 3.01.

“Code” -- The Internal Revenue Code of 1986, as amended.

“Confidentiality Agreement” -- The Confidentiality Agreement dated as of May 2, 2005 amongst Canadian Pacific Railway Company, a Canadian corporation, Seller and Buyer.

“Contracts” -- Contracts, agreements, easements, franchises, rights-of-way, licenses, leases, commitments, and understandings (excluding Shipper Contracts and car hire agreements) included in the Acquired Assets.

“CSX” -- CSX Corporation or CSX Transportation, Inc.

“Disposal Claims”—As defined in Section 12.02A.

“Deed” -- One or more quit-claim deeds in the form of Exhibit D hereto.

“Deposit” -- As defined in Section 5.07.

“Drop Dead Date” means December 31, 2006 or, if the STB issues an Order on or prior to December 31, 2006 and the Closing has not occurred by December 31, 2006, the term “Drop Dead Date” shall mean the earlier of (i) the amount of time necessary to implement and satisfy any conditions contained in such STB Order, or (ii) December 31, 2007.

"Encumbrances" -- Any mortgage, pledge, lien, claim, security interest, agreement, easement, equitable interest, restriction, license, lease, right of reverter, right of entry, encumbrance or charge.

"Environmental Activities" -- As defined in Section 12.02A(d).

"Environmental Condition" -- Means any liability with respect to any existing or future losses, Claims, demands, costs or expenses arising out of non-compliance with Environmental Law related to the Real Property (including, without limitation, IRPTL), and from all Environmental Liabilities, including without limitation, any environmental contamination, or presence of Hazardous Substances or Toxic Substances and the handling, use, treatment, removal, storage, decontamination, cleanup, transport or disposal thereof, whether such contamination or Hazardous Substances or Toxic Substances are located on or under the applicable property, or has migrated or will migrate from or to the applicable property, and whether any such liability relates to the strict liability, negligence or acts or omissions of Seller.

"Environmental Laws" -- Any existing or future federal, state, local or common law, rule, regulation, ordinance, code, order or judgment relating to (i) the injury to, or the pollution or protection of, the environment (including any surface or subsurface physical medium or natural resource such as air, land, soil, surface waters, ground waters, stream and river sediments, and biota), (ii) the use, generation, storage, treatment, disposal, processing, transportation, handling, release, emission or remediation of Hazardous Substances or Toxic Substances or (iii) impacts on human health and safety resulting from the foregoing, including the Comprehensive Environmental Response, Compensation, and Liability Act ("Superfund" or "CERCLA"), 42 U.S.C. §§ 9601 et seq., the Resource Conservation and Recovery Act ("Solid Waste Disposal

Act” or “RCRA”), 42 U.S.C. §§ 6901 et seq., the Clean Air Act, 42 U.S.C. §§ 7401 et seq., the Safe Drinking Water Act, 42 U.S.C. §§ 330f et seq., the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251 et seq., the Indiana Environmental Legal Actions statute, Ind. Code §§ 13-30-9-1 et seq., the Indiana Real Property Transfer Law, Ind. Code §§ 13-25-3-1 et seq. and the Hazardous Materials Transportation Act, 49 U.S.C. §§ 5101 et seq..

“Environmental Liabilities” -- Claims, judgments, damages (including punitive damages), losses, penalties, fines, liabilities, Encumbrances, liens, violations, costs and expenses (including attorneys’ fees) of investigation, remediation, clean-up, corrective action, monitoring, or defense of any matter arising under any Environmental Laws (whether at law or in equity) or in any way relating to (i) the environment (including any surface or subsurface physical medium or natural resource such as air, land, soil, surface waters, ground waters, stream and river sediments, and biota), (ii) the use, generation, storage, treatment, disposal, processing, transportation, handling, release, emission or remediation of Hazardous Substances or Toxic Substances or (iii) impacts on human health and safety resulting from the foregoing, of whatever kind or nature by any party, entity, or authority, whether or not resulting from the violation or noncompliance with any Environmental Laws.

“ERISA” -- The Employee Retirement Income Security Act of 1974, as amended, and the rules and regulations issued thereunder.

“ERISA Affiliate” -- Any subsidiary or any trade or business (whether or not incorporated) under common control (as defined in Section 4001(b)(1) of ERISA) with the party in question.

“Escrow Agreement” -- As defined in Section 5.07.

“Excluded Assets” -- All assets set forth on Exhibit E.

“Final Statement” -- As defined in Section 2.04(b).

“FRA” -- Federal Railroad Administration.

“Governmental Authority” -- Any agency, board, bureau, court, commission, department, instrumentality or administration of the United States government, any state government or any local or other governmental body in a state, territory or possession of the United States or the District of Columbia, with jurisdiction over the applicable subject matter.

“Hazardous Substances” -- All hazardous materials, substances, wastes, pollutants, contaminants, constituents or solid wastes subject to regulation or as defined under any Environmental Law.

“Hiring Standards” -- As defined in Section 5.04.

“HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

“Identified Claims” -- As defined in Section 12.02A(a).

“Immaterial Contracts” -- All contracts, agreements, easements, franchises, rights-of-way, licenses, leases, commitments and understandings which are of a kind and on terms normally entered into by railroads in the ordinary course of their business and which are not required to be disclosed pursuant to Section 6.08 and which are not Overlap Contracts.

“Indemnified Party” -- As defined in Section 12.04(a).

“Indemnifying Party” -- As defined in Section 12.04(a).

“Independent Accountant” -- shall mean the Chicago, Illinois office of KPMG and, if unwilling or unable to serve, then the Chicago, Illinois office of Ernst & Young.

“INRD” -- The Indiana Rail Road Company.

“Interchange Agreement” -- The interchange agreement in the form of Exhibit F hereto.

“ISRR” -- Indiana Southern Railroad, Inc.

“IRPTL” -- As defined in Section 2.01(d).

“Knowledge”, “knowledge”; “know” and the like -- With respect to Seller, all references herein to knowledge or know, shall mean the actual knowledge of the management employees of Seller with direct operating responsibility for the Main System.

“Labor Protection” -- shall mean any and all costs, expenses and payments, including without limitation benefits, bonuses, and allowances arising out of any agreement with, or claims or grievances made, or lawsuits brought by or on behalf of employees of Seller or their collective bargaining representatives, in each case pursuant to statute, employee protective conditions imposed by a governmental agency, a collective bargaining agreement or any agreement entered into with such employees or their collective bargaining representatives in connection with the transaction contemplated by this Agreement. In no event shall Labor Protection include costs related to any employee other than employees of Buyer or Seller.

“Latta Yard Work” -- As defined in Section 12.02A(a).

“Latta Branch” -- The branch lines commencing in the Latta Yard at Jasonville, Indiana, and continuing for a distance of approximately 8.0 miles to Old Kindill Number 3 Mine.

“Main System” -- As defined in Recital A.

“Marketing and Divisions Agreement” -- The marketing and division agreement between the parties specified therein to be executed and in the form of Exhibit G hereto.

“Material Adverse Effect” -- A material adverse effect on the ownership, use or operation by Buyer of the Acquired Assets, the business, operations, value or use thereof or the costs to Buyer to acquire, own, use or operate the Acquired Assets; *provided, however*, that any such effect that results from (i) any action permitted, required or contemplated by this Agreement, (ii) any failure to meet projections and forecasts, or (iii) changes, events or occurrences arising from general business conditions or affecting the rail industry generally, shall not be deemed to constitute a Material Adverse Effect.

“Necessary Materials” -- As defined in Section 6.11(a).

“Notice of Dispute” -- As defined in Section 13.18(a).

“NS” -- Norfolk Southern Corp.

“On-Line Employees” -- Those employees (other than management employees) of Seller who are engaged in operation or maintenance of the Main System on the Closing Date.

“Operative Documents” -- The Deeds, Bill of Sale and Assignment and Assumption Agreement and the certificates in the form attached hereto as Exhibits B, C, D, Q and S.

“Order” -- The order entered by the STB approving, exempting, conditioning, or otherwise disposing of the various transactions contemplated by this Agreement; provided, however, that if more than one order is issued in connection with such contemplated transactions, all such orders shall for purposes of this Agreement, unless otherwise indicated, be referred to collectively as the “Order”.

“Other Acquired Rights” -- As defined in Section 2.01(b).

“Overlap Contracts” -- means Contracts or Shipper Contracts that relate to the Acquired Assets but also relate to other assets of Seller unrelated to the Acquired Assets.

“Permitted Encumbrances” -- means those Encumbrances set forth on Schedule 1.1(b) and any (i) liens for Taxes, assessments, levies, fees and other governmental charges not yet due or which, if due and unpaid, are being contested in good faith and by appropriate proceedings, (ii) all utility easements, licenses or permits crossing any portion of the Main System of a type normally granted in the ordinary course of business by railroads or normally pertaining to railroad properties, (iii) all road crossing agreements or rights of use with or by Governmental Authorities or private parties of the type normally established in the ordinary course of business by railroads, or normally pertaining to railroad properties, (iv) all leases and tenancy agreements having a term, including all renewals and extensions thereof, of one year or less, which do not and will not materially adversely affect the use or occupancy for railroad purposes as presently conducted, (v) rights of reverter, rights of entry and equitable interests, which do not and will not materially affect the use or occupancy for railroad purposes of the real or personal property so encumbered, (vi) easements, licenses, permits, rights of way, or similar rights of others and defects in title, adverse rights, Encumbrances and exceptions which would be disclosed by survey, which in each case, and in the aggregate, do not materially adversely affect Buyer’s ability to conduct railroad and related operations with the Acquired Assets as presently conducted, (vii) gores and gaps in title or continuity of title to the trackage included in the Main System, (viii) leases set forth on Schedule 2.01(a)(iv), (ix) Utility Easements, (x) restrictions related to zoning and subdivision laws and regulations, which do not and will not materially adversely affect the use or occupancy for railroad purposes as presently conducted, (xi) any encumbrance, lien, charge or right related to the prior sale or assignment of the Billboard Agreements, and (xii) Encumbrances to which Buyer specifically agrees in a separate written

agreement with the Seller; provided, however, the term shall in no event include any mortgage, pledge, security agreement, judgment or monetary lien or any other agreement or instrument that will impose any obligation to pay money to any entity or person after the Closing that is not listed on Schedule 1.1(b).

“Plan” -- Any employee pension benefit plan (as defined in Section 3(2) of ERISA) maintained or contributed to by Seller or any ERISA Affiliate of Seller and insured by the Pension Benefit Guaranty Corporation under Title IV of ERISA.

“Power Run Through Agreement” -- The power run through agreement in the form of Exhibit I hereto.

“Preliminary Report” -- As defined in Section 2.04(b)

“PUT Amount” -- As defined in Section 2.04(e).

“PU Tax” -- As defined in Section 2.04(e).

“Purchase Price” -- The sum of US \$.

“Real Property” -- As defined in Section 6.11(a).

“Real Property Interests” -- Leases, easements, licenses, permits, rights-of-way, or other interests in real property other than fee simple title.

“Seller” -- Soo Line Railroad Company, a Minnesota corporation.

“Seller Released Parties” -- As defined in Section 5.06(c).

“Shipper Contracts” -- As defined in Section 2.01(a)(viii).

“STB” -- Surface Transportation Board.

"STB Approval" -- The receipt from the STB of a decision (or decisions) approving or exempting the transactions contemplated hereby as necessary to consummate such transactions and all conditions contained in the STB Approval have been satisfied.

"Taxes" -- All taxes (except for taxes based in whole or in part on the income or revenue of Seller or Buyer, as the case may be), assessments, and other similar charges, general, special, ad valorem, ordinary or extraordinary, whether the same have been paid prior to the Closing Date or are then due or are payable thereafter (in installments or otherwise).

"Third Party Claims" -- As defined in Section 12.04.

"Toxic Substances" -- Any materials which are subject to regulation under the Toxic Substances Control Act ("TSCA"), 15 U.S.C. §§ 2601 et seq., or any other applicable Federal, state or other laws now in force relating to toxic substances. The term "Toxic Substances" includes but is not limited to asbestos, petroleum and derivative products, polychlorinated biphenyls (PCBs) and lead-based paints.

"Transferred Personal Property" -- The personal property set forth on Exhibit J.

"Utility Easements" -- Easement agreements in the form attached hereto as Exhibit L, which will grant to Seller the rights set forth therein over the Main System on the Closing Date.

"WARN Act" -- Worker Adjustment and Retraining Notification Act, 29 U.S.C. §§ 2101 et. seq. and any State of Indiana equivalent law.

1.02 Other Definitional Provisions. Unless otherwise stated, terms, phrases and expressions used in this Agreement (whether or not capitalized) which pertain to railroad operations and service shall have the meaning commonly given such terms under common usage and practice of the railroad industry in 2005. All personal pronouns used in this Agreement shall

include the other genders whether used in the masculine or feminine or neuter gender, and the singular shall include the plural, and vice versa, unless the context otherwise requires. Terms such as "herein", "hereof", "hereby", "hereunder" and "hereinafter" refer to this Agreement as a whole and not to the particular sentence, paragraph or Section where they appear, unless the context otherwise requires. The term "including" shall mean, and shall be interpreted as though such term were, the phrase "including, without limitation," in each place where such term appears. Whenever reference is made to a Section of this Agreement, such reference is to the Section as a whole, including all of the subsections and paragraphs of such Section, unless the reference is expressly made to a particular subsection or paragraph of such Section.

II. SALE AND PURCHASE OF ACQUIRED ASSETS; TRANSFER OF OTHER ACQUIRED RIGHTS.

2.01 Sale and Purchase of Acquired Assets.

2.01(a) Sale and Purchase of Acquired Assets. Subject to the terms and conditions hereof, Seller agrees to sell, transfer, assign, and convey to Buyer, and Buyer agrees to purchase from Seller for the Purchase Price, all right, title and interest of Seller in or to (x) the Main System, and (y) all real and personal property, and other assets, rights, benefits and privileges, both tangible and intangible, located on the Main System, owned, leased, used or held for use by Seller or granted to or purported to be granted to Seller in connection with the operation or use of the Main System (together with the Main System, the "Acquired Assets"), subject in each case only to Permitted Encumbrances; excluding, however, the Excluded Assets. The Acquired Assets consist of:

- (i) the Main System, whether held in fee simple title or otherwise.

(ii) except as provided in Section 2.01(b), all Contracts, including those relating to industry and side track facilities, which relate to the operation or use of the any of the Acquired Assets that are listed and described in Schedule 2.01(a)(ii) hereto, as the same may be updated on the Closing Date, and Immaterial Contracts.

(iii) all operating rail property, including, without limitation, the roadbed, rail, track (including the main track, side tracks, spur tracks, connecting tracks, yard tracks, industry tracks and team tracks), connections, ties, bridges, tunnels, stations, culverts, structures, communications and signal facilities, parking and storage areas, depots, yards, shops, buildings, and all other improvements, fixtures and appurtenances owned, used, held for use or otherwise held by Seller which relate to the operation or use of any of the Acquired Assets.

(iv) all Real Property Interests owned, leased, used or held for use by Seller which relate to the operation or use of any of the Acquired Assets, including those listed on Schedule 2.01(a)(iv) hereto, as the same may be updated on the Closing Date.

(v) all franchises, privileges, licenses and permits conferred, given, owned, acquired, appropriated, used or useful for any purpose which exclusively relate to the operation or use of any of the Acquired Assets.

(vi) all schematics, blueprints, maps, surveys, track drawings, diagrams of railroad plant and structures, working drawings, specifications, engineering records and data, and other technical data and information which exclusively relate to any of the Acquired Assets, in existence and owned or held by Seller.

(vii) all engineering records and other books, papers, files and records which exclusively relate to any of the Acquired Assets in existence and owned or held by Seller.

(viii) those contracts (or portions thereof), agreements, commitments, arrangements or understandings between Seller and any receiver or shipper for the movement of traffic over the Main System which originates and terminates on the Main System (the "Shipper Contracts") set forth on Schedule 2.01(a)(viii), as the same may be updated on the Closing Date. Any contract set forth on Schedule 2.01(a)(viii) indicating a "partial assignment" relates to the portion of such agreement that originates and terminates or moves overhead on the Main System.

(ix) all fuel inventory stored at the Main System on the Closing Date.

(x) the Transferred Personal Property.

2.01(b) Transfer of Other Acquired Rights. Subject to obtaining any necessary consents (which are not a condition to Closing and which Seller has no obligation to obtain), and subject to the terms and conditions hereof, Seller agrees to grant to Buyer, and Buyer agrees to acquire from Seller, rights in or to the following (the "Other Acquired Rights"):

(i) non-exclusive rights to use trackage for interchange purposes only from Linton to Switz City on terms as established by the Interchange Agreement dated December 15, 2000 between Seller and INRD, Amendment No. 1 thereto between Seller and INRD and Amendment No. 2 thereto dated July 22, 2003 between Seller and INRD.

(ii) overhead trackage rights to operate over and use certain trackage of ISRR from Elnora to Maysville on terms as established by the agreement governing Seller's grant of trackage to ISRR, dated April 15, 1993.

(iii) Seller's potential inchoate rights to operate over and use certain trackage of ISRR from Elnora to Evansville, if any, as set forth in the Trackage Rights Agreement between Seller and ISRR, dated April 15, 1993.

(iv) overhead trackage rights to operate over and use certain trackage of ISRR from Beehunter to Sandborn on terms as established by the agreement between Consolidated Rail Corporation and The Milwaukee Road Inc., dated June 28, 1985, as amended.

(v) overhead trackage rights to operate over and use certain trackage of NS from New Albany to Louisville on terms originally set forth in the agreement dated March 1, 1973, by and among The Kentucky & Indiana Terminal Railroad Company, The Baltimore & Ohio Railroad Company, Louisville and Nashville Railroad Company, Southern Railway Company and the Chicago, Milwaukee, St. Paul and Pacific Railroad Company as superseded by the Louisville Terminal Agreement dated July 1, 1981 made by and between the Southern Railway Company and Richard B Ogilvie, Trustee of the Property of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company.

(vi) overhead trackage rights to operate over and use certain trackage of CSX from Bedford to New Albany on terms as established by the agreement between Louisville and Nashville Railroad Company and Chicago, Milwaukee, St. Paul and Pacific Railroad Company, dated July 17, 1973, as amended.

(vii) overhead trackage rights to operate over and use certain trackage of CSX and Union Pacific from Dolton Junction to Woodland Junction on terms as established by the agreement between Seller and CSX, dated November 23, 1988.

(viii) overhead trackage rights to operate over and use certain trackage of CSX from Woodland Junction and Terre Haute, Indiana (connection at Spring Hill) on terms as established by the agreement between Seller and CSX, dated November 23, 1988.

(ix) overhead trackage rights to operate over and use certain trackage of Union Pacific Railroad Company between Dolton Junction and 80th Street, Chicago, on terms established pursuant to the Trackage Rights Agreement between Seller and Missouri Pacific Railroad Company, dated August 23, 1995.

From and after the Closing, the term "Other Acquired Rights" shall only refer to (i) the rights for which consents were received and (ii) if a necessary consent was not obtained, only those rights to the extent transferable; provided, however, regardless of whether a third party provides or does not provide consent, Buyer shall assume all obligations of Seller under the Other Acquired Rights including the obligations of Buyer under the agreements listed in Section 2.01(b)(vi), (vii), (viii) and (ix). Buyer shall use its Best Efforts to obtain all necessary consents to the Other Acquired Rights.

(c) Consents. Nothing in this Agreement or the documents to be executed and delivered at the Closing shall be deemed to constitute an assignment or an attempt to assign any permit, contract or other agreement to which the Seller is a party, if the attempted assignment thereof without the consent of the other party to such permit, contract or other agreement would constitute a breach thereof or affect in any way the rights of the Seller thereunder. If any such consent shall not be obtained at or prior to the Closing, or if an attempted assignment would be ineffective or would adversely affect the Buyer's rights thereunder, the Seller shall cooperate in any arrangement the Buyer may reasonably request (provided that the payment of money to any party by Seller shall not be required unless Buyer shall agree to reimburse Seller therefor) to provide for the Buyer the benefits under such permit, contract or other agreement.

(d) IRPTL. (i) Seller must provide Buyer with a Disclosure Statement pursuant to Ind. Code §§ 13-25-3-1 et seq., Indiana's Responsible Property Transfer Law ("IRPTL"). This Disclosure Statement is required because, to the best of Seller's knowledge, one or more of the following circumstances applies to part or all of the Property: (a) the Property contains a hazardous chemical or material which must be disclosed under the Federal Emergency Planning and Community Right-To-Know Act of 1986; (b) the Property contains underground storage tanks which are or have been utilized to hold petroleum or other regulated substances; and (c) the Property is listed on the Comprehensive Environmental Response, Compensation and Liability Information System.

(ii) Seller has delivered an environmental Disclosure Statement pursuant to Ind. Code §§ 13-25-3-1 et seq. in connection with the transfer of certain Property (as defined in this Agreement). Buyer acknowledges that it is aware that the purpose and intent of the Disclosure Statement is to provide Buyer with information relative to the environmental condition of the Property being transferred. Buyer hereby acknowledges receipt of an environmental Disclosure Statement with respect to the Property and waives the requirement of Ind. Code § 13-25-3-2(b) that such a disclosure document be delivered at least thirty (30) days prior to the conveyance of the Property.

(iii) Buyer shall promptly advise Seller of the names of any lenders to which Seller must deliver the Disclosure Statement.

2.02 Excluded Assets. It is expressly understood and agreed that the Acquired Assets shall exclude the Excluded Assets.

2.03 Purchase Price.

2.03(a) Payment of Purchase Price. The Purchase Price for the Acquired Assets and, to the extent transferred, the grant to Buyer of the Other Acquired Rights, shall be payable from Buyer to Seller at Closing by wire transfer of immediately available funds prior to 11 a.m., Eastern Standard Time, to a bank account to be designated in writing by Seller to Buyer not less than three (3) business days prior to Closing (less the application of any Deposit credited pursuant to Section 5.07, any adjustment for real property taxes pursuant to Section 2.04(c) and any adjustment for the PU Tax pursuant to Section 2.04(e)). Amounts for the Fuel Inventory Adjustment and Transferred Personal Property will be paid pursuant to Sections 2.04(d) and 2.04(f), respectively.

2.03(b) Assumed Obligations. As additional consideration for the Acquired Assets, Buyer shall assume the following obligations and liabilities of Seller (the "Assumed Obligations"):

(i) obligations and liabilities of Seller arising from and after, and attributable to the period commencing on and after, 12:01 a.m. Chicago time on the day immediately following the Closing Date under the Contracts, Immaterial Contracts and Shipper Contracts assigned to Buyer pursuant to Sections 2.01(a)(ii) and 2.01(a)(ix) and all obligations under the Other Acquired Rights whether consent has or has not been provided.

(ii) obligations and liabilities of Seller arising from and after, and attributable to the period commencing on and after, 12:01 a.m. Chicago time on the day immediately following the Closing Date under Real Property Interests assigned to Buyer pursuant to Sections 2.01(a)(iv).

(iii) obligations and liabilities of Seller arising from and after, and attributable to the period commencing on and after, 12:01 a.m. Chicago time on the day immediately following the Closing Date under each of the licenses, permits, approvals, consents, certificates and other authorizations from any and all Governmental Authorities that are assigned to Buyer pursuant to Section 2.01(a)(v).

(iv) obligations of Seller which relate to the ownership or operation of the Acquired Assets attributable to the period commencing on and after 12:01 a.m. Chicago time on the day immediately following the Closing Date arising under statutes, rules, regulations and effective or pending orders of Governmental Authorities.

(v) [Reserved.]

(vi) all real estate Taxes and assessments that Buyer is obligated to assume under Section 2.04(c).

2.04 Adjustments and Prorations.

2.04(a) Items Subject to Adjustment. In order to facilitate the transfer to Buyer of the operation of the Acquired Assets, Buyer and Seller agree to the proration procedures set forth on Exhibit M hereto. If any of the items of proration and adjustment set forth in Exhibit M are not capable of calculation within the time periods provided in Section 2.04(b) because such item (or its amount) (i) is being contested in good faith by appropriate proceedings (other than proceedings between Buyer and Seller) or (ii) is by its nature not capable of calculation within such time periods, then such item of proration and adjustment shall remain open and be adjusted between Buyer and Seller in accordance with this Section 2.04 promptly upon completion of such proceedings or upon such item becoming capable of calculation, as applicable. There will

be no adjustment between the parties for salaries, wages or other employee compensation or benefits, it being the agreement of the parties that (x) Seller will pay or cause to be paid in full salaries, wages and other employee compensation and benefits (including unused vacation pay to the extent required by applicable law) of any Seller employees of the Main System who start their shift prior to 12:01 a.m. Chicago time on the day immediately following the Closing Date and (y) Buyer will pay or cause to be paid in full salaries, wages and other employee compensation and benefits of any Buyer employees of the Main System who start their shift after 12:01 a.m. Chicago time on the day immediately following the Closing Date.

2.04(b) Determination of Adjustment. Within thirty (30) days after the Closing Date (with respect to amounts known on or about such time) (the "Preliminary Adjustment") and within ninety (90) days after the Closing Date (with respect to all other amounts) (the "Final Statement"), Seller shall each time prepare a statement of adjustments to be made to the Purchase Price pursuant to Section 2.04(a). In the event that Seller and Buyer are unable to agree upon the Preliminary Statement and/or the Final Statement within thirty (30) days after receipt of the Final Statement by Buyer, then the amount of the adjustments shall be determined by the Independent Accountant at the end of such thirty (30) day period. The determination by the Independent Accountant shall be conclusive and binding on all parties, and shall be made within sixty (60) days after such adjustments are so submitted. Seller and Buyer shall each pay one-half of the fees and expenses of the Independent Accountant in making such determination. If such adjustments result in a balance due Seller, Buyer shall pay such balance to Seller by certified or bank cashier's check within fifteen (15) days after the date of determination of the Final Statement. If such adjustments result in a balance due Buyer, Seller shall pay such balance to

Buyer by certified or bank cashier's check within fifteen (15) days after the date of determination of the Final Statement.

2.04(c) Real Property Taxes. Buyer assumes and agrees to pay that portion of the real estate Taxes and assessments assessed for and becoming a lien on the Real Property during the calendar year in which Closing occurs as shall be allocable to Buyer after Closing (i.e., prorated to date of Closing), specifically excluding any tax attributable to the Excluded Real Property and the PU Tax. Any real estate Taxes not assumed by Buyer and which are not due and payable at the time of Closing shall be allocated to Buyer as a credit against the Purchase Price at Closing, and Seller shall not be further liable for such real estate Taxes and assessments. If the relevant property tax statements have not been received prior to Closing, the taxes shall be prorated based upon the most recent property tax statements, which proration shall be final and not subject to further adjustment based on receipt of actual property tax statements or any audit.

2.04(d) Adjustment for Fuel Inventory. Buyer and Seller shall jointly measure all fuel inventory stored at the Main System on the day following the Closing Date. Within 60 days following the Closing Date, Buyer shall remit to Seller payment for all such fuel inventory, based on amounts charged for similar grades of fuel by Seller's vendors on the Closing Date.

2.04(e) Adjustment for Indiana Public Utility Tax. Buyer and Seller agree that an amount equal to US \$ (the "PUT Amount") will be allocated amongst them as pro-ration of the public utility tax (the "PU Tax") pursuant to Ind. Code § § 6-1.1-8 et. seq. for taxes assessed in the calendar year in which the Closing occurs. The PUT Amount shall be allocated amongst Buyer and Seller based on the number of calendar days from January 1 to the date the Closing occurs. The PUT Amount reflects the final amount of PU Taxes to be prorated regardless of the

amount actually assessed and such amount will not be subject to further adjustment. If the closing occurs in any year prior to the last day of February (i) the PUT Amount allocable to the portion of the calendar year prior to Closing shall reduce the Purchase Price payable at Closing and (ii) Buyer shall provide all information necessary for the assessment of PUT Taxes and shall pay the PU Taxes for the calendar year in which the Closing occurs. If the Closing occurs in any calendar year on or after March 1, (i) the PUT Amount allocable to the portion of the calendar year after the Closing shall increase the Purchase Price payable at Closing and (ii) Seller shall provide all information necessary for the assessment of PUT Taxes and shall pay the PU Taxes for the calendar year in which the Closing occurs.

2.04(f) Adjustment for Transferred Personal Property. Exhibit J sets forth the categories of Transferred Personal Property and the methodology by which the price for such property is to be calculated. Buyer shall pay Seller the purchase price for the non-consumable items of Transferred Personal Property at Closing for amounts payable to Seller, and where indicated on Exhibit J, shall pay amounts for vehicles to GE Fleet Services. Buyer shall pay Seller for the consumable items of Transferred Personal Property within 30 days after Closing.

2.05 Allocation of Purchase Price. For tax purposes, Buyer and Seller agree the Purchase Price shall be allocated as follows: US \$ to depreciable assets and the remainder of US \$ will be allocated between land and Other Acquired Rights in amounts determined at Closing. The allocation for the Transferred Personal Property shall be the purchase price therefore as set forth in Section 2.04(f). Each party shall file tax returns and other filings and reports for tax purposes in a manner that is consistent with the foregoing allocation and shall not take any position which is inconsistent with such allocation. For financial

statement reporting purposes (FAS 141), Buyer has engaged an independent valuation expert to determine the fair value of the purchased assets; provided such determination shall not effect the foregoing allocation for tax reporting purposes.

III. CLOSING

3.01 Closing Date and Place. The closing of the purchase of the Acquired Assets (the "Closing") shall take place at the office of Leonard, Street and Deinard Professional Association, Minneapolis, Minnesota at 10:00 a.m. local time on or before the fifth business day after the last to occur of (a) the effective date of the STB Order, (b) the expiration or termination of the waiting period specified in the HSR Act, and any extension thereof, if that Act is applicable to the transactions contemplated by this Agreement, and (c) the day on which all other conditions (other than the conditions set forth in Section 9.03 and Section 10.03 of this Agreement, which conditions shall have been satisfied or waived on the Closing Date) to each party's obligations under Articles IX and X have been satisfied or waived as provided therein, or at such other day, time and place as the parties may mutually agree (the "Closing Date").

3.02 Deliveries by Seller. At or prior to the Closing, Seller shall deliver to Buyer the following:

- (i) a duly executed Bill of Sale.
- (ii) a duly executed Assignment and Assumption Agreement.
- (iii) a duly executed quitclaim Deed or Deeds for all real property, easements, rights-of-way and other similar interests in real property being conveyed, and the related Sales Disclosure Forms (in the form required by applicable law).
- (iv) a duly executed Interchange Agreement.

- (v) a duly executed Marketing and Divisions Agreement.
- (vi) duly executed Utility Easements.
- (vii) a duly executed Power Run Through Agreement.
- (viii) a duly executed affidavit that meets the requirements of Treasury Regulation § 1.1445-2(b)(2) and that attests to Seller's non-foreign status.
- (ix) vehicle titles for vehicles included in the Transferred Personal Property, other than those vehicles leased from GE Fleet Services.

3.03 Deliveries by Buyer. At the Closing, Buyer shall deliver to Seller the following:

- (i) the Purchase Price in the manner provided by Section 2.03(a), together with any other amount required by Section 2.04.
- (ii) a duly executed Bill of Sale.
- (iii) a duly executed Assignment and Assumption Agreement.
- (iv) a duly executed Interchange Agreement.
- (v) a duly executed Marketing and Divisions Agreement.
- (vi) duly executed Utility Easements.
- (vii) a duly executed Power Run Through Agreement.
- (viii) duly executed Sales Disclosure Forms (in the form required by applicable law).

The Utility Easements shall be recorded prior to any mortgage of Buyer's interest in the Acquired Assets.

IV. ACCESS TO INFORMATION; CERTAIN RESTRICTIONS

4.01 Buyer's Investigation. To the extent permitted by law, Seller shall, subject to Section 4.02 of this Agreement and at Buyer's sole cost and risk, permit Buyer and its counsel, accountants, consultants, and other authorized representatives and agents, to have reasonable access throughout the period prior to Closing to, and to make such reasonable investigations of (including, without limitation, surveys, structural and engineering investigations and environmental tests, studies and analyses), the assets, liabilities, property records, financial records, surveys, maps, engineering records, leases, contracts, licenses, title information, filings and other records, operations, facilities and properties of Seller relating to the Acquired Assets and the Other Acquired Rights (other than commercially sensitive information as determined by Seller in its reasonable judgment), including Contracts and Shipping Contracts (subject in each case to confidentiality provisions and if so subject, then only in accordance with the terms of such provisions) as Buyer may reasonably deem necessary or advisable in connection with this Agreement and the transactions contemplated hereby; *provided, however*, that Buyer shall give prior written notice of its need for such access and investigations and all such access and investigations shall take place during normal business hours and shall not unreasonably interfere with the normal business of Seller; and *provided further* that Seller shall approve any plan for any sampling of soils or ground waters in advance, which approval Seller will not unreasonably delay or withhold, and Buyer and Buyer's agents shall not communicate with any Governmental Authority concerning the results of any such sampling without Seller's advance written approval.

4.02 Confidentiality of Information.

The Confidentiality Agreement shall survive execution and delivery of this Agreement and Buyer and its representatives shall continue to comply with the terms thereof. In the event this Agreement is terminated, the obligations under the Confidentiality Agreement shall survive for three years after such termination.

V. ADDITIONAL UNDERTAKINGS AND AGREEMENTS

5.01 Removal of Excluded Assets; Proprietary Locks; Emergency Information.

(a) For a period commencing on the Closing Date and ending on the date which is three (3) months thereafter, Buyer shall permit Seller to remove Excluded Assets located on, in or about the Main System. In connection therewith, Buyer shall grant Seller reasonable access during normal business hours and upon reasonable prior notice for the purpose of removing such property during such three (3) month period; provided that such removal or such access does not unreasonably interfere with the normal business of Buyer and provided that Seller, at Seller's expense, shall promptly repair any significant damage resulting from such activities. Any such removal shall be performed in a commercially reasonable manner and without significant damage to any property of Buyer.

(b) For a period commencing on the Closing Date and ending on the date that is three business days thereafter, Buyer shall permit Seller to remove all switch and derail locks and provided that Seller, at Seller's expense, shall promptly repair any significant damage resulting from such activities.

(c) Buyer shall promptly, and no later than seven days after the Closing Date, replace all emergency notification information posted on the Main System, including grade crossings, with its own emergency contact information.

5.02 Post-Closing Access to Certain Records. From and after the Closing,

(i) Buyer will make available to Seller, under reasonable conditions, any records of Seller transferred to Buyer pursuant to this Agreement necessary for Seller's business or tax purposes or the performance of obligations retained by Seller; and

(ii) Seller will cooperate with Buyer to make available to Buyer, under reasonable conditions, any records of Seller that are required by Buyer in the ownership or operation of the Acquired Assets or the performance of obligations assumed by Buyer, subject to any applicable confidentiality agreement.

5.03 WARN Act. Seller shall comply and cause compliance with the provisions of the WARN Act and any other federal, state or local laws regarding "plant closings," "mass layoffs" or similar triggering events, or change of control, with respect to any employment loss (as defined in the WARN Act) to employees employed in operating the Main System that occurs before 12:01 a.m. Chicago time on the day immediately following the Closing Date. Buyer shall comply and cause compliance with the provisions of the WARN Act and any other federal, state or local laws regarding "plant closings," "mass layoffs" or similar triggering events, or change of control, with respect to any employment loss (as defined in the WARN Act) to employees employed in operating the Main System that occurs after 12:01 a.m. Chicago time on the day immediately following the Closing Date.

5.04 Employee Hiring Rights. Seller and Buyer shall reasonably cooperate to assist Buyer with hiring any On-Line Employees Buyer desires to hire at Closing.

5.05 Labor Protection. Both before and after the Closing, Buyer and Seller shall cooperate to mitigate Labor Protection. From and after execution of this Agreement, Buyer and Seller _____ of all Labor Protection resulting from the transactions consummated hereby, irrespective of which party bears the burden of Labor Protection by statute and otherwise.

. Any party incurring Labor Protection shall invoice the other party quarterly for _____ and provide reasonable detail in support therefore; provided that in no event shall Buyer be obligated to pay directly or reimburse Seller,

pursuant to this Section 5.05. Such invoice shall be payable within 60 days after receipt and unpaid amounts shall bear interest at 8% per annum.

5.06. Condition of Property.

(a) If the Closing occurs, Buyer shall conclusively be deemed to have accepted the Real Property, the personal property included in the Acquired Assets and the Other Acquired Rights in their present condition, and such property shall be conveyed at closing to Buyer "AS IS, WHERE IS, WITH ALL FAULTS", as more fully set forth in the introduction to Article VI, but subject to any representations and warranties of Seller in this Agreement or the Operative Documents, and except to the extent of Seller's obligations to indemnify Buyer under Section 12.02A. Seller does not make any representation or warranty with respect to the environmental condition of the Real Property except as set forth in Section 6.11, including with

respect to surface and subsurface environmental conditions, whether latent or patent, the nonexistence of any Hazardous Substances or Toxic Substances, or compliance by the Real Property or Seller with any Environmental Law, the existence of any Environmental Liabilities or habitability or tenantability of the Real Property. This Section 5.06 shall control to the extent inconsistent with respect to any other Section of this Agreement.

(b) Buyer's acceptance of title to the Real Property and the Acquired Assets shall represent Buyer's acknowledgment and agreement that: (i) Seller has not made nor has Buyer relied on any written or oral representation or warranty made by Seller, its agents or employees with respect to the condition or value of the Real Property, the Acquired Assets and the Other Acquired Rights, except as set forth herein; (ii) Buyer has had an adequate opportunity to inspect the condition of the Real Property, the Acquired Assets and the Other Acquired Rights, including without limitation, any environmental testing, and to inspect documents applicable thereto, and Buyer is relying solely on such inspection and testing; and (iii) the condition of the Real Property, the Acquired Assets and the Other Acquired Rights is fit for Buyer's intended use. Except to the extent of Seller's representations and warranties in this Agreement and the Operative Documents, and except with respect to the Environmental Condition of the Real Property, Buyer agrees to accept all risk of existing or future losses, Claims, liability, demands, costs or expenses arising out of or relating to condition of the Real Property, the Acquired Assets and the Other Acquired Rights, known or unknown.

(c) (i) Subject to Section 12.05, effective upon the Closing, and without further act, deed or instrument, Buyer, on behalf of itself and its affiliates, hereby releases Seller, its Affiliates and their successors and their respective officers, directors, shareholders,

employees, agents and servants ("Seller Released Parties") from liability with respect to any existing or future losses, Claims, demands, costs or expenses arising out of or relating to the condition of the Real Property, any personal property included in the Acquired Assets and the Other Acquired Rights, other than with respect to the Environmental Condition of the Real Property.

(ii) Subject to Section 12.05, effective upon the fifth anniversary of the Closing, and without further act, deed or instrument, Buyer, on behalf of itself and its affiliates, hereby releases the Seller Released Parties from all liability with respect to the Environmental Condition of the Real Property and Buyer hereby waives any cause of action (including without limitation any right of contribution) Buyer and its Affiliates had, has or may have against Seller Released Parties with respect to the foregoing, whether arising under common law, or federal, state or local statute, rule or regulation. The foregoing shall apply to any condition or noncompliance with Environmental Law, including any environmental condition, known or unknown, suspected or unsuspected, contemplated or un contemplated or any liability Buyer may incur as a result of Third Party Claims.

5.07 Buyer Deposit. Concurrently with the execution and delivery of this Agreement, Buyer has provided an earnest money deposit of US \$ (the "Deposit") in accordance with the terms of the Escrow Agreement by and among Buyer, Seller and J.P. Morgan Trust Company, National Association, dated the date hereof (the "Escrow Agreement"). At the Closing, Buyer and Seller shall direct the Deposit to be applied to payment of the Purchase Price pursuant to the terms of the Escrow Agreement and both parties acknowledge and agree that

Buyer shall be entitled to all interest earned on the Deposit and shall also be responsible for all risk of loss to the Deposit.

5.08 Financing. Buyer shall use its best efforts to promptly complete all loan documentation required by the commitment letter in effect on the date hereof or such other financing arrangements reasonably acceptable to Buyer and shall seek to have all conditions to funding in such loan documentation satisfied, including obtaining the guaranty of Midland United Corporation and its subsidiaries. Buyer shall promptly seek alternative financing in the event the financing contemplated in the foregoing commitment is not available. Buyer acknowledges that any other financing arrangement with interest rate and maturity terms and covenants competitive with the existing commitment letter is reasonably acceptable to Buyer. Buyer shall keep Seller informed of its efforts to obtain the financing contemplated hereby and any material developments with respect to such financing.

VI. SELLER'S REPRESENTATIONS, WARRANTIES, AND COVENANTS

THE SALE AND PURCHASE AND THE OTHER TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT SHALL BE WITHOUT REPRESENTATION OR WARRANTY OF ANY KIND BY THE SELLER, EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES OF THE SELLER SET FORTH BELOW. WITHOUT LIMITING THE GENERALITY OF THE PRECEDING SENTENCE, THE SELLER DISCLAIMS ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE ASSETS. BUYER AND SELLER AGREE THAT THE REAL PROPERTY. THE PERSONAL PROPERTY INCLUDED IN

THE ACQUIRED ASSETS AND THE OTHER ACQUIRED RIGHTS ARE BEING SOLD "AS IS, WHERE IS". NOTWITHSTANDING ANYTHING CONTAINED IN THIS AGREEMENT TO THE CONTRARY, SELLER MAKES NO REPRESENTATION OR WARRANTY AS TO WHETHER, UPON CONSUMMATION OF THE TRANSACTIONS CONTEMPLATED HEREUNDER THE ACQUIRED ASSETS WILL BE SUFFICIENT FOR BUYER'S PURPOSES. SELLER DOES NOT MAKE, AND EXPRESSLY DISCLAIMS, ANY REPRESENTATION OR WARRANTY REGARDING THE PHYSICAL CONDITION OR MAINTENANCE HISTORY OF THE MAIN SYSTEM, THE REAL PROPERTY, THE PERSONAL PROPERTY INCLUDED IN THE ACQUIRED ASSETS AND THE OTHER ACQUIRED RIGHTS.

Seller represents and warrants to Buyer as of the date hereof and as of the Closing Date as follows:

6.01 Organization and Authority.

(a) Seller is a corporation duly organized and existing and in good standing under the laws of the State of Minnesota. Seller is duly qualified to do business in, and is in good standing under the laws of, each other state in which the ownership or lease of its property or the nature or conduct of its business or both makes such qualification necessary, except where the failure to be so qualified would not have a Material Adverse Effect.

(b) Seller has the corporate power and authority to own, lease and operate the Acquired Assets, to carry on its business related thereto as now conducted.

(c) The execution, delivery and performance by Seller of this Agreement and of all other agreements and instruments called for hereunder, and the consummation by Seller of

the transactions contemplated by this Agreement, and all such other agreements and instruments called for hereunder, have been duly and validly authorized by all necessary action of the board of directors of Seller and by any other necessary corporate or shareholder action of Seller under applicable law, the articles of incorporation and bylaws of Seller and otherwise (none of which actions have been modified or rescinded, and all of which actions are in full force and effect). This Agreement constitutes, and upon execution and delivery each other agreement and instrument called for hereunder will constitute, the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with their respective terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally and subject, as to enforceability, to general principles of equity, including principles of commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

6.02 No Conflicts; Consents of Third Parties. Except for those authorizations, consents, and approvals (i) described in Schedule 6.02, (ii) which have been obtained, or, if not obtained, would not individually or in the aggregate have a Material Adverse Effect, and (iii) with respect to Shipper Contracts (which authorizations, consents and approvals Seller shall not be obligated to obtain), the execution, delivery and performance of this Agreement by Seller will not (a) conflict with the articles of incorporation or bylaws of Seller and will not conflict with, or result in a breach or termination of or constitute a default under, any lease, agreement, commitment, or other instrument other than Immaterial Contracts, or any order, judgment, or decree, to which Seller is bound or to which the Main System or any portion thereof or any of the Acquired Assets is subject, (b) constitute a violation by Seller of any law or regulation applicable

to it, or (c) result in the creation of any Encumbrance upon any of the Acquired Assets. No authorization, consent, or approval of, or designation, declaration or filing with, any Governmental Authority is required on the part of Seller in connection with the execution, delivery, and performance of this Agreement, except as described in Schedule 6.02, except for such actions with respect to Governmental Authorities which if not obtained, will not individually or in the aggregate have a Material Adverse Effect. No representation or warranty is made in this Agreement (including this Section 6.02 or Section 6.09) with regard to consents necessary to transfer Other Acquired Rights, as to whether failure to obtain such consents will or will not have a Material Adverse Effect or as to the status of enforceability, default or any other matter with respect to the Other Acquired Rights.

6.03 Licenses and Permits. Seller has all permits, licenses, franchises, operating authorizations, and approvals from Governmental Authorities necessary to own and operate the Acquired Assets lawfully in all material respects and in the manner in which they are now operated, and none thereof is invalid or in default in any material respect and no proceeding is pending or threatened to revoke or limit any thereof.

6.04 Title to Acquired Assets. Seller owns or otherwise possesses sufficient real and personal property rights and interests (including, without limitation, trackage and operating rights) to carry on the operation and use of the Acquired Assets as now being conducted and used, subject in all cases to the Permitted Encumbrances. To the knowledge of Seller there are no Encumbrances which would affect in any material respect its interest in the Acquired Assets so as to materially and adversely affect Buyer's ability to conduct operations with the Acquired Assets following the Closing as currently conducted or, to the knowledge of Seller with respect

to the Real Property, any Encumbrances which would materially and adversely affect the costs of Buyer to acquire, own, use or operate the Main System .

6.05 Employment and Employee Benefit Matters.

(a) Seller and each ERISA Affiliate of Seller have fulfilled their obligations, if any, under the minimum funding standards of ERISA and the Code with respect to each Plan and are in compliance in all material respects with the applicable provisions of ERISA and the Code, except where such noncompliance would not have a material adverse effect upon the business or operations of Seller or the Acquired Assets or the business, operations, value or use thereof or related thereto. No lien has arisen under ERISA or the Code with respect to any of the Acquired Assets, nor has any event occurred which could give rise to such a lien.

(b) Except as set forth in Section 5.05, Seller shall be solely responsible for all wages, medical and hospitalization benefits, sick pay, vacation pay, sickness and accident benefits, severance benefits, short and long term disability benefits, life insurance (and any other death benefits), pension benefits and other deferred compensation, and any and all other benefits under all employee benefit plans (as that term is defined in Section 3(3) of ERISA), in effect covering one or more of Seller's employees as of or prior to the Closing Date.

(c) Buyer will not have any obligation to participate in or to continue or to contribute to any employee contractual arrangement or employee benefit plan (as that term is defined in Section 3(3) of ERISA) maintained by or for Seller, including, without limitation, pension plans, medical plans, insurance plans, severance plans and welfare plans.

6.06 Litigation. Except as disclosed in Schedule 6.06 attached hereto, there is no action, suit, investigation, claim, arbitration or litigation pending or, to the knowledge of Seller,

threatened against or affecting or involving the Acquired Assets or Other Acquired Rights, or the business, operations, value or use thereof or related thereto or Seller's ability to perform its obligations under this Agreement, or any of the agreements and instruments called for hereunder, at law or in equity, before or by any court, arbitrator or other Governmental Authority which if determined adversely would have a Material Adverse Effect upon the Acquired Assets or Other Acquired Rights, or the business, operations, value or use thereof or Seller's ability to perform such obligations.

6.07 Absence of Certain Changes. Except as set forth on Schedule 6.07, since August 31, 2005 and through the date of this Agreement:

(a) Seller has operated the Acquired Assets in the ordinary course and substantially consistent with past practice.

(b) Seller has not sold, assigned, leased, mortgaged, pledged, granted any interest or right in, or otherwise transferred or disposed of, all or any part of its property rights or operating rights that relate to the Acquired Assets, other than sales or written leases of real and personal property in the ordinary course of business, consistent with Seller's past business practices and with customary practices in the railroad industry.

(c) Seller has not merged or consolidated with or into any other entity or entered into any agreements or undertakings relating thereto.

(d) Seller has not abandoned or discontinued service on all or any part of the rail lines included in the Main System.

6.08 List of Agreements. Schedules 2.01(a)(ii), 2.01(a)(iv) and 2.01(a)(viii), and the contracts referenced in Section 2.01(b), set forth a complete list of all Contracts, Shipper

Contracts and Real Property Interests of Seller, other than Excluded Assets, Immaterial Contracts, agreements addressed in the Marketing and Divisions Agreement, and Overlap Contracts, which relate to the operation of the Acquired Assets, or the Other Acquired Rights and which:

- (i) provide for payments of more than US \$15,000 per year;
- (ii) impose car or other equipment supply obligations;
- (iii) grant demurrage relief to a shipper;
- (iv) impose a construction obligation that would cost more than US \$50,000;
- (v) grant another common carrier the right to use all or any portion of the Main System (including yards(s) and other facilities) or the right to serve industries located on the Main System;
- (vi) grant Seller the right to use all or any portion of the rail line, yard(s) or other facilities of another common carrier which relate exclusively to the Main System;
- (vii) relate to trackage rights, haulage, interchange (other than in Louisville, Kentucky), joint facility, switching and similar agreements which relate to the Main System; or
- (viii) are leases of real property which relate to the Main System.

6.09 Status of Agreements. Except for any breach or default which may result from the assignment of the Contracts, Shipper Contracts or Real Property Interests referred to in Schedules 2.01(a)(ii), 2.01(a)(iv) and 2.01(a)(viii) (collectively, with any contracts assigned which comprise Other Acquired Rights, but excluding any Excluded Assets, the "Assigned Contracts"), pursuant to this Agreement without the consent of the parties to such Assigned Contracts, each of the

Assigned Contracts is presently in full force and effect in accordance with its terms, there has been and is continuing no material breach by Seller of any of the provisions of any of the Assigned Contracts, to the knowledge of Seller, there has been and is continuing no breach by any other party to any of those Assigned Contracts of any of the provisions of any of the Assigned Contracts and no condition exists that, with notice or lapse of time or both, would constitute a default by Seller or, to the knowledge of Seller, any other party to any of those Assigned Contracts.

6.10 Taxes and Assessments. Except for any Taxes, assessments, fees or other charges (including any interest or penalties) that Seller in good faith is contesting or will contest through appropriate proceedings, Seller has paid all Taxes, assessments, fees or other charges (including any interest or penalties) to be paid with respect to the Acquired Assets which are due and payable on and as of the date of this Agreement and shall (subject to any proration required by Section 2.04(c) and 2.04(e)) pay prior to the Closing Date all Taxes, and all such assessments, fees or other charges (including any interest or penalties) which become due on or prior to the Closing Date with respect to periods prior to the Closing Date. In the case of any Taxes, assessments, fees or other charges (including any interest or penalties) that Seller in good faith is contesting or will contest through appropriate proceedings, Seller shall (subject to any proration required by Section 2.04(c) and 2.04(e)) pay such amount as is determined in the proceeding.

6.11 Hazardous Materials.

(a) Except as described in those documents of Seller listed on Schedule 6.11, which documents have been furnished to and reviewed by Buyer, to Seller's knowledge, Seller has not engaged in any operation or activities upon any of the real property (including Real

Property Interests) on the Main System which is being transferred to Buyer pursuant to this Agreement (the "Real Property") for the purpose of, or in any way involving, the handling, manufacture, treatment, processing, storage, use, generation, release, discharge, emission, dumping or disposal of any Hazardous Materials, at, on, or under such Real Property, except in compliance in all material respects with all applicable Environmental Laws. Buyer recognizes that certain of the materials contained in certain assets comprising the Acquired Assets may be or contain Necessary Materials. "Necessary Materials" are Hazardous Substances or Toxic Substances that are inherent in the operation of a rail road, including batteries, creosote in railroad ties, asbestos in building materials, lubricating stations and lead in paint used on bridge and other assets.

(b) Except as described in those documents of Seller listed on Schedule 6.11, to Seller's knowledge there are no underground storage tanks in, on or under the Main System, including any presently owned or operated Real Property.

(c) Seller has provided to Buyer all material third party environmental reports, assessments, audits, and studies in the custody of the Seller's environmental compliance department in Minneapolis, Minnesota which relate exclusively to the Main System.

(d) The representations in this Section 6.11 and Section 2.01(d) are the exclusive representations of Seller with respect to environmental matters, Hazardous Substances, Toxic Substances, Environmental Laws, and any Environmental Liabilities related to the Main System. Seller makes no such representations with respect to the Other Acquired Rights.

VII. BUYER'S REPRESENTATIONS, WARRANTIES, AND COVENANTS

Buyer represents, warrants and covenants to Seller as of the date hereof and as of the Closing Date as follows:

7.01 Organization and Authority.

(a) Buyer is a corporation duly organized and validly existing and in good standing under the laws of the State of Indiana. Buyer is duly qualified to do business in, and is in good standing under the laws of, each other state in which the ownership or lease of its property or the nature or conduct of its business or both makes such qualification necessary, except where the failure to be so qualified would not have a material adverse effect.

(b) Buyer has the corporate power and authority to own, lease and operate the Acquired Assets and to carry on its business as now conducted.

(c) The execution, delivery and performance by Buyer of this Agreement and of all other agreements and instruments called for hereunder, and the consummation by Buyer of the transactions contemplated by this Agreement, and all such other agreements and instruments called for hereunder, have been duly and validly authorized by all necessary action of the of Buyer and by any other necessary corporate action of Buyer under applicable law, the articles of incorporation and bylaws of Buyer and otherwise (none of which actions have been modified or rescinded, and all of which actions are in full force and effect). This Agreement constitutes, and upon execution and delivery each other agreement and instrument called for hereunder will constitute, the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with their respective terms, subject to applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and similar laws affecting creditors' rights and remedies generally and subject, as to enforceability, to general principles of equity, including principles of

commercial reasonableness, good faith and fair dealing (regardless of whether enforcement is sought in a proceeding at law or in equity).

7.02 No Conflicts; Consents of Third Parties. Except for those authorizations, consents, and approvals (i) described in Schedule 7.02 and (ii) which have been obtained, or, if not obtained, would not individually or in the aggregate have a Material Adverse Effect on Buyer, the execution, delivery and performance of this Agreement by Buyer will not (a) conflict with the articles of incorporation or bylaws of Buyer and will not conflict with, or result in a breach or termination of or constitute a default under, any lease, agreement, commitment, or other instrument, or any order, judgment, or decree, to which Buyer is bound or (b) constitute a violation by Buyer of any law or regulation applicable to it. No authorization, consent, or approval of, or designation, declaration or filing with, any Governmental Authority is required on the part of Buyer in connection with the execution, delivery, and performance of this Agreement, except as described in Schedule 7.02.

7.03 Litigation. There is no action, suit, investigation, claim, arbitration or litigation pending, or to the knowledge of Buyer, threatened against or affecting or involving Buyer at law or in equity before or by any court, arbitrator or other Governmental Authority as to which there is a reasonable possibility of an adverse determination that could have a material adverse effect upon the ability of Buyer to perform its obligations under this Agreement or any of the other agreements or instruments called for hereunder.

7.04 Information Provided. Buyer represents and warrants that it is taking full responsibility for making its own evaluation of the physical condition of the Main System, the Real Property, the personal property included in the Acquired Assets and the Other Acquired

Rights. Buyer also represents and warrants that it is making its own evaluation of projected revenues and operating results from the Main System and Seller has not provided any estimates, projections, forecasts, plans, budgets or pro-forma information.

7.05 Financing. Buyer has no reason to believe it cannot obtain financing necessary to pay the Purchase Price and to consummate the transactions contemplated by the current commitment letter or other lenders on commercially reasonable terms. Buyer has received assurances from Midland United Corporation and its subsidiaries that such entities will provide any necessary guaranty of such financing.

VIII. SELLER'S PRECLOSING COVENANTS

Seller covenants and agrees with Buyer as follows:

8.01 Negative Covenants. From the date of this Agreement until the Closing, Seller will not, without the prior written approval of Buyer, which approval will not be unreasonably delayed or withheld do or agree to do any of the following:

(i) Sell, assign, lease, mortgage, pledge, grant any right or interest in, or otherwise transfer or dispose of, all or any part of its real or personal property rights or operating rights which comprise the Acquired Assets (and which are not Excluded Assets), other than sales or leases of real property or personal property, or sales of scrap, obsolete or duplicative property, any of which sales or leases are made in the ordinary course of business and are consistent with Seller's past business practices (and which in any case, or in the aggregate, would not have a Material Adverse Effect);

(ii) Grant any new trackage rights or operating rights or haulage rights over the Acquired Assets;

(iii) Enter into, amend, or renew any Contracts (other than Immaterial Contracts) relating to the Acquired Assets which individually or in the aggregate would have a Material Adverse Effect;

(iv) Abandon all or any part of the rail lines included in the Main System; or

(v) Enter into any agreements with shippers or receivers for movement of traffic which originates and terminates on the Main System, which agreements will be subject to assignment to Buyer hereunder, except for such agreements which are in the ordinary course of business and consistent with the past business practices of Seller.

8.02 Affirmative Covenants.

(a) Pending and prior to the Closing Date, Seller will:

(i) Use reasonable efforts to preserve for Buyer Seller's relationship with suppliers, customers, employees and others having business relations with Seller which relate to the Acquired Assets;

(ii) Operate the Acquired Assets in the normal and usual manner and keep and maintain the Acquired Assets substantially in their present condition, and Seller shall engage in its operations and activities on the Real Property and with respect to the Other Acquired Rights in compliance in all material respects with all Environmental Laws ; provided, however, in the event of inadvertent or accidental non-compliance, Buyer shall still be required to close the transactions contemplated hereby so long as such non-compliance does not result in a Material Adverse Effect.

(b) Seller shall consult with Buyer prior to entering into any Shipper Contracts after the date hereof and prior to the Closing. Buyer designates David Long, Vice President of

Marketing and Sales, as its representative for this purpose. Buyer shall respond to Seller's requests hereunder within five business days.

8.03 Amended Schedules.

(a) On or prior to the Closing Date, Seller shall deliver to Buyer amendments to those schedules to this Agreement which reflect occurrences after the date of this Agreement (which may include third party environmental reports received after the date of this Agreement), and which schedules, as amended, shall supersede the prior schedules.

(b) Seller shall also be permitted to update the schedules within 30 days after the date hereof and within 30 days after the Closing to include Shipper Contracts entered into in the ordinary course of business within 30 days before the date hereof and 30 days before the Closing, as the case may be. Such updated schedules shall be deemed to correct representations and warranties on the date hereof and the Closing Date, as the case may be, and any Shipper Contracts so included on such schedules shall be part of the Acquired Assets.

IX. CONDITIONS PRECEDENT TO BUYER'S OBLIGATION TO CLOSE

The obligations of Buyer to purchase the Main System and the Acquired Assets and to proceed with the Closing are subject, at the option of Buyer, to the satisfaction or waiver at or prior to the Closing of each of the following conditions:

9.01 Representations and Warranties. The representations and warranties of Seller made herein or in any agreement, instrument or document called for hereunder shall have been true and correct when made, and shall be true and correct in all material respects on the Closing Date as though such representations and warranties were made on and as of the Closing Date; and Seller shall have performed and complied in all material respects with all covenants and

agreements required by this Agreement to be performed or complied with by Seller prior to the Closing. No update made to the Schedules pursuant to Section 8.03 hereof, either individually or in the aggregate, will have a Material Adverse Effect on Buyer.

9.02 STB Conditions. The STB Approval shall have been received and become effective. The requirement for STB Approval shall be satisfied even if such approval is conditioned upon any matter imposed on Buyer unless otherwise agreed in writing by Seller in its sole discretion.

9.03 Documents at Closing. Seller shall have delivered to Buyer all agreements, instruments and documents required to be delivered by Seller to Buyer pursuant to Section 3.02. Seller shall have delivered the opinion of Leonard, Street and Deinard, dated as of the Closing Date, substantially in the form attached hereto as Exhibit O, and an opinion of Sidley Austin Brown and Wood LLP, dated as of the Closing Date, substantially in the form of Exhibit P hereto and updated with whatever changes are necessary to reflect the STB Approval or judicial review thereof, and a certificate of Seller signed by the President and Secretary of Seller in the form attached hereto as Exhibit Q.

9.04 Other Governmental Approvals. Any waiting period under the HSR Act shall have expired or been terminated.

9.05 No Governmental Action or Legal Proceedings. As of the Closing Date, no statute, rule, regulation, order, decree, directive, writ or judgment shall have been enacted, adopted, issued, promulgated or rendered by any government or by any Governmental Authority (and not subsequently dismissed, settled, withdrawn or terminated) which would as of the Closing Date (a) prevent the consummation at Closing of or restrain or invalidate the transactions

contemplated by this Agreement, and by each of the other material agreements and instruments called for hereunder, (b) materially interfere with or prohibit the continued effectiveness of such agreements and instruments or (c) prevent, limit, restrict or impair in any material respect the ownership, use or operation of the Acquired Assets by Buyer in the manner and to the extent so owned, used, operated and enjoyed by Seller on the date hereof.

9.06 Contractual Consents. Buyer shall have received the consents and approvals listed on Schedule 9.06, it being understood Seller has no obligation to deliver any consent related to transfer of the Other Acquired Rights (except to the extent reflected on Schedule 9.06) or any other consent noted on the schedules hereto.

9.07 Financing. Buyer shall have obtained financing for the acquisition of the Acquired Assets on terms and conditions consistent with Section 5.08.

9.08 Labor Matters. There shall be no actual strike with respect to the On-Line Employees on the Main System that would prevent Buyer from operating the Acquired Assets (provided if there is such a strike, then the Closing shall be delayed and the Drop Dead Date shall be extended).

X. CONDITIONS PRECEDENT TO SELLER'S OBLIGATION TO CLOSE

The obligations of Seller to sell, transfer, convey and deliver the Acquired Assets and to proceed with the Closing are subject, at the option of Seller, to the satisfaction or waiver at or prior to the Closing of each of the following conditions:

10.01 Representations and Warranties. The representations and warranties of Buyer made herein or in any agreement, instrument or document called for hereunder shall have been true and correct when made, and shall be true and correct in all material respects on the Closing

Date as though such representations and warranties were made on and as of the Closing Date; and Buyer shall have performed and complied in all material respects with all covenants and agreements required by this Agreement to be performed or complied with by Buyer prior to the Closing.

10.02 STB Conditions. The STB Approval shall have been received and become effective. The requirement for STB Approval shall be satisfied even if such approval is conditioned upon any matter imposed on Seller unless otherwise agreed in writing by Buyer in its sole discretion.

10.03 Documents at Closing. Buyer shall have delivered to Seller on or before the Closing Date all agreements, instruments and documents required to be delivered by Buyer to Seller pursuant to Section 3.03. Buyer shall have delivered the opinion of Ice Miller, dated as of the Closing Date, in form attached hereto as Exhibit R hereto, and an opinion of the firm of John Broadley, dated as of the Closing Date, substantially in the form of Exhibit T hereto and updated with whatever changes are necessary to reflect the STB Approval or judicial review thereof, and shall have delivered a certificate of Buyer signed by the President and the Secretary of Buyer in the form attached hereto as Exhibit S.

10.04 Other Governmental Approvals. Any waiting period under the HSR Act shall have expired or been terminated.

10.05 No Governmental Action or Legal Proceedings. As of the Closing Date, no statute, rule, regulation, order, decree, directive, writ or judgment shall have been enacted, adopted, issued, promulgated or rendered by any government or by any Governmental Authority (and not subsequently dismissed, settled, withdrawn or terminated) which would as of the

Closing Date (a) prevent the consummation at Closing of or restrain or invalidate the transactions contemplated by this Agreement, and by each of the other agreements and instruments called for hereunder, or (b) materially interfere with or prohibit the continued effectiveness of such agreements and instruments.

10.06 Contractual Consents. Seller shall have received the consents and approvals listed on Schedule 10.06.

10.07 Crane Naval Station. Seller shall have received evidence that Buyer has taken all necessary steps to serve the Crane Naval Station.

XI. RISK OF LOSS; DEFAULT; TERMINATION

11.01 Risk of Loss. Subject to the limitations hereinafter stated, the risk of loss or damage by fire or other casualty or cause to the Acquired Assets until the Closing shall be upon Seller. In the event of such loss or damage prior to the Closing, Seller shall promptly restore, replace or repair the damaged assets to their previous condition at Seller's sole cost and expense if Seller's reasonable cost estimate to repair such matter is less than US \$, and the Closing Date (and, if necessary, the Drop Dead Date) shall be extended until such repairs are completed by Seller. If Seller's reasonable cost estimate to repair such matter exceeds US \$ and if Seller's reasonable time estimate to repair such matter is greater than thirty (30) days following the Closing Date, the Closing Date (and, if necessary, the Drop Dead Date) shall be extended until such repairs are completed by Seller. If Seller's reasonable cost estimate to repair such matter exceeds US \$ and if Seller's reasonable time estimate to repair such matter is fewer than thirty (30) days following the Closing Date, Buyer shall repair such matter and the Closing shall not be delayed but the Purchase Price shall be reduced by the mutually

agreed upon amount to repair such matters; provided, however, if Seller and Buyer cannot so agree on the estimated amount to repair such matter or the amount by which to reduce the Purchase Price, Buyer shall, after completion of such repairs, submit to Seller the actual costs of such repairs, such invoice shall be payable within 30 days after receipt and such amounts shall bear interest at 8% per annum from the Closing Date to the date of payment of the invoice.

11.02 Termination By Seller.

(a) If (1)(i) Buyer shall default in the performance of Buyer's obligations under this Agreement in any material respect prior to the Closing (and Buyer shall fail to cure such default within twenty (20) days after receipt of written notice thereof from Seller), (ii) Buyer fails to close the transactions contemplated hereby when required by this Agreement, or (iii) as a result of Buyer's action or failure to act, the Closing has not occurred by the Drop Dead Date (or such later time as specified in Section 11.04) and for such reason or reasons this Agreement is not consummated, and (2) Seller shall not then be in default in the performance of Seller's obligations hereunder, Seller shall be entitled: (x) by written notice to Buyer, to terminate this Agreement in its entirety except for the provisions of Section 4.02 and Section 11.06 (which provisions shall survive such termination) and to direct the Deposit to be paid to Seller pursuant to Section 11.03A or (y) to obtain specific performance to compel the transactions contemplated by this Agreement, subject to receipt of all necessary regulatory approvals and, in such event, Buyer waives any claim or defense that Seller has an adequate remedy at law. Such remedies shall be the exclusive remedies for pre-Closing breaches of this Agreement.

(b) Seller may also terminate this Agreement in its entirety, except for the provisions of Section 4.02 and Section 11.06 (which Sections shall survive termination), if the

Closing has not occurred by the Drop Dead Date without any fault by Buyer or Seller, or at such later time set forth in Section 11.04.

11.03 Termination By Buyer. (a) If (1)(i) Seller shall default in the performance of Seller's obligations under this Agreement in any material respect prior to the Closing (and Seller shall fail to cure such default within twenty (20) days after receipt of written notice thereof from Buyer), (ii) Seller fails to close the transactions contemplated hereby when required by this Agreement, or (iii) as a result of Seller's action or failure to act, the Closing has not occurred by the Drop Dead Date (or such later time as specified in Section 11.04) and for such reason or reasons this Agreement is not consummated, and (2) Buyer shall not then be in default in the performance of Buyer's obligations hereunder, Buyer shall be entitled: (x) by written notice to Seller, to terminate this Agreement in its entirety except for the provisions of Section 4.02 and Section 11.06 (which provisions shall survive such termination), and to liquidated damages equal to ten percent of the Purchase Price and to return of the Deposit pursuant to Section 11.03A or (y) to obtain specific performance to compel the transactions contemplated by this Agreement, subject to receipt of all necessary regulatory approvals and, in such event, Seller waives any claim or defense that Buyer has an adequate remedy at law. Such remedies shall be the exclusive remedies for pre-Closing breaches of this Agreement.

(b) Buyer may also terminate this Agreement in its entirety, except for the provisions of Section 4.02 and Section 11.06 (which Sections shall survive termination), if the Closing has not occurred by the Drop Dead Date without any fault by Buyer or Seller or at such later time set forth in Section 11.04.

11.03A Deposit. (a) Buyer shall be entitled to retain the Deposit if this Agreement is terminated pursuant to: (i) Sections 11.03(a), (ii) 11.04 (if Buyer has complied with its obligations under such Section), (iii) as a result of a failure to obtain STB Approval by the Drop Dead Date (provided that Buyer has fulfilled its obligations to attempt to obtain such approval), (iv) as a result of a failure to obtain HSR approval, if necessary, by the Drop Dead Date (provided that Buyer has fulfilled its obligations to attempt to obtain such approval), (v) Section 11.05, (vi) if Seller is unable to proceed with the Closing on or before the Drop Dead Date due to the failure of the conditions precedent set forth in Section 9.01, or (vii) if Seller is unable proceed with the Closing on or before the Drop Dead due to the failure of the condition precedent in Section 9.05 (provided Buyer did not initiate, encourage or participate in the litigation other than as a witness or pursuant to compulsory process).

(b) Seller shall be entitled to retain the Deposit if this Agreement is terminated for any other reason (including failure to obtain financing pursuant to Section 9.07) except those set forth in Section 11.03A(a). Any retention of the Deposit by Seller shall be Seller's sole and exclusive remedy for breach of this Agreement.

11.04 Judicial Review of STB Order. This Agreement may be terminated by either Seller or Buyer upon written notice to the other, if the STB has issued such an Order, but such Order is stayed or enjoined pending judicial review, a final decision approving such Order is not issued and effective within two (2) years following the imposition of such stay. Buyer shall use its best efforts (and Seller shall use its best efforts to cooperate) to prepare and file on a timely basis with the STB a complete and adequate application(s) or petition(s) for authority to acquire and operate the Acquired Assets, the Other Acquired Rights and related transactions as

contemplated by this Agreement, together with any appropriate notices or requests for exemption, and shall cooperate in prosecuting the application(s), petition(s), notices and requests and in defending any petition for revocation before the STB, and in defending on appeal any Order by the STB approving the application(s), petition(s), notices or requests, and in appealing any Order by the STB denying the application(s), petition(s), notices or requests.

11.05 Mutual Agreement. This Agreement may be terminated at any time prior to the Closing Date upon the mutual written agreement of Buyer and Seller.

11.06 Effect of Termination. In the event of the termination of this Agreement as provided in this Article XI, this Agreement shall forthwith become null and void and of no further force or effect, except for provisions that are specifically identified as intended to survive such termination (including Section 4.02 and this Section 11.06).

11.07 Other. Buyer may terminate this Agreement, and in such event the Deposit shall be paid to Seller as Seller's sole remedy for termination of this Agreement pursuant to this Section 11.07, if the following conditions are met: (i) the STB imposes non-labor conditions in conjunction with the STB Approval that Buyer reasonably believes would be material to its operation of the Acquired Assets, (ii) Buyer uses its best efforts to have the STB change or modify such conditions and all applicable appeals have been exhausted, and (iii) Buyer and Seller discuss in good faith for 90 calendar days courses of action which can be undertaken to reduce the impact of such conditions and are unable to reach any agreement. In such event, the Closing shall be delayed and the Drop Dead Date shall be extended until the matters in clause (ii) have been satisfied and the time periods in clause (iii) have expired.

XII. SURVIVAL; INDEMNIFICATION

12.01 Survival of Warranties and Covenants; Limitations.

(a) All representations and warranties made by Seller and Buyer in this Agreement and any Operative Document shall survive the execution and delivery of this Agreement and the Closing and shall remain operative and in full force and effect for a period of one (1) year following the Closing Date, except the representations and warranties in (i) Sections 6.04 (Title to Acquired Assets), 6.05 (Employment and Employee Benefit Matters) and 6.10 (Taxes and Assessments) shall survive for six years from the Closing Date and (ii) Sections 6.01 (Organization and Authority), and 7.01 (Organization and Authority) shall survive indefinitely.

(b) Neither Seller nor Buyer shall have any liability hereunder to each other for a breach of any representation or warranty in this Agreement or the Operative Documents until the amount of Claims (as hereinafter defined) that Seller or Buyer incurs or suffers by reason of or resulting from or in connection with such breaches of representations and warranties by the other exceeds _____ Dollars (US \$ _____) in the aggregate on a cumulative basis and then only to the extent such Claims by reason of or resulting from or in connection with such breaches exceed such amount on a cumulative basis. Breach of the representation and warranty set forth in Section 6.11 is governed by Section 12.02A.

(c) The aggregate amount Seller shall be required to indemnify for breach of representations and warranties under this Agreement or the Operative Documents shall not exceed ten percent of the Purchase price except breaches of representations and warranties set forth in Sections 6.01 (Organization and Authority), 6.04 (Title to Acquired Assets), 6.05 (Employment and Employee Benefit Matters), and 6.10 (Taxes and Assessments) shall not be

subject to the ten percent of Purchase Price limitation set forth above. Breach of the representation and warranty set forth in Section 6.11 is governed by Section 12.02A.

(d) The aggregate amount Buyer shall be required to indemnify for under this Agreement or the Operative Documents shall not exceed ten percent of the Purchase Price except breaches of representations and warranties set forth in Section 7.01 (Organization and Authority) shall not be subject to the ten percent of Purchase Price limitation set forth above.

(e) All covenants made by Buyer and Seller in this Agreement or pursuant hereto which by their terms are specifically intended to be performed from and after the Closing shall survive the Closing.

(f) Any claim for indemnification under this Agreement or the Operative Documents shall be reduced by any insurance payment received by the party claiming indemnification and any tax benefit realized by such indemnity with respect to the matter for which indemnification is sought.

(g) Seller shall not be required to indemnify Buyer for any breach of a representation or warranty of this Agreement or the Operative Documents which Buyer had actual knowledge of prior to the Closing Date as a result of its due diligence investigation or otherwise.

(h) Neither party shall be required to indemnify the other party for punitive, special, exemplary, incidental or consequential damages and each party waives all rights of recovery with respect thereto.

(i) The indemnification set forth in this Article XII shall be the sole and exclusive remedy of the parties against the other for breach of the representations, warranties and covenants of this Agreement and the Operative Documents following the Closing.

12.02 Indemnification by Seller. Subject to the limitations of Section 12.01, and to the conditions and provisions of Sections 12.04 and 12.05, Seller agrees to indemnify, defend and hold harmless Buyer and its Affiliates, for all Claims (hereinafter defined) from, against and with respect to any and all demands, claims, actions or causes of action, suits, proceedings, investigations, assessments, losses, damages, liabilities, costs and expenses, including interest, penalties and attorneys' fees and disbursements, Third Party Claims, and other costs and expenses (collectively, "Claims"), asserted against, imposed upon or incurred by Buyer, by reason of, resulting from, or in connection with (a) any breach of any representation or warranty of Seller contained in this Agreement or the Operative Documents (breach of the representation and warranty in Section 6.11 is governed by Section 12.02A); (b) any noncompliance by Seller with any covenants, agreements or undertakings of Seller contained in this Agreement or the Operative Documents; (c) any liabilities, debts, or other obligations of Seller, or any Affiliates of Seller, or other persons or entities related to Seller, except as specifically assumed by Buyer in Section 2.03(b); and (d) any Claims for bodily injury, personal injury, occupational disease (including asbestosis and hearing loss), employee injuries under the Federal Employers' Liability Act, worker's compensation and property damage arising from occurrences (or that portion of continuing occurrences) prior to the Closing, excluding other matters covered by Section 5.06 and excluding any related Claims for pain and suffering, mental distress, loss of consortium and similar matters and any related Claim for punitive damages.

12.02A Environmental Matters.

(a) Subject to the limitations of Section 12.01(a) (only with respect to the representation in Section 6.11), (e), (f), (g), (h) and (i) and to the conditions and provisions of Sections 12.04 and 12.05, and to Buyer's cost sharing provisions and other limitations under this Section 12.02A, Seller agrees to indemnify, defend and hold harmless Buyer and its Affiliates, from all Identified Claims. "Identified Claims" are Claims (including costs for environmental sampling, remediation or monitoring costs, consulting and engineering fees) (x) related to breach of the representation in Section 6.11, or (y) with respect to events occurring prior to the Closing Date arising out of or relating to non-compliance of the Real Property with Environmental Law, and from all Environmental Liabilities related to the Real Property arising prior to the Closing Date, including without limitation, any environmental contamination, or presence of Hazardous Substances or Toxic Substances and the handling, use, treatment, removal, storage, decontamination, cleanup, transport or disposal thereof, whether any such contamination or Hazardous Substances or Toxic Substances are located on or under the Real Property, or has migrated or will migrate from or to the Real Property, and whether such Claim is the result of the strict liability, negligence or other acts or omissions of Seller; *provided however* Identified Claims shall only include those which result: (i) in a Third Party Claim (other than Claims of governmental authorities) for an Identified Claim for which a complaint is served upon Buyer or Seller prior to the fifth anniversary of the Closing Date, (ii) with respect to Claims of Governmental Authorities having appropriate jurisdiction, those Third Party Claims for Identified Claims for which a complaint is served on Buyer or Seller or a formal regulatory enforcement proceeding is initiated against Buyer or Seller prior to the fifth anniversary of the

Closing Date, (iii) from Claims related to disposal on the Real Property of any Necessary Materials in contravention of Environmental Law used on the Real Property prior to the Closing Date which could not have been discovered by a reasonable visual inspection prior to the Closing Date and for which notice is provided by Buyer to Seller prior to the fifth anniversary of the Closing Date ("Disposal Claims") and (iv) previously unknown Environmental Liabilities existing at the Closing Date discovered during (A) the normal course of railroad operations, (B) construction activities to expand or improve railroad operations, or (C) environmental investigations required by a regulatory agency with appropriate jurisdiction which may reasonably result in the inclusion of the Real Property in a voluntary remediation program and for which notice is provided by Buyer to Seller prior to the fifth anniversary of the Closing Date. Identified Claims do not include any work with respect to the investigation and remediation conducted at the Latta Yard (VRP Site No. 6040501) under the auspices of the Indiana Department of Environmental Management voluntary remediation program ("Latta Yard Work") and any Claim (including Third Party Claims) related to Necessary Materials arising out of events before or after the Closing Date (other than Disposal Claims) or to the extent any such Claim or Third Party Claim would require remediation beyond that which is required in order to continue using the affected property solely for railroad purposes.

(b) With respect to Identified Claims,

(c) Buyer agrees to pay

(d) Notwithstanding anything contained herein to the contrary, Seller shall have at its option the exclusive right to control, manage and undertake any and all future activities related to satisfaction of its obligations related to Identified Claims or Latta Yard Work ("Environmental Activities"). Seller shall, prior to implementing any Environmental Activities, provide to Buyer all scope(s) of work for Environmental Activities prepared by the environmental consultant retained by Seller and shall provide Buyer's environmental consultant a reasonable opportunity (not less than twenty-one (21) days unless a shorter time is specified by Seller in the transmittal of the documents to Buyer in order to comply with the Environmental Laws or a requirement of an environmental regulatory authority with jurisdiction over the matter) to review, comment upon and approve or reject such scope(s) of work as not consistent with

requirements imposed under the Environmental Laws or by an environmental regulatory authority with jurisdiction over the matter. In the event that Seller's environmental consultant and Buyer's environmental consultant cannot resolve jointly, to their mutual satisfaction, any substantive comments made by Buyer's consultant on, or rejection of, such scope(s) of work and agree upon a mutually acceptable scope(s) of work, then Seller's environmental consultant and Buyer's environmental consultant jointly shall select an independent nationally-recognized third environmental consultant, which third environmental consultant shall evaluate the matter and disagreement between Buyer's and Seller's environmental consultants and shall prepare a scope(s) of work consistent with requirements imposed under such Environmental Laws or by such environmental regulatory authority which shall be dispositive. Seller and Buyer shall be solely responsible for any and all costs, expenses and fees of their respective environmental consultants, including those incurred in connection with reviewing, commenting, approving or rejecting any scope(s) of work, and selecting a third environmental consultant. Buyer and Seller shall share equally the costs, expenses and fees of the third environmental consultant in preparing the dispositive scope(s) of work. Within ten (10) days of receipt thereof, Buyer and Seller shall provide one another copies of all correspondence and documents submitted to or received by either of them from any environmental regulatory authority with jurisdiction over any Identified Claim or Latta Yard Claim.

(e) Seller shall have sole authority to determine whether it wishes to pursue any recovery from a third party for which it indemnifies all or part of costs under this Section 12.02A. Except as provided in subsection (f) below, all costs incurred in pursuing such recoveries, and all proceeds of such recoveries, shall be to the sole cost and benefit of Seller

unless Buyer agrees at the outset of the third-party recovery action to assume the portion of all costs in proportion to its payments made in connection with the related Identified Claims and Latta Yard Work, and, in that case, any recovery will be allocated to the parties in proportion to the costs borne by that party in that third-party recovery action. Further, each party shall cooperate with any reasonable requests of the other party in a third-party recovery action.

(f) Should Buyer wish to pursue a judicial or administrative proceeding or third-party recovery action for Identified Claims or Latta Yard Work or other payments with respect to which Seller does not wish to pursue, Buyer may pursue such third party recovery action at its own cost. In such event, all recoveries shall be for the account of Buyer.

(g) Amounts due under this Section 12.02A shall be due 30 days after invoice. Over due amounts shall bear interest at 8% per annum.

12.03 Indemnification by Buyer. Subject to the limitations of Section 12.01 and to the conditions and provisions of Sections 12.04 and 12.05, Buyer agrees to indemnify, defend and hold harmless Seller and its Affiliates, for all Claims asserted against, imposed upon or incurred directly or indirectly by Seller , by reason of or resulting from, or in connection with (a) any breach of any representation or warranty of Buyer contained in this Agreement or the Operative Documents; (b) any noncompliance by Buyer with any covenants, agreements or undertakings of Buyer contained in or made pursuant to this Agreement or the Operative Documents; (c) any claims related to operation of the Acquired Assets and Other Acquired Rights after the Closing Date, (d) any failure to timely pay, perform or discharge any Assumed Obligation, (e) any Claim, including Third Party Claims, arising out of or relating to the condition of the Real Property, the Acquired Assets and the Other Acquired Rights (other than that related to the Environmental

Condition of the Real Property or the Other Acquired Rights) that arose before or after the Closing, and whether such Claim is the result of the strict liability, negligence or other acts or omissions of Seller, (f) Identified Claims and Latta Yard Work, to the extent of Buyer's obligations under Section 12.02A, (g) any Claim related to Necessary Materials, whether related to events before or after the Closing, including whether such Claim is the result of the strict liability, negligence or other acts or omissions of Seller but excluding any Disposal Claim and, (h) any Claim, including Third Party Claims, related to any specific parcel of real property sold by Buyer to a third party for non-railroad use, including whether such Claim is the result of the strict liability, negligence or other acts or omissions of Seller.

12.04 Conditions of Indemnification. The obligations and liabilities of Seller and of Buyer hereunder with respect to their respective indemnities pursuant to this Article XII, resulting from any claim or other assertion of liability by third parties (hereinafter called collectively, "Third Party Claims"), shall be subject to the following terms and conditions:

(a) The party seeking indemnification (the "Indemnified Party") must give the other party (the "Indemnifying Party") written notice of any such Claim within ninety (90) days after the Indemnified Party receives notice thereof, but failure to give notice in such period shall only relieve the Indemnifying Party of its indemnity obligations if and to the extent the delay materially prejudices the defense of such Claim.

(b) The Indemnifying Party shall have the right to undertake, by counsel or other representatives of its own choosing and reasonably acceptable to the Indemnified Party, the defense of such Claim at the Indemnifying Party's cost and risk.

(c) In the event that the Indemnifying Party shall elect not to undertake such defense, or within a reasonable time after notice of any such Claim from the Indemnified Party shall fail to defend, the Indemnified Party (upon further written notice to the Indemnifying Party) shall have the right on behalf of and for the account and risk of the Indemnifying Party to undertake the defense, compromise or settlement of such Claim by counsel or other representatives of the Indemnified Party's own choosing. In such event, the Indemnifying Party shall pay to the Indemnified Party, in addition to any other sums required to be paid hereunder, the costs and expenses incurred by the Indemnified Party in connection with such defense, compromise or settlement as and when such costs and expenses are so incurred.

(d) Anything in this Section 12.04 to the contrary notwithstanding, (i) if there is a reasonable probability that a Claim may materially and adversely affect the Indemnified Party, the Indemnified Party shall have the right, at its own cost and expense, to participate in the defense, compromise or settlement of the Claim, (ii) the Indemnifying Party shall not, without the Indemnified Party's written consent, settle or compromise any Claim or consent to entry of any judgment which does not include as an unconditional term thereof the giving by the claimant or the plaintiff to the Indemnified Party of a release from all liability in respect of such Claim in a form reasonably satisfactory to the Indemnified Party, (iii) in the event that the Indemnifying Party undertakes defense of any Claim, the Indemnified Party, by counsel or other representative of its own choosing and at its sole cost and expense, shall have the right to consult with the Indemnifying Party and its counsel or other representatives concerning such Claim and the Indemnifying Party and the Indemnified Party and their respective counsel or other representatives shall cooperate with respect to such Claim, and (iv) in the event that the

Indemnifying Party undertakes defense of any Claim, the Indemnifying Party shall have an obligation to keep the Indemnified Party informed of the status of the defense of such Claim and furnish the Indemnified Party with all documents, instruments and information that the Indemnified Party shall reasonably request in connection therewith. Notwithstanding the foregoing, in the event the Indemnifying Party undertakes the defense of any Claim, the Indemnified Party shall have the right to employ its own counsel at the Indemnified Party's expense if the Indemnified Party shall have reasonably concluded and specifically notified the Indemnifying Party that there may be one or more specific defenses available to it which are different from or additional to those available to the Indemnifying Party.

12.05 Other Indemnity Matters. The indemnities contained in Sections 12.02 and 12.03 shall be continuing (except that as to representations and warranties, the indemnity shall expire on the date the relevant representation and warranty ceases to survive pursuant to Section 12.01(a)); provided, however, that with respect to any claim for indemnification for which notice has been given to the Indemnifying Party within the period that the relevant representation and warranty survives, the indemnification period shall be extended until the final resolution of such claim.

XIII. MISCELLANEOUS

13.01 Consents and Filings.

(a) Each of the parties hereto shall give or cause to be given all required notices and use its best efforts to obtain as soon as practicable after execution hereof, and prior to Closing, all licenses, permits, consents, waivers, approvals, authorizations, qualifications and orders of Governmental Authorities relating to the Acquired Assets as may be required or desired

in order to enable Buyer and Seller to perform their respective obligations under this Agreement, and each of the agreements and instruments called for hereunder, including, without limitation (i) required or desired approvals or actions, if any, by the STB with respect to Seller's sale and Buyer's purchase of the Acquired Assets, (ii) filings, notifications and consents, if any, required under certain state laws for Buyer's acquisition of the Acquired Assets, and (iii) any such filings or notification as may, from time to time, be required under the Hart-Scott-Rodino Antitrust Improvements Act; provided that except as mutually agreed by the Parties all required filings and notices shall be made no later than thirty (30) days from the date of this Agreement. Buyer and Seller shall cooperate and use their best efforts to respond as promptly as practicable to all inquiries received from the STB or other federal or state agencies for initial or additional information or documentation.

13.02 Additional Actions and Documents. At or after the Closing, and without further consideration, Seller, at the expense of Buyer, will execute and deliver such further instruments of conveyance, assignment and transfer and take such other reasonable actions as Buyer may reasonably request in order to convey, assign and transfer to Buyer any of the Acquired Assets.

13.03 Brokers. Each party represents and warrants to the other that such party has not incurred any liability to any broker, finder or agent for any brokerage fees or commissions or finders' fees or commissions with respect to the transactions contemplated by this Agreement which will be a direct or indirect obligation of the other party hereto. Each party agrees to indemnify, defend and hold harmless the other party from and against any and all claims asserted against the other party for any such fees or commissions claimed by any persons purported to act

or to have acted for on or behalf of the indemnifying party. The provisions of this Section 13.03 shall survive the Closing.

13.04 Expenses. All deed taxes, transfer taxes, sales taxes, use taxes and similar charges in connection with the transactions contemplated hereunder (excluding items of tax based in whole or in part on the income of Seller or based on any gain from the transactions contemplated hereby) shall be paid by Buyer. Except as set forth in the immediately preceding sentence or as otherwise expressly provided herein, each party hereto shall pay its own expenses incident to this Agreement and the transactions contemplated hereunder, including all legal and accounting fees and disbursements, regulatory filing fees and costs of obtaining necessary consents.

13.05 Waiver. No delay or failure on the part of any party hereto in exercising any right, power or privilege under this Agreement, or under any other agreements or instruments given in connection with or pursuant to this Agreement shall impair any such right, power or privilege or be construed as a waiver of default or any acquiescence therein.

13.06 Successors and Assigns. This Agreement shall be binding upon, and inure to the benefit of, the respective successors and permitted assigns of the parties.

13.07 Assignment. No party shall assign this Agreement, in whole or in part, whether by operation of law or otherwise, without the prior written consent of the other parties hereto; *provided that* prior to the Closing INRD may assign its rights hereunder to a subsidiary of Midland United Corporation and may make a collateral assignment to its present and future lenders; *provided further that* such assignee shall assume INRD's obligations hereunder by an instrument in form and substance satisfactory to Seller but such assignment and assumption shall not relieve INRD of any obligation hereunder.

13.08 Notices. All notices, demands, requests, or other communications which may be or are required to be given, served, or sent by any party to any other party pursuant to this Agreement shall be in writing and shall be mailed by a recognized overnight courier service, by first-class, registered or certified mail, return receipt requested, postage prepaid, or transmitted by hand delivery, or telegram, or facsimile transmission, addressed as follows:

(i) If to Seller:

Soo Line Railroad Company
c/o Dave Craig
General Manager, Business Development
Canadian Pacific Railway
401 9th Avenue S.W.
5th Floor, Gulf Canada Square
Calgary, Alberta T2P 4Z4
Facsimile No.: (403) 205-9142

with a copy to:

Paul Guthrie, Esq.
Canadian Pacific Railway
401 9th Avenue S.W.
5th Floor, Gulf Canada Square
Calgary, Alberta T2P 4Z4
Facsimile No.: (403) 205-9000

(ii) If to Buyer:

c/o Thomas G. Hoback, President
101 W. Ohio Street, Suite 1600
Indianapolis, Indiana 46204
Facsimile No.: (317) 262-3314

with a copy to:

John Thornburgh, Esq.
Ice Miller
One American Square
Box 82001
Indianapolis, Indiana 46282

Facsimile No.: (317) 592-4783

Each party may designate by notice in writing a new address to which any notice, demand, request or communication may thereafter be so given, served or sent. Each notice, demand, request or communication which shall be mailed, delivered or transmitted in the manner described above shall be deemed sufficiently given, served, sent and received for all purposes at such time as it is delivered to the addressee (with the return receipt, the delivery receipt or the affidavit of messenger being deemed conclusive, but not exclusive, evidence of such delivery) or at such time as delivery is refused by the addressee upon presentation.

13.09 Announcements. Buyer and Seller shall consult with one another with regard to all press releases and other announcements issued at or prior to Closing concerning the transactions contemplated by this Agreement except as necessary as a result of public disclosure requirements under applicable laws or the applicable rules and regulations of any Governmental Authority or stock exchange, neither Buyer nor Seller shall issue prior to Closing any such press releases or other announcement or publicity without the prior written consent of the other party hereto.

13.10 Entire Agreement. This Agreement, including the Exhibits hereto and other instruments and documents referred to herein or delivered pursuant hereto or in connection herewith, and the Confidentiality Agreement represents the entire understanding of the parties hereto, supersedes all prior oral or written memoranda and agreements between the parties with respect to the subjects herein, and may not be supplemented or amended, except by a written instrument executed by and delivered to each of the parties hereto designating specifically the terms and provisions so supplemented and amended.

13.11 Headings. Article, section and subsection headings contained in this Agreement are inserted for convenience of reference only, shall not be deemed to be a part of this Agreement for any purpose, and shall not in any way define or affect the meaning, construction or scope of any of the provisions hereof.

13.12 Conflicting Terms. In the event that any of the terms or provisions of this Agreement violate, conflict with or are inconsistent with any of the terms or provisions of any of agreements and instruments referred to herein or delivered pursuant hereto or in connection therewith, the terms and provisions of those agreements shall govern and control for all purposes thereunder and hereunder.

13.13 Limitation on Benefits. Nothing herein is intended to be for the benefit of any person or entity other than the parties hereto. It is the explicit intention of the parties hereto that no person or entity other than the parties hereto is or shall be entitled to bring any action to enforce any provision of this Agreement against any of the parties hereto, and the assumptions, indemnities, covenants, undertakings and agreements set forth in this Agreement, and all other documents or instruments called for hereunder shall be solely for the benefit of, and shall be enforceable only by, the parties hereto or their respective successors, legal representatives and assigns as permitted hereunder.

13.14 Severability. If fulfillment of any clause or provision of this Agreement or performance of any transaction related thereto, at the time such fulfillment or performance shall be due, shall involve transcending the limit of validity prescribed by law, then the obligation to be fulfilled or performed shall be reduced to the limit of such validity; and if any clause or provision contained in this Agreement operates or would operate prospectively to invalidate any

Agreement, in whole or in part, then such clause or provision only shall be held ineffective, as though not herein or therein contained, and the remainder of this Agreement shall remain operative and in full force and effect.

13.15 Intentionally Omitted.

13.16 Execution. To facilitate execution, this Agreement may be executed in as many counterparts as may be required; and it shall not be necessary that the signatures of, or on behalf of, each party, or the signatures of all persons required to bind any party, appear on each counterpart; but it shall be sufficient that the signature of, or on behalf of, each party, or the signatures of the persons required to bind any party, appear on one or more of the counterparts. All counterparts shall collectively constitute a single agreement. It shall not be necessary in making proof of this Agreement to produce or account for any particular number of counterparts; but rather any number of counterparts shall be sufficient so long as those counterparts contain the respective signatures of, or on behalf of, all of the parties hereto. Signatures delivered by facsimile shall be binding to the same extent as an original.

13.17 Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the law of the State of Indiana applicable to agreements made and to be performed in Indiana. Subject to the provisions of Section 13.18, the courts of the States of Minnesota and Indiana and the United States District Courts for Minnesota and Indiana shall have exclusive jurisdiction over the parties with respect to any dispute or controversy between them arising under or in connection with this Agreement and, by execution and delivery of this Agreement, each of the parties to this Agreement submits to the jurisdiction of those courts, including the in personam and subject matter jurisdiction of those courts, waives any objection to

such jurisdiction on the grounds of venue or forum non conveniens, the absence of in personam or subject matter jurisdiction and any similar grounds, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement. These consents to jurisdiction shall not be deemed to confer rights on any person other than the parties to this Agreement.

13.18 Arbitration.

(a) Initial Meeting. In the event that there is a dispute arising out of or relating to this Agreement or the Operative Documents, the parties shall attempt in good faith to resolve such disputes promptly by negotiation between the parties. Any party may give the other parties written notice that a dispute exists (a "Notice of Dispute"). The Notice of Dispute shall include a statement of such party's position. The parties shall meet at a mutually acceptable time and place to attempt to resolve the dispute. All documents and other information or data on which each party relies concerning the dispute shall be furnished or made available on reasonable terms to the other party at or before the first meeting of the parties as provided by this Section 13.18(a). If the dispute is not resolved within 30 days of delivery of the Notice of Dispute, either party may refer the matter to arbitration.

(b) Binding Arbitration. Any controversy or claim arising out of or relating to this Agreement or any Operative Document, the breach, termination or validity thereof, or the transactions contemplated herein (including any question arising as to whether or not any dispute falls within the terms of this Section or the selection of arbitrators) if not settled by negotiation as provided in Section 13.18(a) shall be settled by binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, as modified herein, by three arbitrators, with each party selecting one arbitrator and the two so selected shall select a

third (and if they are unable to agree, such third arbitrator shall be appointed by the AAA). The arbitration shall be governed by the Federal Arbitration Act (9 U.S.C. §§ 1 et seq.), and judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. The arbitration shall be conducted in Chicago, Illinois.

(c) Discovery. The parties hereto shall have discovery rights as provided by the Federal Rules of Civil Procedure.

(d) Arbitration Costs. The parties hereto shall bear their own costs in connection with the arbitration and shall share equally the fees and expenses of the arbitrators.

(e) Enforcement of Awards. The parties hereto shall agree that any legal proceeding instituted to enforce an arbitration award hereunder will be brought in a court of competent jurisdiction (either state or federal) as set forth in Section 13.17 and hereby submit to personal jurisdiction therein and irrevocably waives any objection as to venue therein, and further agree not to plead or claim in any such court that any such proceeding has been brought in an inconvenient forum.

(f) Equitable Relief. Nothing herein shall be construed to prevent any party from seeking equitable relief in any court of competent jurisdiction to compel specific performance or restrain or prohibit any breach or threatened breach of any covenant of the parties set forth in this Agreement or any Operative Document, whether or not the parties have first sought to resolve the dispute through negotiation or arbitration pursuant to this Section 13.18.

(g) Joinder. Each party shall be entitled to include, by consolidation, joinder or in any other manner other persons substantially involved in a common question of fact or law whose presence is required if complete relief is to be accorded in arbitration. Notwithstanding

anything else contained herein to the contrary, arbitration shall not be required by any party hereto and no party shall be required to submit any matter to arbitration hereunder, unless such arbitration includes by consolidation or joinder or in any other manner, all parties reasonable and necessary to the full, fair, final and complete resolution of the claim or controversy.

13.19 Specific Performance. The parties hereto agree that irreparable damage would occur in the event that any provisions of this Agreement were not performed in accordance with their specific terms. Except as provided for in Section 11.07, it is accordingly agreed that the parties shall be entitled to an injunction or injunctions to enforce specifically the performance of this Agreement in accordance with its terms. Except as otherwise provided in this Agreement (including Section 11.07), the foregoing is in addition to, and not in lieu of, any other rights a party hereto may have in respect of a breach of this Agreement, whether at law or in equity.

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement or has caused this Agreement to be duly executed on its behalf, as of the day and year first above written.

SOO LINE RAILROAD COMPANY

By: _____
Its: _____

THE INDIANA RAIL ROAD COMPANY

By: Thomas S. Hoback
Its: President + CEO

IN WITNESS WHEREOF, each of the parties hereto has executed this Agreement or has caused this Agreement to be duly executed on its behalf, as of the day and year first above written.

SOO LINE RAILROAD COMPANY

By: Chas. M. Tuttle
Its: Vice President - Corporate

THE INDIANA RAIL ROAD COMPANY

By: _____
Its: _____

EXHIBIT INDEX

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Sidley Austin Brown and Wood Opinion	P
Seller Officer's Certificate	Q
Ice Miller Legal Opinion	R
Buyer Officer's Certificate	S
John Broadley Opinion	T

INDY 1649490v.1

EXHIBIT A
MAIN SYSTEM MAP

See Attached.

Deed 1 - EXHIBIT A

Vigo County

**BETWEEN FAYETTE, INDIANA, & BELT JCT., INDIANA VALUATION SECTIONS
INDIANA 1-A & 1-A-1**

Between Fayette and Belt Jct., State of Indiana, County of Vigo, more particularly described as follows:

Commencing at the west line of the E 1/2 SW 1/4 SW 1/4, Section 20, Township 13 North, Range 9 West, approximately at Milepost 170.00, also known as Railroad Engineer's Survey Station 158+34, and extending in a southerly direction a distance of approximately 12.03 miles in and through the County of Vigo and terminating at a point approximately 83 feet northerly of (as measured along the centerline of the main track) the south line of the SE 1/4 SE 1/4, Section 3, Township 11 North, Range 9 West, also known as Milepost 181.96, and additionally known as Railroad Engineer's Survey Station 208+80, all of which is more particularly described on right-of-way and track maps designated V.IND.1-A/1 and V.IND.1-A-1/1, 2, and 3, all of which are made a part hereof by reference.

Deed 2 - EXHIBIT A
Vigo County

TERRE HAUTE, INDIANA, VALUATION SECTION INDIANA 1-B

The Grantor's West Belt spur track in Terre Haute, Vigo County, Indiana, commencing at the point of switch on the Grantor's main line track approximately 410.9 feet northerly of (as measured along the centerline of the Grantor's main line track) the south line of section 34, Township 12 North, Range 9 West, also known as Railroad Engineer's Survey Station 152+29=0+00, and extending in a westerly direction a distance of approximately 1.77 miles in and through the City of Terre Haute, Vigo County, Indiana, and terminating at the Southeast Street line of Vicennes Road, said point begin approximately Railroad Engineer's Survey Station 93+78, all of which is more particularly described on the right of way and track map designated V.IND.1-B/2a, which map is made a part hereof by reference.

PROPERTY EXCEPTED

EXCEPTING, HOWEVER, all that part of the Grantor's real property in the NE¼ SW¼, Section 34, Township 12 North, Range 9 West in the City of Terre Haute, Indiana lying northerly of a line parallel with and distant 25 feet northerly of the center line of Grantor's West Belt Spur track.

Deed 3 - EXHIBIT A

Vigo, Sullivan, Clay, Green and Daviess Counties, Indiana

**BETWEEN TERRE HAUTE, INDIANA, & ELNORA, INDIANA VALUATION SECTION
INDIANA 1-B**

Between Terre Haute and Elnora, State of Indiana, Counties of Vigo, Sullivan, Clay, Greene, and Daviess, more particularly described as follows:

Commencing at a point on the centerline of the Grantor's main track (formerly the Chicago, Milwaukee, St. Paul and Pacific Railroad Company main track) where it intersects the North Line of College Avenue approximately 33 feet north of the north line of the NW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 27, Township 12 North, Range 9 West, also known as Milepost 179.4, at approximately Railroad Engineer's Survey Station 74+18, and extending in a southerly direction a distance of approximately 44.61 miles in and through the Counties of Vigo, Sullivan, Clay, Greene, and Daviess, and terminating at the intersection with the centerline of the main track of Indiana Southern Railroad (formerly Consolidated Rail Corporation main track) approximately 640 feet northwesterly of (as measured along the centerline of Grantor's main track) the south line of the NE $\frac{1}{4}$ SW $\frac{1}{4}$, Section 9, Township 5 North, Range 6 West, also known as Milepost 224.01, and additionally known as Railroad Engineer's Survey Station 2429+51.3, all of which is more particularly described on right-of-way and track maps designated V.IND.1-B/1, 2, 2-A, 3 through 8, 8a, and 9 through 12, inclusive, and on station maps V.IND.1-B/S-1a, S1b, S-1c, S-1d, and S-2 (Terre Haute), V.IND.1-B/S-3 (Keller), V.IND.1-B/S-7a (Coalmont), V.IND.1-B/S-7b (Jasonville), V.IND.1-B/S-8 (Latta), and V.IND.1-B/S-10 (Linton), all of which are made a part hereof by reference.

Deed 4 - EXHIBIT A
Greene and Sullivan Counties

BETWEEN LATTA & HAWTON, INDIANA VALUATION SECTION
INDIANA 1-C-2 & 1-C-4

Between Latta and Hawton, State of Indiana, in the Counties of Greene and Sullivan, more particularly described as follows:

Commencing at a point on the centerline of the main track of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company approximately 1013.3 feet south of the north line of the NE $\frac{1}{4}$ SW $\frac{1}{4}$, Section 9, Township 8 North, Range 7 West, also known as MP 0.00, and additionally known as Railroad Engineer's Survey Station 0+00, and extending in a westerly direction a distance of approximately 8.09 miles in and through the Counties of Greene and Sullivan and terminating 555.7 feet west of the east line of the SE $\frac{1}{4}$ SW $\frac{1}{4}$, Section 17, Township 8 North, Range 8 West, also known as MP 8.09, and additionally known as Railroad Engineer's Survey Station 427+25.3, all of which is more particularly described on right-of-way and track maps designated V.IND.1-C-2/1 and V.IND.1-C-4/1 and 2, all of which are made a part hereof by reference.

Deed 5 - EXHIBIT A
Daviess, Martin and Lawrence Counties

BETWEEN ELNORA, INDIANA, & BEDFORD, INDIANA VALUATION SECTIONS
INDIANA 1-D & 1-E

Between Elnora and Bedford, State of Indiana, in the Counties of Daviess, Martin, and Lawrence, more particularly described as follows:

Commencing at a point on the centerline of the Grantor's main track (formerly the main track of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company) at the intersection with the centerline of the main track of Indiana Southern Railroad Company (former Consolidated Rail Corporation main track) approximately +640 feet northwesterly of (as measured along the centerline of the Grantor's main track) the south line of the NE $\frac{1}{4}$ SW $\frac{1}{4}$, Section 9, Township 5 North, Range 6 West, also known as Milepost 224.01, and additionally known as Railroad Engineer's Survey Station 2429+51.3, and extending in an easterly direction a distance of approximately 38.32 miles in and through the Counties of Daviess, Martin, and Lawrence and terminating at the connection with the CSX Railroad (formerly track of the Louisville and Nashville Railroad) at a point approximately 140 feet northwesterly of (as measured along the centerline of the main track of the CSX Railroad) the north line of Twelfth Street in the Town of Bedford, Lawrence County, Indiana, in the SE $\frac{1}{4}$, Section 14, Township 5 North, Range 1 West, also known as Milepost 262.34, and additionally known as Railroad Engineer's Survey Station 8+49.

All of which is more particularly described on right-of-way and track maps designated V.IND.1-D/1 through 10, inclusive, and V.IND.1E/1, and on station maps V.IND.1-D/S-1 (Elnora), and V.IND.1D/S-3 (Crane),

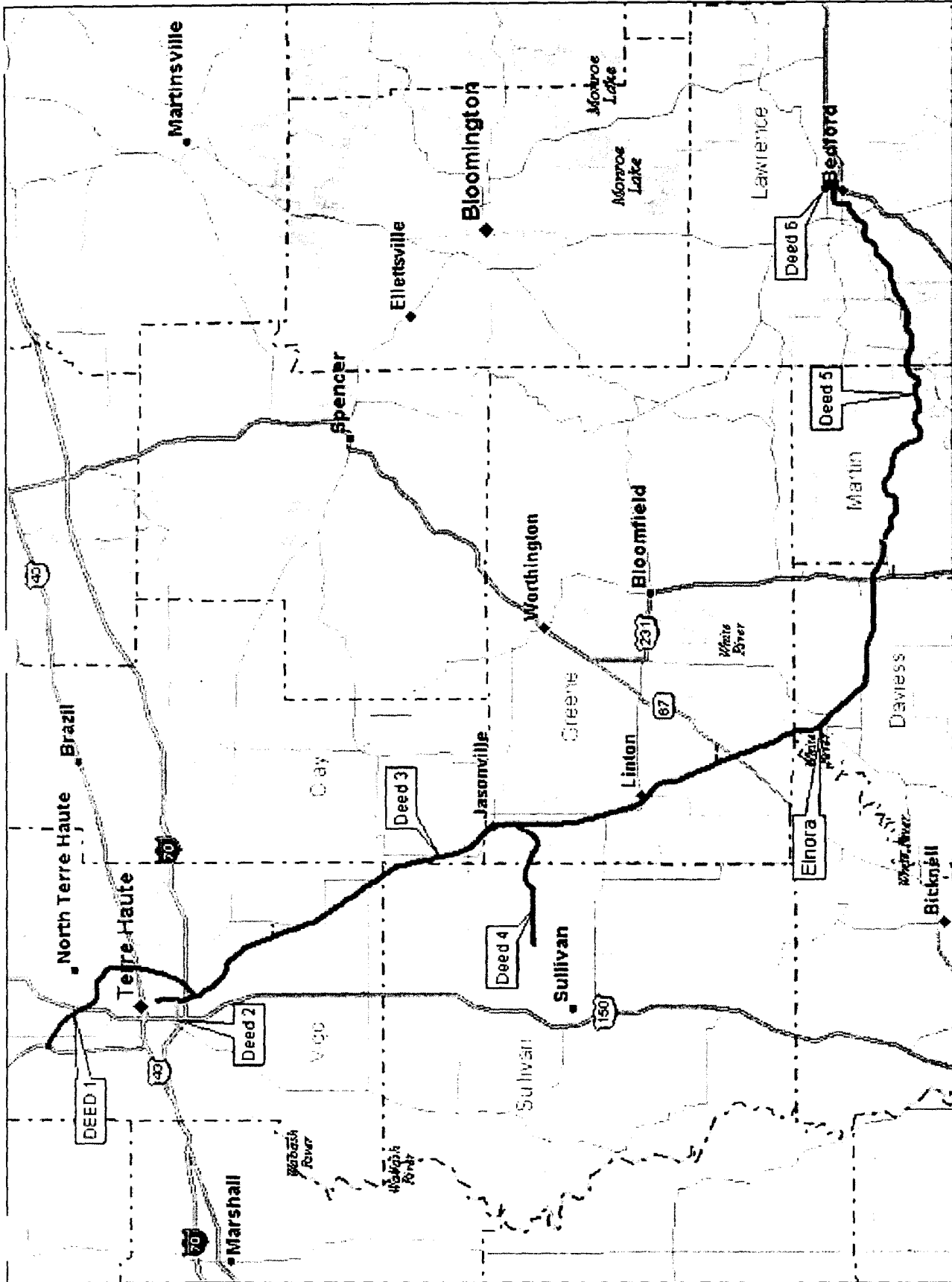
Deed 6 - EXHIBIT A
Lawrence County

BEDFORD, INDIANA VALUATION SECTIONS INDIANA 1-D
more particularly described as follows:

All the Grantor's real property in:

- (a) the N 1/2 SE 1/4, Section 14,
- (b) the NE 1/4, Section 14,
- (c) that part of the SE 1/4, Section 11, lying easterly of the east right of way line of the CSX Railroad (formerly the right of way of the Louisville and Nashville Railroad), and
- (d) that part of the NW 1/4 SW 1/4, Section 13, lying westerly of the former west right of way line of the Baltimore and Ohio Railway, now abandoned; all in Township 5 North, Range 1 West, in or near the City of Bedford, Lawrence County, Indiana.

All of which is more particularly described on right-of-way and track maps designated V.IND.1-D/S-10a and S-10b (Bedford), all of which are made a part hereof by reference.



DELORME

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NY (3.1" W)

EXHIBIT B

ASSIGNMENT AND ASSUMPTION AGREEMENT

See Attached.

ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT is dated as of _____, 200_, by and between The Indiana Rail Road Company, an Indiana Corporation ("*Buyer*"), and SOO LINE RAILROAD COMPANY, d/b/a Canadian Pacific Railway, a Minnesota corporation ("*Seller*").

RECITALS

A. Buyer and Seller have concurrently herewith consummated the purchase by Buyer of certain assets of Seller pursuant to the terms and conditions of that certain Asset Purchase Agreement dated as of November 1, 2005 between Buyer and Seller (the "*Asset Purchase Agreement*").

B. Capitalized terms herein not otherwise defined herein shall have the meanings ascribed to them in the Asset Purchase Agreement.

C. Pursuant to the Asset Purchase Agreement, Buyer has agreed to assume, fulfill and/or satisfy certain liabilities and obligations of Seller.

TERMS AND CONDITIONS

In consideration of the sale of the Purchased Assets and in accordance with the terms of the Asset Purchase Agreement, Buyer and Seller agree as follows:

1. (a) Seller does hereby sell, transfer, assign and deliver to Buyer all of the right, title and interest of Seller in, to and under the Assigned Contracts; provided that no sale, transfer, assignment or delivery shall be made of any Assigned Contract if an attempted sale, assignment, transfer or delivery of such Assigned Contract, without the consent of a third party, would constitute a breach or other contravention thereof or in any way adversely affect the rights of Buyer and Seller thereunder.

(b) Buyer does hereby accept all the right, title and interest of Seller in, to and under all of the Assigned Contracts (except as aforesaid) and Buyer assumes and agrees to pay, perform and discharge promptly and fully when due all of the Assumed Obligations.

2. The assets being transferred hereunder are being sold "AS-IS WHERE IS WITH ALL FAULTS" AND WITHOUT ANY WARRANTY EXCEPT AS SET FORTH IN THE ASSET PURCHASE AGREEMENT.

3. This Agreement shall be construed in accordance with and governed by the law of the State of Indiana, without regard to the conflicts of laws provisions of such state.

4. This Agreement may be executed by facsimile signature and in one or more counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

[Signatures On Next Page]

The parties hereto have caused this Assignment and Assumption Agreement to be executed as of the date first written above.

BUYER:

**THE INDIANA RAIL ROAD
COMPANY**

By: _____

SELLER:

SOO LINE RAILROAD COMPANY

By: _____

EXHIBIT C

BILL OF SALE

See Attached.

BILL OF SALE

BILL OF SALE made on _____, 200_ by Soo Line Railroad Company d/b/a Canadian Pacific Railway, a Minnesota corporation ("Seller"), in favor of The Indiana Rail Road Company, an Indiana corporation ("Buyer").

RECITALS:

WHEREAS, pursuant to an Asset Purchase Agreement dated as of November 1, 2005 between Seller and Buyer (the "Agreement"), Seller has agreed to sell, transfer, assign and convey to Buyer all right, title and interest of Seller in or to the Main System and the Acquired Assets, free and clear of all Encumbrances, except Permitted Encumbrances, but excluding the Excluded Assets (as such capitalized terms are defined in the Agreement) (excluding the Excluded Assets, the foregoing are collectively, the "Assets").

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller agrees as follows:

1. Seller does hereby sell, transfer, assign and convey to Buyer all right, title and interest of Seller in or to the Acquired Assets. Buyer, its successors and assigns, shall have and hold the Assets for its and their own use and benefit forever.

2. The assets being transferred hereunder are being sold "AS-IS WHERE IS WITH ALL FAULTS" AND WITHOUT ANY WARRANTY EXCEPT AS SET FORTH IN THE ASSET PURCHASE AGREEMENT.

3. This Bill of Sale shall be binding upon and inure to the benefit Buyer, and its successors and permitted assigns.

4. This Bill of Sale shall be construed in accordance with and governed by the law of the State of Indiana, without regard to the conflicts of laws provisions of such state.

[Signatures On Next Page]

IN WITNESS WHEREOF, Seller has caused this Bill of Sale to be duly executed by
a duly authorized officer.

SOO LINE RAILROAD COMPANY

By: _____

EXHIBIT D

QUIT CLAIM DEED

See Attached.

Quit Claim Deed

THIS QUIT CLAIM DEED made as of the ____ day of _____, 200_, by Soo Line Railroad Company d/b/a/ Canadian Pacific Railway, a Minnesota corporation ("**Grantor**"), in favor of The Indiana Rail Road Company ("**Grantee**").

NOW, THEREFORE, for good and valuable consideration, receipt and sufficiency of which are hereby acknowledged, Grantor hereby quitclaims to Grantee without any covenants or warranties of title whatsoever, and without recourse to Grantor, all of the Grantor's right, title, and interest, legal and equitable, in and to the real property described on Exhibit A attached hereto (the "**Property**") situated in the County of _____ [insert county], in the State of Indiana, including, without limitation for lack of specific enumeration, all estates, roadbeds, rights-of-way, station grounds, railroad yards, lines of railroad, improvements and fixtures thereon and all appurtenances thereto, to have and to hold unto the Grantee, its successors and assigns forever.

From and after the fifth anniversary of the date first set forth above, and subject to any continuing liability of Grantor to Grantee under Section 12.05 of the Asset Purchase Agreement as of such fifth anniversary, Grantee, on behalf of itself and its affiliates, and its successors and assigns (collectively, the "**Grantee Parties**"), hereby releases Grantor, its affiliates, their successors, and each of their respective officers, directors, shareholders, employees, agents and servants (collectively, the "**Grantor Parties**") from liability with respect to any existing or future

losses, Claims, demands, costs or expenses, arising out of or relating to the condition of the Property, or non-compliance with any Environmental Law related to the Property, and from all Environmental Liabilities related to the Property, including without limitation, any environmental contamination, or presence of Hazardous Substances or Toxic Substances and the handling, use, treatment, removal, storage, decontamination, cleanup, transport or disposal thereof, whether such contamination or Hazardous Substances or Toxic Substances are located on or under the Property, or have migrated or will migrate from or to the Property, and the Grantee Parties hereby waive any cause of action (including without limitation any right of contribution) a Grantee Party had, has or may have against a Grantor Party with respect to the foregoing, whether arising under common law, or federal, state or local statute, rule or regulation. The foregoing shall apply to any condition or noncompliance with Environmental Law, including any environmental condition, known or unknown, suspected or unsuspected, contemplated or un contemplated or any liability a Grantee Party may incur as a result of any claim or other assertion of liability by a third party. The foregoing provisions shall run with and burden the land and be binding upon all future owners of any interest in the Property, each of whom shall be a Grantee Party. Grantor acknowledges the foregoing release does not modify or release its obligations to Grantee under the Asset Purchase Agreement (the "Asset Purchase Agreement") dated as of November __, 2005 between Grantor and Grantee.

As used herein, the following terms have the following meanings:

"Claims" means demands, claims, actions or causes of action, suits, proceedings, investigations, assessments, losses, damages, liabilities, costs and expenses, including interest, penalties and attorneys' fees and disbursements, claims or other assertions of liability by third parties, and other costs and expenses.

"Environmental Law" means any existing or future federal, state, local or common law, rule, regulation, ordinance, code, order or judgment relating to (i) the injury to, or the pollution or protection of, the environment (including any surface or subsurface physical medium or natural resource such as air, land, soil, surface waters, ground waters, stream and river sediments, and biota), (ii) the use, generation, storage, treatment, disposal, processing, transportation, handling, release, emission or remediation of Hazardous Substances or Toxic Substances or (iii) impacts on human health and safety resulting from the foregoing, including the Comprehensive Environmental Response, Compensation, and Liability Act ("Superfund" or "CERCLA"), 42 U.S.C. §§ 9601 et seq., the Resource Conservation and Recovery Act ("Solid Waste Disposal Act" or "RCRA"), 42 U.S.C. §§ 6901 et seq., the Clean Air Act, 42 U.S.C. §§ 7401 et seq., the Safe Drinking Water Act, 42 U.S.C. §§ 330f et seq., the Federal Water Pollution Control Act, 33 U.S.C. §§ 1251 et seq., the Indiana Environmental Legal Actions statute, Ind. Code §§ 13-30-9-1 et seq., the Indiana Real Property Transfer Law, Ind. Code §§ 13-25-3-1 et seq. and the Hazardous Materials Transportation Act, 49 U.S.C. §§ 5101 et seq..

"Environmental Liabilities" means Claims, judgments, damages (including punitive damages), losses, penalties, fines, liabilities, encumbrances, liens, violations, costs and expenses (including attorneys' fees) of investigation, remediation, clean-up, corrective action, monitoring, or defense of any matter arising under any Environmental Laws (whether at law or in equity) or in any way relating to (i) the environment (including any surface or subsurface physical medium or natural resource such as air, land, soil, surface waters, ground waters, stream and river sediments, and biota), (ii) the use, generation, storage, treatment, disposal, processing, transportation, handling, release,

emission or remediation of Hazardous Substances or Toxic Substances or (iii) impacts on human health and safety resulting from the foregoing, of whatever kind or nature by any party, entity, or authority, whether or not resulting from the violation or noncompliance with any Environmental Laws.

“Hazardous Substances” means all hazardous materials, substances, wastes, pollutants, contaminants, constituents or solid wastes subject to regulation or as defined under any Environmental Law.

“Toxic Substances” means any materials which are subject to regulation under the Toxic Substances Control Act (“TSCA”), 15 U.S.C. §§ 2601 et seq., or any other applicable Federal, state or other laws now in force relating to toxic substances. The term “Toxic Substances” includes but is not limited to asbestos, petroleum and derivative products, polychlorinated biphenyls (PCBs) and lead-based paints.

[signatures on next page]

IN WITNESS WHEREOF, the Grantor has executed this instrument as of the day and year above written.

SOO LINE RAILROAD COMPANY (d/b/a
CANADIAN PACIFIC RAILWAY)

By _____
(signature)

(print name)

Its _____
(title)

State of _____)
County of _____)

Before me, a Notary Public in and for said County and State, personally appeared _____, in his/her capacity as the _____ of Soo Line Railroad Company, a Minnesota corporation (d/b/a/ Canadian Pacific Railway), who acknowledged the execution of the foregoing Quit Claim Deed for and on behalf of said entity and who, having been duly sworn, stated that any representations contained therein are true.

Witness my hand and Notarial Seal this _____ day of _____, 2005.

(SEAL)

(signature)

(printed name) Notary Public

My Commission Expires: _____

My County of Residence: _____

Grantee's address is and tax
statements should be sent to:

This Instrument was prepared by:

Steven B. Mayeron
Leonard, Street and Deinard,
Professional Association
150 South Fifth Street, Suite 2300
Minneapolis, Minnesota 55402

EXHIBIT E
EXCLUDED ASSETS

See Attached.

Excluded Assets

(a) All railroad rolling stock, including, without limitation, locomotives, motive power, cars, cabooses, and end of train devices and their contents, owned, used, held for use or otherwise held by Seller in whatever condition including any heavy bad order, retired and scrap rolling stock.

(b) All personal property (other than fixtures and the Transferred Personal Property) owned, leased, used or held for use by Seller in connection with the operation or use of the Main System, including contents of buildings, vehicles and the like, inventory (other than fuel inventory), tools machines, supplies, switch and derail locks and other materials located along the right of way or in station grounds, radios, test equipment, radio communication systems for point to train and point to vehicle communications and all related licenses from the Federal Communication Commission.

(c) Office supplies, manuals and similar items of personal property of Seller located on, in or about the Main System which are necessary for Seller's railway operations other than the Main System.

(d) All general purpose copying machines, fax machines, data processing computers, computer terminals, cell phones, radios, modems, printers and associated hardware and software.

(e) Any maintenance of way equipment for rail relay, tie insertion or other heavy project work owned, leased, held, used, held for use, or otherwise held by Seller including all cranes, brush cutters, ditchers, ballasting and surfacing equipment.

(f) All cash, restricted cash, cash equivalents, deposits, refunds, Tax refunds (provided that for purposes of real estate Taxes, Seller shall only be entitled to, and the Excluded Assets shall only include, Tax proceeds for which Seller was obligated to pay the real estate Taxes), insurance recoveries and chooses in action, and, to the extent not subject to the provisions governing adjustments and prorations under Section 2.04, accounts receivable and prepaid expenses of Seller.

(g) All equipment, tools, machinery and supplies and other materials (other than fixtures) relating to or used for trackage, signal, structure, building and rolling stock repair and maintenance in connection with the operation or use of the Main System or any of the Acquired Assets.

(h) All vehicles and maintenance vehicles.

(i) All collective bargaining agreements and other agreements between Seller and representatives of Seller's employees, all employment contracts between Seller and its employees, and all employee benefit plans of Seller and assets in employee benefit plans.

(j) All interchange agreements which are not listed on Schedule 2.1(a)(ii), all power run-through agreements which are not listed on Schedule 2.1(a)(ii), all car hire agreements, and all trailer and container rental agreements.

(k) All real property described on Attachment A hereto.

(l) Except as set forth in Section 2.01(a)(vi) and (vii), all (i) patents, patent disclosures, designs, algorithms and other industrial property rights, (ii) trademarks, service marks, trade dress, trade names, logos and corporate names, together with all of the goodwill associated therewith, (iii) copyrights (registered or unregistered), together with all authors' and moral rights (whether choate or inchoate, published or unpublished), (iv) mask works, (v)

computer software (including, without limitation, source code (with all comments and remarks, if any), object code, macros, scripts, objects, routines, modules and other components), data, data bases and documentation thereof, (vi) except to the extent related exclusively to the Main System, trade secrets and other confidential or proprietary information (including, without limitation, ideas, formulas, compositions, inventions (whether patentable or unpatentable and whether or not reduced to practice), know-how, products, processes, techniques, methods, research and development information and results, drawings, specifications, designs, technical and development plans and proposals, technical data and customer, prospect and supplier lists and information), (vii) all other intellectual and industrial property rights of every kind and nature and however designated, whether arising by operation of law, contract, license or otherwise, (viii) "technical data" as defined in 48 CFR § 27.401, (ix) copies and tangible embodiments thereof (in whatever form or medium), and (x) all registrations, applications (pending and in-process), renewals, extensions, continuations, divisions or reissues of any of the foregoing rights, now or hereafter in force (including all rights therein).

- (m) All switch and derail locks.
- (n) Insurance policies and contracts.
- (o) Overlap Contracts.
- (p) All personnel and other records that Seller and its Affiliates are required by law to retain in its possession.
- (q) Corporate minute books, stock books and other corporate and tax records of Seller and its Affiliates and all assets, books, records, documents, lists and written materials relating to any corporate or centralized services and functions, including management, finance, accounting, billing, accounts receivable, accounts payable, tax, information services, computer services,

engineering, marketing, operations, customer relations, purchasing, inventory management, construction, insurance, payroll, employee benefit, computer, call center and other administrative services and functions.

(r) Revenue related to the Billboard Agreements to the extent previously sold or assigned.

(s) Seller's rights under the Trackage Rights Agreement with The Baltimore and Ohio Chicago Terminal Railroad Company between Dolton Junction and Blue Island Junction dated November 23, 1988.

(t) Security system located at Van Yard.

(u) Any lease of real property related to the Excluded Real Property described on Attachment A hereto.

Excluded Real Property

Any real property owned in the State of Kentucky.

Real property in the NE $\frac{1}{4}$ SW $\frac{1}{4}$, Section 34, Township 12 North, Range 9 West in the City of Terre Haute, Indiana lying northerly of a line parallel with and distant 25 feet northerly of the center line of Grantor's West Belt Spur track.

EXHIBIT F
INTERCHANGE AGREEMENT

See Attached.

**INDIANA RAIL ROAD COMPANY / CANADIAN PACIFIC RAILWAY INTERCHANGE AGREEMENT at
CHICAGO, ILLINOIS**

THIS INTERCHANGE AGREEMENT dated _____, 200_, is made by and between Soo Line Railroad Company, d/b/a Canadian Pacific Railway, 501 Marquette Avenue South, Minneapolis, Minnesota 55442 (hereinafter "CPR") and The Indiana Rail Road Company, 101 West Ohio Street, Indianapolis, Indiana 46204 (hereinafter "INRD"); sometimes hereinafter individually referred to as a "Party" and sometimes hereinafter collectively referred to as "the Parties."

RECITALS:

- A. CPR and INRD are parties to an Asset Purchase Agreement dated _____ ("APA") for the purchase of CPR's former Latta Subdivision all pursuant to the terms and conditions and as more specifically set forth therein; and
- B. The Parties wish to establish an interchange of loaded and empty railroad freight cars within the Chicago Terminal (defined to include the Belt Railway Company of Chicago's ("BRC") Clearing Yard, its facilities at Rockwell Street Yard or other locations that the partners may mutually agree upon; and
- C. INRD may utilize an agent to provide haulage service for INRD between Terre Haute, Indiana and Chicago, Illinois and interchange services within the Chicago Terminal under the terms of this Agreement ("Agent"); and
- D. The Parties desire to enter into a written agreement which sets forth the terms and conditions by which interchange of loaded and empty railroad freight cars shall be accomplished between INRD and CPR in Chicago, Illinois.

NOW, THEREFORE, in consideration of the mutual promises and the other good and valuable considerations set forth herein, it is agreed by the Parties as follows:

SECTION 1. GENERAL INTENT

A. Traffic Forwarding to INRD.

1) "CPR Carload Traffic" shall be non-unit train traffic for forwarding to INRD destinations and beyond, and shall be delivered by CPR to BRC for classification, inspection and delivery to INRD or Agent at Clearing Yard.

2) Solid unit trains of a single commodity or empty, and destined to a single INRD served customer, connection or station ("CPR Unit Trains") shall, commencing with the effective date of this Agreement, be delivered by CPR to INRD or Agent at Rockwell Street Support Track. CPR shall deliver these trains, with run-through locomotives and telemetry devices attached. CPR will ensure that CPR Unit Trains are properly inspected and have proper documentation to allow operation to destination without need for additional Class A mechanical inspection. If a Class A mechanical inspection will be required prior to final destination on INRD's Acquired Assets and Other Acquired Rights as defined in the APA, CPR will arrange for a Class A mechanical inspection at Rockwell Street Support Track prior to interchange to INRD.

B. Traffic Forwarding to CPR.

1) "INRD Carload Traffic" shall be non-unit train traffic for forwarding to CPR destinations and beyond, and shall be delivered or caused to be delivered by INRD or Agent to BRC for classification, inspection and delivery to CPR at Clearing Yard.

2) Solid unit trains of a single commodity or empty, and destined to a single CPR served customer, connection or station ("INRD Unit Trains") shall, commencing with the effective date of this Agreement, be delivered by INRD or Agent to CPR at Rockwell Street Support Track. INRD or Agent shall deliver these trains, with run-through locomotives and telemetry devices attached. INRD will ensure that INRD Unit Trains are properly inspected and have proper documentation to allow operation to at least Harvey, ND without need for additional Class A mechanical inspection. If a Class A mechanical inspection will be required prior to at least Harvey, ND, INRD will arrange for a Class A mechanical inspection at Rockwell Street Support Track prior to interchange to CPR.

C. The CPR Carload Traffic described in Section 1.A.1 and the INRD Carload Traffic described in Section 1.B.1 shall be collectively referred to as "Carload Traffic". The CPR Unit Train traffic described in Section 1.A.2 and the INRD Unit Train traffic described in Section 1.B.2 shall be collectively referred to as "Unit Train Traffic".

D. It is understood and agreed that while INRD may engage an Agent to perform interchange services

hereunder, INRD shall nevertheless remain obligated to CPR for the performance of such services in accordance with the requirements of this Agreement. INRD will provide written notification to CPR concerning the identity and the scope of duties of its Agent

- E. In the event of any conflict between this Agreement and any other agreement between the Parties, Agent or third parties, or the AAR Rules as defined hereinafter in Section 2.D.1 or related rules, this Agreement shall control and supersede such other agreement and rules to the extent they conflict with this Agreement.

SECTION 2. INTERCHANGE OF CARS, TRAINS

- A. CPR and INRD understand that unless previously agreed to between the Parties, the delivery and pull of the Carload Traffic and the Unit Train Traffic shall be at locations provided for in Section 1, or other locations within the Chicago Terminal that may from time to time be authorized by the respective transportation operating officer in charge of the location where interchange takes place, provided that B&OCT shall not be used as an intermediate carrier unless CPR has given its advance written approval. It is the intent of the Parties to avoid a situation where CPR, INRD, or Agent is required or obligated to violate its labor agreements to satisfy a request pursuant to this Agreement, nevertheless, in the event (i) a CPR engine or train crew is required to perform service at INRD's or Agent's direction which is in violation of CPR's collective bargaining agreements, INRD shall assume and bear all penalties arising under CPR's collective bargaining agreements; or (ii) an INRD or Agent train and engine crew is required to perform service at CPR's direction which is in violation of INRD's or Agent's collective bargaining agreements, CPR shall assume and bear all penalties arising under INRD's or Agent's collective bargaining agreements.
- B. Interchange between the Parties shall be conducted on a daily basis unless otherwise agreed to from time to time by the Parties.
- C. **Interchange Requirements Applicable Only to Carload Traffic**
Notwithstanding the provisions of the AAR Rules as defined in Section 2.D. below, Carload Traffic at the BRC's Clearing Yard shall be interchanged between CPR and the BRC in accordance with the practices in place between CPR and the BRC. Carload Traffic at BRC's Clearing Yard shall be interchanged between INRD and the BRC in accordance with the practices in place between BRC and the INRD or Agent.
- D. **Interchange Requirements Applicable Only to Unit Train Traffic**

1) Unit Train Traffic shall be governed by the applicable AAR Interchange Rules and the Car Service and Car Hire Rules and any supplements or amendments thereto promulgated from time to time by the Association of American Railroads (hereinafter referred to as "AAR Rules").

2) For the purpose of determining car hire responsibility along with liability under Section 7 of this Agreement, Unit Train Traffic shall be considered placed for interchange to the receiving railroad upon (i) the provisions of the AAR Rules have been satisfied, (ii) the train has been properly secured in accordance with governing rules, (iii) the delivering crew has disembarked from the train, and (iv) the provisions for Class A mechanical inspections set forth in Section 1 have been satisfied.

SECTION 3. OPERATING RIGHTS and USE of TRACKAGE

Operating rights shall be in accordance with this Agreement and the non-conflicting provisions of other agreements and practices between INRD or Agent, CPR and BRC.

SECTION 4. COMPENSATION and INTERMEDIATE SWITCH CHARGES

A. Intermediate switch charges for classification that are assessed by the BRC or other intermediate carrier, pursuant to Section 1.A, shall be the responsibility of CPR, subject to the terms of the agreements and practices in place among those carriers.

B. Intermediate switch charges for classification that are assessed by the BRC or other intermediate carrier pursuant to Section 1. B for classification shall be the responsibility of INRD, subject to the terms of the agreements and practices in place among those carriers.

C. Each Party shall be responsible for any third party trackage rights fees assessed to the Carload Traffic or the Unit Train Traffic in reaching delivery locations within the Chicago Terminal. While operating over third party trackage the Parties shall be subject to the terms of the agreements among those carriers.

D. Delivering Party shall be responsible for third party fees associated with the interchange of Unit Train Traffic between the Parties in Chicago Terminal.

SECTIONS 5 through 6 – left blank intentionally

SECTION 7. LIABILITY

For purposes of liability as herein defined, cars being delivered in interchange shall be considered to be in the account of the delivering Party until such time as interchange has occurred as specified in Section 2 of this Agreement. 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, litigation expenses and attorneys' fees resulting from operation under this Agreement, all of which are collectively referred to as a "Loss", will be divided as follows:

- A. If a Loss occurs on the trackage of a third party, Loss will be divided according the agreement(s) in effect between the Party involved, Agent, and the third party that provide for use of the trackage of the third party.
- B. If a Loss occurs during interchange operations subject to this Agreement involving the trains and locomotives of both INRD and CPR, then: (i) each is solely responsible for any Loss to its own employees, locomotives and equipment in its own account, and (ii) the Parties are equally responsible for any Loss to property used in such interchange operations and any Loss sustained by third parties, regardless of the responsibility between them as to the cause of the Loss; provided however, if the entire Loss in either (i) or (ii) above is caused solely by one Party hereto, such Loss shall be the responsibility of that Party.
- C. For purposes of assigning responsibility of a Loss as between the Parties hereto under this Agreement, a Loss involving only 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

and employees.

- E. 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.
- F. 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 AAR as to the handling of any claims for the loss or damage to lading.
- G. In every case of death or injury suffered by an employee of either Party hereto, when compensation to such employee or employee's dependents is required to be paid under any workman'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.

SECTION 8. This section left blank intentionally

SECTION 9. CLAIMS

- A. Except as provided in Part B of this Section, 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 provisions of this Agreement.
- B. Each Party will investigate, adjust and defend all cargo related liability claims filed with it in accordance with 49 U.S.C. Section 11706 or 49 C.F.R. Section 1005, or in accordance with any applicable transportation contract filed pursuant to 49 U.S.C. Section 10709.
- C. In the event a claim or suit is asserted against one of the Parties hereto 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 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 attorneys and full-time employees of either Party engaged directly or indirectly in such work shall be borne by the employing Party.
- E. Excluding freight loss and damage claims filed in accordance with 49 U.S.C. Section 11706 or 49 C.F.R. Section 1005, 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 settlement exceeds Thirty-Five Thousand Dollars (\$35,000).
- F. It is understood that nothing in this Section shall modify or waive the conditions, obligations, assumptions or apportionments provided in Section 7 of this Agreement.

SECTION 10. INDEMNIFICATION FOR EMPLOYEE GRIEVANCES

Except as otherwise provided in Section 2.A of this Agreement, 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. 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.

SECTION 11. PAYMENT OF BILLS

- A. All payments called for under this Agreement shall be made within thirty (30) 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.
- B. Bills rendered pursuant to the provisions of this Agreement, shall include direct labor and material costs, together with the billing Party's surcharges, overhead percentages, and equipment rentals in effect at the time any work is performed.

SECTION 12. 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 expenses 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.

SECTION 13. PRIOR AGREEMENTS

This Agreement encompass any and all understandings between the Parties hereto as to interchange of cars between them at Chicago, Illinois and makes null and void any previous arrangements between the Parties or their predecessors covering interchange of cars at said locations. Termination of any previous arrangements or agreements shall not release either Party hereto from any liability or obligation that may have been incurred by or that might have accrued against it thereunder during the term thereof.

SECTION 14. TERM AND TERMINATION

- A. This Agreement shall take effect on the first day written above and shall continue in full force and effect until terminated by either Party upon sixty (60) days' advance written notice to the other Party, provided, however, that operation under this agreement shall not commence until closing of the sale of CPR's Latta Subdivision to INRD.
- B. Termination of this Agreement shall not release either Party hereto from any liability or obligation that may have been incurred by or that might have accrued against it hereunder during the term hereof.

SECTION 15. SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and be binding upon the successors and assigns of the Parties hereto; provided, however, neither Party hereto shall transfer or assign this Agreement, or any of its rights, interests, or obligations hereunder, by merger or otherwise, to any person, firm, or corporation without obtaining the prior written consent of the other Party to this Agreement.

SECTION 16. INTERPRETATION

This Agreement is executed by the Parties under current interpretation of any and all applicable federal, state, county, municipal, or other local statutes, ordinances or laws.

SECTION 17. NOTICE

All notices required to be given by one Party to the other, shall be in writing and addressed as follows:

To INRD:

Executive Vice President and Chief Operating Officer
The Indiana Rail Road Company
101 West Ohio Street
Indianapolis, IN 46204

To CPR:

Director-Interline Management
Canadian Pacific Railway
1200 Jorie Blvd. Suite 225

Oak Brook, IL 60523

With a copy to:
Manager – Interline Agreements
401 9th Avenue SW
Gulf Canada Square, Suite 500
Calgary, AB T2P 4Z4

SECTION 18. GENERAL PROVISIONS

- A. This Agreement and each and every provision hereof are for the exclusive benefit of the Parties hereto and not for the benefit of any third Party. Nothing herein contained shall be taken as creating or increasing any right of any third Party to recover by way of damages or otherwise against either of the Parties hereto.
- B. This Agreement contains the entire understanding of the Parties hereto and supersedes any and all oral understandings between the Parties.
- C. No term or provision of this Agreement may be changed, waived, discharged or terminated except by an instrument in writing 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 Section headings are inserted for convenience only and shall not affect any construction or interpretation of this Agreement.
- F. 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.
- G. No Party may disclose the provisions of this Agreement to a third Party, excluding a parent, affiliate or subsidiary company without the written consent of the other Party, except as otherwise required by law, regulation or ruling.

THE PARTIES hereto have caused this Agreement to be duly executed on the dates indicated, and agree that the laws of the State of Illinois shall apply in its interpretation.

SOO LINE RAILROAD COMPANY
d/b/a Canadian Pacific Railway

By _____

Its _____

Date _____

THE INDIANA RAIL ROAD COMPANY

By _____

Its _____

Date _____

EXHIBIT G
MARKETING AND DIVISIONS AGREEMENT

See Attached.

MARKETING AND DIVISIONS AGREEMENT

THIS AGREEMENT, made this day of _____, 200_ by and between The Indiana Rail Road Company ("INRD") and Canadian Pacific Railway Company ("Canadian Pacific") and its subsidiaries Soo Line Railroad Company ("Soo"), and Delaware & Hudson Railroad Company, Inc. ("D&H") (Canadian Pacific, Soo and D&H hereafter are referred to collectively as the "CPR Entities"), sometimes collectively referred to as the "Parties" or individually as a "Party."

WHEREAS Soo and INRD have entered into an Asset Purchase Agreement dated as of November 1, 2005 ("APA"), which provides that the CPR Entities and INRD will enter into an agreement to govern the marketing of traffic which is handled in interline service together with the division of revenue and the incurrence of car hire expenses therefrom by one or more of the CPR Entities and INRD; and

WHEREAS CPR Entities have agreed to lease triple hoppers from Helm, with the leases to be assigned to INRD at closing;

WHEREAS the Parties have agreed to enter into a transportation contract to handle railroad ties;

WHEREAS this Agreement will be of mutual benefit to the CPR Entities and INRD and will enhance the competitive rail services each of them will provide to their respective customers.

NOW, THEREFORE, in consideration of the premises and mutual covenants set forth herein, the Parties hereto agree as follows:

Section 1. ROUTING PREFERENCE

During the term of this Agreement, each Party shall use good faith efforts to maintain and solicit traffic that can be handled by one or more CPR Entities and INRD on an interline basis ("Interline Traffic"). On traffic that can move as Interline Traffic, including existing Interline Traffic, such traffic shall be routed over the other Party so long as (i) the service and revenue are similar or better over the Interline Traffic route, and (ii) the customer (freight payer) has not requested a routing that does not involve the other Party. The Parties shall use best efforts to communicate with each other concerning potential adverse routing changes and market conditions so as to enhance the competitiveness of Interline Traffic and their responsiveness to shipper needs. The Parties agree to meet no less than twice annually during the term of this Agreement to review and work together to maintain existing traffic, and to secure new Interline Traffic opportunities. The Parties will also discuss related matters such as operations and ways in which operational efficiencies may be achieved. Such meetings shall take place between the CPR Entities' Interline Management Team and INRD personnel, except that additional separate meetings shall be scheduled as required between INRD and marketing representatives of the CPR Entities who are responsible for potash and petroleum coke.

Section 2. STANDARD DIVISION

2.01 Existing Contracts, Tariffs, and Other Rate Documents--During the terms of existing Interline Traffic contracts, tariffs, and other rate documents, INRD revenues attributable to Interline Traffic handled by one or more of the CPR Entities and INRD will be those shown on the attached Schedule A, which is comprised of revenues (net of any allowances) as proposed by CPR Entities to INRD. INRD divisions on Interline

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Traffic existing at Closing but not appearing in Schedule A shall be as negotiated by the CPR Entities and INRD based on market conditions; provided that INRD's division will be generally consistent with rates shown in Schedule A for movements of commodities having the same or similar movement characteristics. On Interline Traffic from or to a connecting carrier and interchanged with any of the CPR Entities or INRD, the connecting carrier shall receive the same division as previously applied and the balance shall be divided between such CPR Entities and INRD as provided above for the remainder of the terms of existing contracts, tariffs, and other rate documents.

2.02 The per carload rates shown in Schedule A as INRD's Standard Division on existing Interline Traffic are as of the date of execution of APA. If rates are adjusted, up or down, from the time of execution to Closing, Schedule A will be adjusted on a ratable basis. For multi-year contracts, tariffs, and other rate documents with annual escalators, INRD shall share pro rata in the escalation.

2.03 Schedule A includes any fuel surcharge in effect on date of execution of APA. If fuel surcharges applicable to a particular contract or freight rate change, up or down, the Schedule A Standard Division shall be adjusted proportionally.

2.04 New business and renewals--With respect to new business or the renewal of existing contracts, tariffs, and other rate documents for Interline Traffic, divisions shall be negotiated among the participating carriers based on market conditions. It is the intent of the Parties to work together to understand market conditions and to implement strategies that allow the Parties to improve the traffic.

2.05 The Parties hereto agree to work jointly to develop a simplified Schedule A, utilizing the information provided in the Paul Clegg e-mail, titled "Latta Revenue File"

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and dated September 29, 2005, as the basis for the simplified Schedule A to be completed by December 31, 2005. Trackage rights payments, reciprocal switching and terminal charges arising on the Acquired Assets and Other Acquired Rights, which are incurred after Closing, are the responsibility of INRD.

Section 3. SETTLEMENT OF REVENUES

For all traffic subject to this Agreement, INRD and the CPR Entities agree to settle revenues pursuant to the standard interline account settlement procedures of the Association of American Railroads (AAR) through the AAR's Interline Settlement System, AAR Accounting Rules or such other methods as to which the Parties mutually agree.

Section 4. CAR HIRE & CAR SERVICE

4.01 The AAR's Code of Car Hire and Car Service Rules and Tariff RIC 6007 or any successor rules or tariffs will govern all car hire matters on rolling stock and equipment interchanged pursuant to this Agreement.

4.02 Each Party shall be financially responsible to the car owner, or such entity as designated in the Official Railway Equipment Register, for those car hire and private company mileage charges it incurs for its movement of rolling stock or other equipment pursuant to the rules and tariffs identified in the preceding section.

Section 5. EFFECTIVE DATE; TERM

5.01 This Agreement shall become effective upon execution and remain in effect for a term of ten (10) years, and thereafter shall renew automatically from year to year, unless earlier terminated pursuant to Section 5.02 hereof, provided that any Party may

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terminate this Agreement at any time after the fifth anniversary of the date of this Agreement by three (3) months advance written notice.

5.02 This Agreement shall terminate upon an order of a court of competent jurisdiction or of the STB determining that this Agreement, or any material provision hereof, violates or is prohibited by an applicable statute, regulation or agreement. If a material provision is struck, the parties will negotiate a new agreement that protects the interests of INRD and CPR.

5.03 Termination of this Agreement shall not excuse the obligation of any Party to make payment for items covered by this Agreement which relate to the movement of traffic hereunder prior to termination.

Section 6. SERVICE STANDARDS

6.01 INRD and the CPR Entities shall accept, handle and deliver Interline Traffic interchanged between them without discrimination. Such cars shall be given equal treatment to other cars handled by each Party with respect to all line-haul, gathering and distribution services. Trains containing traffic interchanged between INRD and a CPR Entity shall be given equal treatment to other trains containing traffic of the same kind and volume, provided that no Party shall be responsible for loss or delay caused by matters or circumstances beyond its reasonable control.

6.02 The CPR Entities shall indemnify INRD for any penalties arising from a transportation contract which includes transportation service standards or other similar arrangements not disclosed to INRD by The CPR Entities prior to the time of Closing as contemplated by APA.

Section 7. GENERAL

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7.01 Neither the CPR Entities nor INRD shall, without the written consent of the others, disclose the terms of this Agreement to any third Party, except as required by law or order of a court of competent jurisdiction, the STB or other government authority. With respect to Interline Traffic, the CPR Entities and INRD shall make all arrangements necessary and as required by law to protect from third parties the identity of the customers involved, the rate levels and any associated pricing and cost information relating to such traffic.

7.02 All notices under this Agreement shall be in writing and shall be deemed to have been properly served if mailed by certified mail, returned receipt requested, with postage prepaid, addressed to the following:

INRD: Dave Long
Vice President Marketing and Sales
The Indiana Rail Road Company
101 W. Ohio Street, Suite 1600
Indianapolis, IN 46204 USA

CPR Entities: Paul McLaughlin
General Mgr., Interline
Suite 500, Gulf Canada Square
401 9th Avenue SW
Calgary, AB T2P 4Z4

Each Party may designate by written notice a new designee or address for notices.

7.03 Any default or irreconcilable dispute arising among the Parties with respect to this Agreement shall be settled through binding arbitration in Chicago, Illinois under the Commercial Arbitration Rules of the American Arbitration Association ("AAA"). If the Parties agree on a single arbitrator, such arbitrator shall determine the dispute. If the Parties fail to agree on a single arbitrator, the dispute shall be determined by one (1) arbitrator selected pursuant to the rules of the AAA. The decision of the arbitrator shall be final and conclusive upon the Parties. Each Party to the arbitration shall pay the compensation, costs, fees and expenses of its own witnesses, experts and counsel. The compensation, costs and expenses of the arbitrator, if any, shall be borne equally by the Parties.

7.04 This Agreement shall inure to the benefit of and be binding upon the Parties, their successors and assigns; provided, however, that this Agreement is assignable only to the extent that APA is assignable.

7.05 It is the explicit intention of the Parties hereto that no person or entity other than the Parties hereto is or shall be permitted to bring any action to enforce any provision of this Agreement against any of the Parties hereto, and the covenants, undertakings and agreements set forth in this Agreement shall be solely for the benefit of, and shall be enforceable only by, the Parties hereto or their respective successors and assigns as permitted hereunder.

7.06 The Parties each reserve the right to enter into separate arrangements with shipper/receivers on the traffic subject to this Agreement (including, but not limited to, separate allowance contracts, tariffs, and other rate documents) and, if any Party to this

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Agreement enters into such separate arrangements, said Party shall be solely liable to the shippers/receivers for such arrangements.

7.07 This Agreement shall be governed and construed in accordance with the law of the State of Indiana applicable to agreements made and to be performed in Indiana. Subject to the provisions of Section 13.18 of the APA, the courts of the States of Minnesota and Indiana and the United States District Courts for Minnesota and Indiana shall have exclusive jurisdiction over the parties with respect to any dispute or controversy between them arising under or in connection with this Agreement and, by execution and delivery of this Agreement, each of the Parties to this Agreement submits to the jurisdiction of those courts, including the in personam and subject matter jurisdiction of those courts, waives any objection to such jurisdiction on the grounds of venue or forum non conveniens, the absence of in personam or subject matter jurisdiction and any similar grounds, and irrevocably agrees to be bound by any judgment rendered thereby in connection with this Agreement. These consents to jurisdiction shall not be deemed to confer rights on any person other than the Parties to this Agreement.

7.08 The Parties acknowledge that the language used in this Agreement shall be deemed to be the language chosen by the Parties hereto to express their mutual intent, and no rule of strict construction shall be applied against any Party hereto. The headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. All personal pronouns used in this Agreement shall include the other genders whether used in the masculine or feminine or neuter gender, and the singular include the plural, and vice versa, unless the context otherwise requires. Terms such as "herein", "hereof", "hereby", "hereunder" and

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"hereinafter" refer to this Agreement as a whole and not to the particular sentence, Section or section where they appear, unless the context otherwise requires. All words, terms and phrases used in this Agreement shall be construed in accordance with the generally applicable definition of such words, terms and phrases in the railroad industry. Whenever reference is made to a Section of this Agreement, such reference is to the Section as a whole, including all of the subsections and paragraphs of such Section, unless the reference is expressly made to a particular subsection or Section of such Section.

7.09 This Agreement constitutes the entire agreement among the Parties hereto and supersedes all other prior agreements and understandings, both written and oral, among the Parties hereto, with respect to the subject matter of this Agreement.

7.10 If performance of any obligation under this Agreement would be unlawful or otherwise unenforceable, then in such event the remainder of the Agreement shall continue to be operative and binding upon the Parties.

7.11 The Parties hereby agree to cooperate with one another to coordinate their respective computer and communications systems to facilitate the objectives of this Agreement. The Parties shall make a good faith effort to reach separate agreement regarding these matters.

Section 8. Equipment Supply

8.01 The parties agree that CPR Entities shall be under no obligation to provide rail cars for shipments which originate on Main Track or Other Acquired Rights, as defined in APA; provided, however, that CPR Entities agree to make good faith efforts to assist INRD in the provision of car supply during the first 90 days after commencement

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of operations by INRD. During this 90 day period, no Party shall be responsible for loss or delay caused by circumstances beyond its reasonable control.

8.02 Notwithstanding the provisions of Section 8.01, CPR Entities will enter into a five year lease of 294 triple hopper cars with Helm Financial Corporation. The cars are listed in Schedule B, attached hereto. CPR Entities will consult with INRD prior to execution of the lease, regarding the terms and conditions of the lease. CPR Entities will require lease provisions that allow for the lease to be assignable to INRD at Closing. CPR Entities will remain responsible for all lease obligations that occur prior to assignment to INRD. INRD is required unconditionally to assume the leases at Closing, and to become responsible for all of CPR Entities' lease obligations.

Section 9. Contract to Transport CPR Entities Ties

9.01 Within fifteen days of closing, CPR Entities and INRD shall enter into a five year confidential rate contract for the movement of CPR ties from Railworks Wood Products (or its successor), 2525 Prairietown Road, Terre Haute, IN to interchange with CPR at Chicago IL.

9.02 Additional terms of the agreement are:

- a. Rate shall be \$500 per car, including any fuel surcharge currently in effect;
- b. Rate shall be adjusted annually in accordance with the RCAF-U each January 1;
- c. Rail cars shall be supplied by CPR Entities at no cost to INRD;
- d. The empty movement of equipment for loading is at no cost to CPR Entities;

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e. INRD will accept in interchange for this purpose CPR supplied cars that meet AAR interchange requirements, including cars more than 40 years old and cars with roller bearings in modified side bearing side frames, provided, however, that in the event that an Agent for INRD rejects this equipment, INRD and CPR will work jointly to resolve this issue with such Agent.

IN WITNESS WHEREOF, the parties hereto have set their hand as of the day and year first written above.

By: _____

Its: _____

CANADIAN PACIFIC RAILWAY COMPANY,
and on behalf of its subsidiaries,
S00 LINE RAILROAD COMPANY and
DELAWARE & HUDSON RAILROAD
COMPANY INC.

By: _____

Its: _____

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SCHEDULE A

See attached.

[ALL OF SCHEDULE A TO MARKETING AGREEMENT IS REDACTED]

Confidential

SCHEDULE B

See attached.

[ALL OF SCHEDULE B TO MARKETING AGREEMENT IS REDACTED]

EXHIBIT H

BILLBOARD AGREEMENTS

See Attached.

EXHIBIT H

Existing Billboard Licenses

1. License No. CP30196 dated as of September 1, 1998 between Soo Line Railroad Company and Whiteco Outdoor Advertising
2. License No. CP30198 dated as of August 1, 1998 between Soo Line Railroad Company and Whiteco Outdoor Advertising
3. License No. CP30195 dated as of August 1, 1998 between Soo Line Railroad Company and Whiteco Outdoor Advertising
4. License No. CP30197 dated as of May 15, 1998 between Soo Line Railroad Company and Whiteco Outdoor Advertising

EXHIBIT I

POWER RUN THROUGH AGREEMENT

See Attached.

SUPPLEMENTAL LOCOMOTIVE RUN-THROUGH AGREEMENT FOR POTASH AND COKE TRAINS INTERCHANGED AT CHICAGO

THIS SUPPLEMENTAL AGREEMENT, made and entered into as of November _____, 200_ by and between The Indiana Rail Road Company ("**INRD**"), and Canadian Pacific Railway Company, including its subsidiary Soo Line Railroad Company, (collectively referred to as "**CPR**") WITNESSES THAT:

WHEREAS:

- A. The Parties desire, for the efficiency and economy of operations, to enter into an agreement for run-through of locomotives for the handling of (i) **Potash Trains** that originate on CPR and destined to Louisville, KY, and (ii) **Coke Trains** from Roseport, MN to Terra Haute (Fayette), IN, presently estimated for reference at about 3,000 and 7,400 carloads per year, respectively.
- B. CPR will supply run-through locomotives for the Potash Trains and INRD will supply run-through locomotives for the Coke Trains interchanged at Chicago, IL.
- C. Run-through operating plan:
 - (i) **Potash Trains** to operate with CPR-supplied 6-axle run-through locomotives. CPR will deliver a loaded Potash Train to INRD in Chicago, IL and INRD will run the Potash Train to Jefferson, IN and return the locomotives to CPR in Chicago on the first available northbound Train or on an empty Potash Train.
 - (ii) **Coke Trains** to operate with INRD-supplied 6-axle run-through locomotives. IND will deliver an empty Coke Train to CPR in Chicago, IL. CPR will run the Coke Train from Chicago to Roseport for loading and return the locomotives with the loaded Coke Train to INRD in Chicago.
- D. INRD and CPR entered into a Master Equipment Exchange Agreement dated December 22, 2000 (the "Master Agreement").
- E. This Supplemental Agreement is contingent on the closing of the sale of CPR's Latta Subdivision to INRD and commercial agreement(s) between CPR and INRD pertaining to Potash and Coke unit train service, and will only become effective in conjunction with, and be valid for, the term of such commercial agreement(s) until expired, terminated, suspended, or canceled.

THEREFORE THE PARTIES AGREE AS FOLLOWS:

- 1. CPR shall supply 6-axle run-through power for the Potash Trains and INRD shall supply 6-axle run-through power for the Coke Trains exchanged in Chicago. The Exchange Point under this Supplemental Agreement between CPR and INRD, or its Agent, will be at locations as established in the CPR - INRD interchange agreement for Chicago, IL. If run-through locomotives are returned to CPR on non-unit trains, Exchange Point will take place at Clearing Yard or as otherwise established for non-unit train interchange according to the CPR - INRD interchange agreement for Chicago, IL.
- 2. Parties shall advise each other a minimum of six (6) hours in advance of the arrival of a Train at the agreed upon Exchange.
- 3. The Using Party shall use the run-through locomotives exchanged exclusively for the intended service and return them to the Delivering Road in an expeditious manner;
 - a. On Potash Trains: INRD will return locomotives to CPR in Chicago on the first available northbound train or on an empty Potash Train. The locomotives will not go beyond the Louisville, KY / Jeffersonville, IN area. If the Equipment is interchanged to a third party (i.e. to handle and position cars for unloading), the liability for Equipment will remain with INRD, until Equipment is returned safely to CPR in accordance with the provisions of the Master Agreement.
 - b. On Coke Trains: CPR will receive the run-through locomotives on the empties (sufficient for the loaded move) in Chicago and return them to INRD in Chicago on the loaded Trains.

4. The run-through locomotives exchanged shall be properly serviced and equipped (including radios) and shall conform to the industry and AAR Class I operating standards, and be in compliance with the requirements for the conduct of business over the tracks of the Using Party. The run-through locomotives exchanged shall be equipped with, including but not limited to, event recorders, fuel pre-heaters and properly equipped for protection against engine overheating and freezing such as auto-drain valves.
5. The Parties will use their best efforts to maintain a balanced horsepower-hour (HPH) account under this Supplemental Agreement. It is normal that there could be a temporary HPH imbalance due to differences in projected traffic volumes and seasonality; however, during the term of this Supplemental Agreement, if the HPH imbalance exceeds or projected to exceed ten (10) million HPH, the Parties will devise and implement a mutually acceptable plan to equalize the HPH imbalance.
6. For troubleshooting instructions on CPR locomotives, INRD will contact CPR's Mechanical Desk (403) 260-5860.
7. EOTs supplied will run through on the Trains delivered. Telemetry equipment (EOT and head-end TD) exchanged shall comply with the industry standards.
8. Fueling plan and burn rates: **TBD**. The locomotive fueling plan will be established before the run-through services start. The Parties will mutually devise a methodology to determine the applicable burn rates for fuel equalization as soon as possible. Fuel equalization and billing will be in accordance with the provisions of the Master Agreement. Admin fees will be at \$0.015 per net gallons of fuel billed.
9. For the efficiency of run-through operations, the Parties agree that they will use their best efforts to promptly resolve any operational issues that they may encounter in this run-through operation under this Supplemental Agreement.
10. Either Party may terminate this Supplemental Agreement with a sixty (60) day advance written notice to the other Party.
11. Except as expressly amended by this Supplemental Agreement, all terms and conditions of the Master Agreement shall remain in full force and govern the exchange of Equipment under this Supplemental Agreement.
12. The Parties may sign this Agreement in any number of counterparts or by facsimile, each of which shall together, for all purposes, constitute one and the same instrument, binding on the Parties, and each of which shall together be deemed to be an original, notwithstanding that all of the parties are not signatories to be the same counterpart or facsimile.

IN WITNESS WHEREOF the Parties have caused this Supplemental Agreement to be executed as of the date mentioned above.

CANADIAN PACIFIC RAILWAY COMPANY

Per: _____
Title: _____

SOO LINE RAILROAD COMPANY

Per: _____
Title: _____

THE INDIANA RAILROAD COMPANY

Per: _____
Title: _____

EXHIBIT J

TRANSFERRED PERSONAL PROPERTY

See Attached.

EXHIBIT J

Transferred Personal PropertyA. Nonconsumable Property

Item	Price
Owned vehicles on attachment 1	\$80,820
Equipment on attachment 2	\$214,500
On the ground rail	\$60,000
Printers and printer control units. Personal computers are excluded.	\$0
Office furnishings and stationary inventories (excluding personal computers, copiers, fax machines business machines and the like)	\$0
Non-Seller manuals and rule books etc., radio chargers, stationary radio, and radio voice communications control system, Dispatching hardware and CPR proprietary dispatching software. Portable radios and sense and braking units (SBUs) are excluded.	\$0
Total	\$355,320

The purchase price set for the items set forth above shall be paid at Closing. For items reflected as being owned by GE Fleet Services ("GE") on Attachment 1, Buyer shall pay the \$22,563 purchase price to GE, as advised by Seller, execute GE's standard purchase documentation, and Seller shall retain rights for any refunds of sale proceeds from GE.

Any software associated with the nonconsumable property will be transferred but Seller will have no obligations with respect to the continued support or transition of such software.

B. Consumable Property

Item	Pricing Basis	Current Estimated Price
Bridge materials	Attachment 3	\$37,949
S&C tools and test equipment	Attachment 4	\$18,000
Terre Haute track material	Seller SAP list (Attachment 5)	\$68,012
Latta track material	Seller SAP list (Attachment	\$158,361

	6)	
Terre Haute S&C material	Seller SAP list (Attachment 7)	\$12,701
Latta S&C material	Seller SAP list (Attachment 8)	\$14,563
Small track tools	Attachment 9	\$47,700
Mechanical (roundhouse) parts and tools	Attachment 10	\$23,085
Rip track parts (Gross price)	Attachment 11	\$66,207
Rip track tools (Gross price)	Attachment 12	\$82,625
Discount (65% of Rip Track Tools)		(\$53,706)
Rip track net		\$28,919
Total		\$475,497

Seller's SAP list as of October 18, 2005 is attached hereto, which shows current quantities and market prices for those items which have a pricing basis as per Seller's SAP list. For those items priced per Seller's SAP list, Seller shall provide Buyer with an updated SAP list as of the Closing within 20 days after Closing which shows quantities and market prices as of the Closing. Buyer shall pay Seller the aggregate market price therefore within 30 days after the Closing on such updated list.

Attachments 2 (Equipment), 3 (Bridge materials), 9 (small track tools), 10 (Engineering parts) and 11 (Rip track parts) shows quantities for such items currently on hand. Buyer shall advise Seller of any variances from the list on the Closing Date within 20 days of the Closing Date and the aggregate amount owed for the Closing Date inventory. Buyer shall pay Seller for such property based on current amounts on hand, at prices set forth in the above referenced attachments, within 30 days of the Closing Date.

In the event quantities on hand at the Closing Date set forth in Attachment 4 (S&C tools and test equipment) vary materially from those set forth on Attachment 4, Buyer and Seller shall reasonably agree on a pricing adjustment. Amounts shall be paid within 30 days from the Closing Date.

Attachment 12 (Rip track tools) shows quantities for such items currently on hand. Buyer shall advise Seller of any variances from the list on the Closing Date within 20 days of the Closing Date and the aggregate amount owed for the Closing Date inventory. In such event, gross prices shall be adjusted for quantities on hand based on prices set forth in the attachment, and a discount shall be applied so that it reflects 35% of the aggregate gross prices. Buyer shall pay Seller for such recalculated amounts within 30 days of the Closing Date.

The aggregate amount owed for the non-consumable property shall be reduced by \$145,000.

Att 1 - Vehicles

05/22/2005

Latta Subdivision	Vehicle List	ES - Track
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attachment 1 - Vehicles
Doc No. 2681620

LOCATION	ASSIGNMENT	COST CENTER	UNIT #	YEAR	MAKE	MODEL	CAB	TON - Cap	HI Rail	CRANE	4X4	COMMENTS	Estimated Market Value
Engineering Services													
Jasonville, In	M. Pfeiffer	1307	GC9872	98	Chev	C2500	Crew	3/4	X			owned by CPR	\$5,735
Jasonville, In	Track Insp	1307	GC9864	98	Chev	C2500	Ext	3/4	X		X	owned by CPR	\$5,615
Jasonville, In	Section	1307	L00022	2000	Ford	F550	Crew	1 1/2	X	X		owned by CPR	\$18,000
Jasonville, In	Mobil Crew	1307	GC769	96	Ford	F800	Crew	2	X	X		owned by CPR	\$9,500
Terre Haute, In	Section	1307	GC9811	98	Intl	4700	Crew	2	X	X		owned by CPR	\$26,000
Mechanical Services													
Jasonville, In			L00166	01	Dodge	2500	Sin	3/4				owned by CPR	\$5,795
Field Operations													
Terre Haute, In	Road Manager		9961	99	Ford	Taurus	Sedan					owned by CPR	\$2,300
Terre Haute, In	Asst. Road Manager		L00186	01	Dodge	Dakota	Ext					owned by CPR	\$7,875
Total													\$80,820
Note: We are advised that for vehicles owned by GE, CPR can instruct GE to sell to a third party. Under the GE lease agreement, the third party would send a cheque to GE and GE would then remit payment to CPR.													
Owned by GE													
Jasonville, In	Mobil Crew-Dump	1307	GC645	91	Ford	F700	Crew	2				owned by General Electric	\$4,000
Jasonville, In	Flagman/Extra	1307	GC9303	93	Chev	C3500	Crew	1	X			owned by General Electric	\$3,875
Jasonville, In	Surfacing Crew	1307	GC9565	95	Chev	C2500	Ext	3/4	X		X	owned by General Electric	\$2,188
Jasonville, In			713	93	Ford	LS800				X(?)		owned by General Electric	\$12,500
Total													\$22,563

Att 2 - Equipment

Attachment 2 - Equipment

Latta Subdivision Work Equipment List

LOCATION	CC LOC	MACHINE TYPE	UNIT #	COMMENTS	5/22/2005 Value
Latta	1307	Tamper Mark 2 Chase	7201-24	Poor	\$35,000
Latta	1307	Backhoe Cat 416	7511-03	Good	\$42,000
Latta	1307	Ford Tractor	150	Fair	\$5,500
Latta	1307	Spikepuller Geismar	7008-30	Poor	\$5,000
Latta	1307	Bolt Machine Geismar	7002-06	Poor	\$5,000
PRODUCTION SURFACING EQUIPMENT					
Latta	3450	Harsco MK III Sufacing Tamper	7206-08		\$85,000
Latta	3450	Kershaw Model 26-2-2 Ballast Reg	7211-12		\$35,000
		Tandem Axel Trailer			\$2,000
			Total		\$214,500

Att 3 - Bridge Materials

<u>Description</u>	<u>Amount</u>
14 pieces 8x14x14ft half caps	\$2,184.00
5 pieces 14x14x14ft caps	\$1,210.00
50 pieces 10x10x10ft ties	\$4,650.00
150 pieces 10x12x10ft ties	\$15,750.00
50 pieces 9x12x10ft ties	\$5,250.00
4 pieces 4x10x14ft spacer timbers	\$152.00
2 pieces 12x12x16ft ties	\$270.00
15 pieces 6x12x24ft bulkhead timbers	\$2,280.00
3 pieces 6x12x26ft bulkhead timbers	\$486.00
3 pieces 6x12x28ft bulkhead timbers	\$537.00
2 pieces 8x9x16ft ties	\$180.00
misc hardware (bolts, angles, etc.)	<u>\$5,000.00</u>
Total estimated value:	\$37,949.00

Att 4 - S&C Tools

<u>Description</u>	<u>Amount</u>
1-partial S-20 gate mech, 2 motors	
1-Rycom cable locator	
1-Erico grinder & case	
1-Erico grinder-newer	
1-bench grinder	
6-assorted molds for 6 1/2"	
150 bonds and powders	
4-grinding wheels	
1-1/2" Milwaukee drill	
1-short step ladder	
1-switch wrench set	
1-set of craftsman wrenches	
1-1/2" socket set complete	
1-big set of wrenches	
2-hammers	
1-Milwaukee sawzall	
1-4" Milwaukee grinder	
1-short finder	
1-TS111 meter	
1-Fluke 189 meter	
1-18" crescent wrench	
2-extension cords	
1-0.06 ohm shunt	
1-24 foot ext. ladder	
1-5000 watt generator	
1-Micro-trax end of siding cabinet	
1-mt2000 portable with charger	
1-2 position colorite head	
2-Safetran 600 cabinets-minus cards	
1-PMD 1 complete	
10-AFTAC trans/receivers	
8-battery surge arrestors	
1-Cragg rail charger-15 amp	
2-H-2 heads	
4-battery chokes	
10 each-2 ohhm and 5 ohm resistors	
1-TC track converter	
1-LOS timer	
Assorted PMD boards, STC, MD, XCVR, ISR, IST, SYDT, DCC. These boards are not tagged B/O so are considered good	
NBS 881 hz - 2	
NBS 790 hz - 1	
NBS 753 hz - 2	
NBS 686 hz - 1	
NBS 522 hz - 1	
NBS 452 hz - 1	
NBS 392 hz - 2	
2-1134-D wide bands	

Att 4 - S&C Tools

<u>Description</u>	<u>Amount</u>
2-TJC's 790 hz and 2-8881 hz	
2 or each, lenses-5 1/2" r, y.g	
2-SP-26-2	
4-SP-26	
8-gate arms extension, fiberglass-16'	
3-aluminum gate arms	
1-2002 F350, diesel 4x4, ext. cab hi rail, Rafna style	
1-Armlift bucket trailer	
1-bench grinder	
1-Stihl weedeater	
6-assorted molds for bonding	
4-grinding wheels	
1-18 volt DeWalt portable grinder	
1-4" Milwaukee grinder	
1-step ladder-6'	
1-Rycom cable locator	
1-12 vold Dewalt drill	
1-1/2" socket set	
1-15" crescent wrench	
1-large set of wrenches	
1-set of switch wrenches	
1-short finder	
1-ground finder	
2-triplett multi-meters	
1-Fluke 79 meter	
1-linemans helper LM106	
1-MT2000 portable (CPR9573) with charger	
1-Truck radio CPR1614AS	
1-bench grinder	
Micro-Trax inv.	
1-serial link board	
1-cpu board	
1-Genysis power supply board	
1-non-vital ISO board	
1-lamp driver board	
1-Genysis PCB board	
1-Genysis indication board	
1-Genysis Output source	
1-master/slave track board	
4-Electrocode II C cabinets and cards	
1-Electrocode 4H box complete	
1-VHLC card carrying box complete with cards	
1-RFL packet switch	
4-model 600 GCP's complete	
1-shunt tester	
4-Cragg railchargers	

Att 4 - S&C Tools

<u>Description</u>	<u>Amount</u>
1-Micro-trax code generator	
1-TD4	
4-SP-20-4a	
1-Stihl 021 chainsaw and case	
2-NRS charges	
2-lighting transformers	
1-new USS circuit controller	
1-C-Can charger	
4-1134-D-2's	
NBS 790 hz - 1	
NBS 753 hz - 3	
NBS 686 hz - 2	
NBS 452 hz - 1	
NBS 267 hz - 2	
NBS 210 hz - 2	
NBS 151 hz - 1	
TJC 326 hz - 1	
TJC 210 hz - 1	
Insulated Poly joints 90 lb - 1	
Insulated Poly joints 100 ra - 2	
Insulated Poly joints 112 lb - 2	
Insulated Poly joints 115 lb - 2	
Insulated Poly joints 132 lb - 2	
1-8 way aluminum case	
2-GRS plug in style POR relays	
1-walk wheel for measuring	
1999 Chevrolet Astro AWD van	
1-weatherguard tool box	
4-Hi-Line slide out tool boxes	
2-bases station radios	
1-step ladder	
1-3/8" milwaukee drill	
1-100' tape	
1-fisch tape	
1-soldering iron	
1-200EP inductive amplifier (wire tracer)	
1-Amp crimper	
1-hacksaw	
2-2 lb hammers	
1-18" rigid bolt cutters	
1-Dewalt drill 12 volt	
1-CDRC field unit	
1-Sierra VF test set	
1-APU 102 chassis complete with cards (AEI)	
1-truck radio CPR1735A	
1-portable mt2000 with charger CPR9576	
1-1/2" socket set	
1-wrench set	

Att 4 - S&C Tools

<u>Description</u>	<u>Amount</u>
1-CDRC DBU	
1-RCA monitor for cameras	
1-model 22 FI tone generator	
1-Sony MVC-FD73 digital Mavica camera	
1-Bird RF power analyst watt meter 4391A	
Ameritec VF test set AM44A	
1-Fluke VOM 26 III digital meter	
1-Passive Bird watt meter model 43	
2-Bird dummy plugs	
1-Fluke PM6666 programable timer/counter	
1-function simulator	
1-Harris-dracon Butt set	
1-Kepco DC supply	
1-Harmon HBD chassis WCO-75	
2-alignment jigs	
4-kick plates	
1-shop vac	
1-Cragg railcharger-15 amp	
1-HBDServo scanner 8909	
1-1/2" impact sockets set with case	
6-speakers	
1-rubbermaid tool box	
1-Mcgee amp	
1-CDRC console-Safetran	
1-ADC jackfield	
1-WECO magneto generator	
1-Dell desktop 425s/l	
1-Brother intellifax	
1-Dell Latitude & keyboard (CPR006598)	
1-cordless phone-Panasonic	
1-GE 4 line desk phone	
1-Dell monitor	
1-Dalco system controller, keyboard, Mitsubishi monitor	
1-digital Fluke 8050A desktop meter	
1-MBT solder gun	
1-IFR Freq tester	
1-Marconi test set	
1-Tektronics 2230 oscilloscope	
1-Astron RM 12M power supply	
1-Motorola DC power supply	
1-Rotelco PS-4 power supply model 1145	
1-Cragg rail charger	
1-Lucent Tech phone-desktop	
2-CDRC's in need of repair	
1-FSK test set	
1-Isobar surge suppressor	
1-HBD rack, signal processor, overlay, cable interface panel	

Att 4 - S&C Tools

Description	Amount
1-Laserjet 8150 printer	
3-squawk boxes	
1-Simpson 260 being repaired	
1-Motorola battery charger 7433	
1-Motorola base station power supply	
Miscellaneous cell mounts	
5-loco hand sets	
3-speaker mounts	
3-radio mounts	
2-ADC megabit modems 3005	
1-Pairgain	
1-engine radio Soo8236	
1-HME system 90 battery charger - 3 place	
2-EOT 4 place battery charger	
1-HBD scanner-Servo	
1-CDRCII office console	
1-Centercom MR415T mini-hub	
Total	\$18,000

TERRE HAUTE TRACK

Attachment 5

Terre Haute Track
Materials

Material	Unit	Material description	Bin	Open Order	Reorder pt	Unrestr.	Safety stock	Qty	MS/yr	Pl	Total Use 1	Total Use 2	Total Use 3	Weight Price	Round val.	Tot. value
1002941	1162	JOINT, COP, 8020/9020, NH	IR	0	0	1	1		DD	ZA	0	0	0	159.84	0	159.84
1003460	1162	JOINT, COP, 10025/115, NH	IR	0	0	0	5		DD	ZA	0	1	0	152.97	0	0.00
1003600	1162	JOINT, COP, 115/136, IH	IR	0	0	2	2		DD	ZA	0	0	0	165.85	0	331.69
1003620	1162	JOINT, COP, 115/136, IH	IR	0	0	2	2		DD	ZA	0	0	0	156.00	0	392.00
1004500	1162	NT, SQ, HW, HD, 1 1/4" FROD HLT	EA	0	0	99	50		DD	ZA	0	3	2	1.26	0	124.74
1074401	1162	OSTING, HLK, RAIL, N-21-37	EA	0	0	9	6		DD	ZA	0	0	0	3.49	0	31.45
1074450	1162	OSTING, WBSR, RAIL, N-21-38	EA	0	0	9	6		DD	ZA	0	0	0	2.05	0	18.49
1083460	1162	WBSR, SR, TRK, HLT, 1"	EA	0	0	300	100		DD	ZA	0	550	400	0.36	150	108.00
1086899	1162	INSRT, OSTING, HLT, 136"	EA	2	0	0	0		AA	ZA	0	0	0	40.28	0	0.00
1105510	1162	DEFE, FRO, 10020" #10, HLT RD, 1X, DEL	EA	0	0	1	0		AA	ZA	0	0	0	83.49	0	83.49
11134700	1162	HLT, REG, SQ, 1 1/4" X 8 1/2"	EA	0	0	1	0		II	ND	0	0	1	3.05	0	3.05
1113508	1162	HLT, REG, SQ, 1 1/4" X 13"	EA	0	0	10	10		DD	ZA	0	0	0	3.49	0	34.43
1113639	1162	HLT, REG, SQ, 1 1/4" X 15"	EA	0	0	16	10		DD	ZA	0	0	0	4.77	0	47.70
1113657	1162	HLT, REG, SQ, 1 1/4" X 17"	EA	0	0	11	10		DD	ZA	0	0	0	5.64	0	56.40
1113675	1162	HLT, REG, SQ, 1 1/4" X 19"	EA	0	0	15	10		DD	ZA	0	0	0	6.28	0	62.80
1113680	1162	HLT, REG, SQ, 1 3/8" X 9"	EA	0	0	12	10		DD	ZA	0	0	0	4.82	0	48.20
1113900	1162	HLT, REG, SQ, 1 3/8" X 10"	EA	0	0	28	12		DD	ZA	0	0	0	5.90	0	59.00
1114004	1162	HLT, REG, SQ, 1 3/8" X 11"	EA	0	0	49	10		DD	ZA	0	0	0	4.49	0	44.90
1114020	1162	HLT, REG, SQ, 1 3/8" X 12"	EA	0	0	14	10		DD	ZA	0	0	0	5.67	0	56.70
1114040	1162	HLT, REG, SQ, 1 3/8" X 13"	EA	0	0	29	10		DD	ZA	0	0	0	6.39	0	63.90
1114060	1162	HLT, REG, SQ, 1 3/8" X 14"	EA	0	0	45	6		DD	ZA	0	0	0	7.01	0	70.10
1114080	1162	HLT, REG, SQ, 1 3/8" X 15"	EA	0	0	13	12		DD	ZA	0	0	0	7.39	0	73.90
1114100	1162	HLT, REG, SQ, 1 3/8" X 16"	EA	0	0	7	12		DD	ZA	0	0	0	8.78	0	87.80
1114120	1162	HLT, REG, SQ, 1 3/8" X 17"	EA	0	0	35	16		DD	ZA	0	0	0	10.45	0	104.50
1114174	1162	HLT, REG, SQ, 1 3/8" X 20"	EA	0	0	22	10		DD	ZA	0	0	0	11.25	0	112.50
1114188	1162	HLT, REG, SQ, 1 3/8" X 22"	EA	0	0	20	15		DD	ZA	0	0	0	12.60	0	126.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 24"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 26"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 28"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 30"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 32"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 34"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 36"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 38"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 40"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 42"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 44"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 46"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 48"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 50"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 52"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 54"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 56"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 58"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 60"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 62"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 64"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 66"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 68"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 70"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 72"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 74"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 76"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 78"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 80"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 82"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 84"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 86"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 88"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 90"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 92"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 94"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 96"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 98"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 100"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 102"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 104"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 106"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 108"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 110"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 112"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 114"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 116"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 118"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 120"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 122"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 124"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 126"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 128"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 130"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 132"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 134"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 136"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 138"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 140"	EA	0	0	22	0		DD	ZA	0	0	0	23.60	0	236.00
1114194	1162	HLT, REG, SQ, 1 3/8" X 142"	EA	0	0	22	0		DD	ZA	0					

Attachment 5

Terre Hants
Track
Materials

Serial	Part	Material description	Qty	Unit	Order	Reorder pt	Unres.	Safety	Col	MS	Typ	El	Totl Use 1	Totl Use 2	Totl Use 3	Magazines	Round val.	TC. value
1509120	3162	POINT, SH, 130°, 22', 1H, SH	2	0	0	0	0	1	0	II	2A		0	0	0	277.47	0	554.94
1509140	3162	POINT, SH, 130°, 22', 1H, SH	0	0	0	0	0	0	0	II	2A		0	1	0	96.66	0	0.00
1509151	3162	POINT, SH, 131°, 22', 1H, SH	1	0	0	0	0	0	0	II	2A		0	0	0	96.66	0	96.66
1510090	3162	CARD RAIL, 1020° 13', SH	1	0	0	0	0	0	0	II	2A		0	0	0	33.48	0	33.48
1510090	3162	CARD RAIL, 1020° 13', SH	3	0	0	0	0	0	0	II	2A		0	0	0	85.07	0	255.21
1512620	3162	SWITCH SPAND, 130°, 13', SH	0	0	0	0	0	0	0	II	2A		0	2	0	200.38	0	0.00
1514680	3162	JOINT BR, 1020°, 4H	0	0	0	0	0	0	0	II	2A		0	0	0	40.95	0	0.00
1515970	3162	ELT, TRK, 1° X 5 1/2"	201	0	0	0	0	130	0	II	2A		59	257	0	1.22	26	345.22
1515910	3162	ELT, TRK, 1° X 5 3/4"	130	0	0	0	0	150	0	II	2A		51	261	0	1.25	26	345.22
1515930	3162	ELT, TRK, 1° X 6"	225	0	0	0	0	150	0	II	2A		50	250	0	1.10	25	345.22
1517011	3162	JOINT, COPE, 130/132°, 1H, SH	0	0	0	0	0	0	0	II	2A		0	0	0	11.22	0	0.00
1517011	3162	JOINT, COPE, 131/132°, 1H	1	0	0	0	0	8	0	II	2A		0	1	0	143.23	0	1,718.77
1517211	3162	JOINT, COPE, 112/115°, 1H	9	0	0	0	0	4	0	II	2A		3	0	0	129.47	0	1,165.23
1517211	3162	JOINT, COPE, 115/112°, 1H	2	0	0	0	0	2	0	II	2A		1	0	0	166.15	0	332.30
1517290	3162	JOINT, COPE, 115/112°, 1H	2	0	0	0	0	2	0	II	2A		0	0	0	183.00	0	366.00
1517290	3162	DEFE, JOINT, COPE, 130/131°, 1H, DEL	5	0	0	0	0	1	0	II	2A		0	0	0	142.53	0	712.65
1517311	3162	JOINT, COPE, 115/111°, 1H	4	0	0	0	0	1	0	II	2A		0	0	0	171.37	0	685.46
1517311	3162	JOINT, COPE, 115/111°, 1H	2	0	0	0	0	0	0	II	2A		0	0	0	169.07	0	338.14
1517341	3162	JOINT, COPE, 112/111°, 1H	1	0	0	0	0	0	0	II	2A		0	0	0	166.79	0	166.79
1517410	3162	DEFE, JOINT, COPE, 1020/131°, 1H, DEL	0	0	0	0	0	0	0	II	2A		0	0	0	155.32	0	155.32
1517410	3162	DEFE, JOINT, COPE, 1020/131°, 1H, DEL	0	0	0	0	0	0	0	II	2A		0	0	0	156.98	0	0.00
1517560	3162	JOINT, COPE, 1020/130°, 1H, SH	1	0	0	0	0	0	0	II	2A		0	0	0	154.29	0	154.29
1517570	3162	JOINT, COPE, 1020/130°, 1H, SH	3	0	0	0	0	1	0	II	2A		0	0	0	154.29	0	462.87
1517581	3162	JOINT, COPE, 1020/130°, 1H, SH	1	0	0	0	0	0	0	II	2A		0	0	0	7.06	0	5.61
1517611	3162	JOINT, COPE, 900/115°, 1H	1	0	0	0	0	2	0	II	2A		0	0	0	164.81	0	164.81
1517631	3162	JOINT, COPE, 900/115°, 1H	0	0	0	0	0	0	0	II	2A		0	2	0	164.10	0	0.00
1517651	3162	JOINT, COPE, 900/115°, 1H	0	0	0	0	0	0	0	II	2A		0	2	0	164.65	0	0.00
1517790	3162	JOINT, COPE, 1020/112°, 1H	3	0	0	0	0	0	0	II	2A		0	0	0	165.05	0	495.14
1520015	3162	SWITCH SPAND, CR	0	0	0	0	0	0	0	II	2A		0	0	0	229.68	0	0.00
1520700	3162	SWITCH SPAND, 2'-11"	8	0	0	0	0	4	0	II	2A		0	0	0	603.18	0	4,825.44
1520867	3162	WASHER, H&L, DEL, 136°-23'-52.3"	4	0	0	0	0	2	0	II	2A		0	0	0	755.00	0	3,020.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80	0	124.00
1522275	3162	WASHER, H&L, DEL, 136°-23'-52.3"	5	0	0	0	0	6	0	II	2A		0	0	0	24.80		

TRACK

Attachment 6

Latte Track Materials

Lot #	Mat'l Description	Qty	Open Order	Reorder pt	Unrecr.	Safety stock	Ch	MS	Typ	El	Total Use 1	Total Use 2	Total Use 3	Max Price	Round val.	Tot. value
1003401	1163 JOINT, COMP, 9000/115 RH	0	0	0	1	0	0	0	0	0	1-	0	6	162.97	0	162.97
1003420	1163 JOINT, COMP, 9000/115, LH	0	0	0	0	0	0	0	0	0	0	0	6	164.89	0	164.89
1003600	1163 JOINT, COMP, 115/136, LH	0	0	0	0	2	0	0	0	0	0	1	0	164.50	0	164.50
1003620	1163 JOINT, COMP, 115/136, RH	0	0	0	5	2	0	0	0	0	0	0	0	164.93	0	164.93
1004001	1163 ELT, TRK, 1" X 7"	0	0	0	0	0	0	0	0	0	0	192	192-	2.69	22	581.88
1004440	1163 ELT, TRK, 7/8" X 5"	0	0	0	156	0	0	0	0	0	138	253-	212	0.88	37	137.28
1004961	1163 FPO, TIE, 1/4" X 7 3/4" X 13"	0	0	0	71	0	0	0	0	0	29	0	0	0.80	0	56.80
1004962	1163 FPO, TIE, 1/4" X 7 3/4" X 14"	0	0	0	39	0	0	0	0	0	39-	0	0	0.80	0	31.20
1006200	1163 FOD, CON, 3" 6" HB, STY, 1-1/8" B	0	0	0	2	0	0	0	0	0	0	0	40	0.80	0	32.00
1006300	1163 WASHER, SER, TRUCK ELT, 7/8"	0	0	0	0	0	0	0	0	0	0	0	0	95.55	0	191.12
1006440	1163 WASHER, SER, TRUCK ELT, 1"	0	0	0	40	0	0	0	0	0	0	1	24	0.23	250	9.20
1006789	1163 FRET, BLACK, RST, 136", 16"-6" TH	0	150	0	0	100	0	0	0	0	150	300	300	0.36	150	0.00
1009040	1163 FBR, RED, FORGING, 132", 41, LH, SD	0	0	0	1	0	0	0	0	0	0	0	1	392.01	0	392.01
1012500	1163 FBR, RED, FORGING, 132", 41, LH, SD	0	0	0	0	0	0	0	0	0	0	0	1	27.61	0	27.61
1012505	1163 ELT, REG, SQ, 1" X 8"	0	0	0	0	0	0	0	0	0	0	0	1	24.40	0	24.40
1012520	1163 ELT, REG, SQ, 1" X 9"	0	0	0	17	0	0	0	0	0	17-	0	0	2.05	0	34.85
1012531	1163 ELT, REG, SQ, 1" X 10"	0	0	0	13	0	0	0	0	0	13-	0	0	2.05	0	26.78
1012540	1163 ELT, REG, SQ, 1" X 10"	0	0	0	0	10	0	0	0	0	10-	0	8	2.65	0	34.48
1012569	1163 ELT, REG, SQ, 1" X 11"	0	0	0	3	0	0	0	0	0	2	0	0	3.56	0	10.68
1012587	1163 ELT, REG, SQ, 1" X 11"	0	0	0	16	8	0	0	0	0	8-	0	0	2.70	0	43.20
1012602	1163 ELT, REG, SQ, 1" X 12"	0	0	0	12	6	0	0	0	0	5-	14	9	2.95	0	35.45
1012630	1163 ELT, REG, SQ, 1" X 13"	0	0	0	10	10	0	0	0	0	10-	0	0	3.60	0	43.20
1013005	1163 ELT, REG, SQ, 1 1/8" X 10"	0	0	0	10	0	0	0	0	0	10-	0	0	3.76	0	37.60
1013020	1163 ELT, REG, SQ, 1 1/8" X 11"	0	0	0	7	0	0	0	0	0	7-	0	0	3.41	0	23.87
1013409	1163 ELT, REG, SQ, 1 1/4" X 11"	0	12	0	12	0	0	0	0	0	12-	0	0	3.35	0	40.20
1013400	1163 ELT, REG, SQ, 1 1/4" X 12"	0	0	0	1	0	0	0	0	0	11	0	0	3.56	0	3.56
1013506	1163 ELT, REG, SQ, 1 1/4" X 12"	0	0	0	7	0	0	0	0	0	7-	0	0	5.03	0	35.21
1013610	1163 ELT, REG, SQ, 1 1/4" X 14"	0	0	0	14	0	0	0	0	0	14-	0	0	80.36	0	80.36
1013620	1163 ELT, REG, SQ, 1 1/4" X 15"	0	0	0	10	0	0	0	0	0	10-	0	0	5.74	0	60.50
1013900	1163 ELT, REG, SQ, 1 3/8" X 9"	0	0	0	13	0	0	0	0	0	10-	0	0	6.05	0	60.50
1014022	1163 ELT, REG, SQ, 1 3/8" X 12"	0	0	0	13	10	0	0	0	0	5	6-	0	4.49	0	58.37
1014174	1163 ELT, REG, SQ, 1 3/8" X 20"	0	0	0	2	2	0	0	0	0	2	2	0	5.67	0	73.71
1017404	1163 DEBALL, HXNCD, 46, LH, HT	0	0	0	2	0	0	0	0	0	2-	0	1	8.78	0	17.56
1017650	1163 DEBALL, HXNCD, 46, RH, HT	0	0	0	2	2	0	0	0	0	0	2	0	340.00	0	680.00
1017651	1163 DEBALL, HXNCD, 47, LH, HT	0	0	0	2	2	0	0	0	0	0	2	0	340.00	0	680.00
1017653	1163 DEBALL, HXNCD, 47, RH, HT	0	0	0	1	1	0	0	0	0	0	1	0	340.00	0	340.00
1021440	1163 FPG, 115", 41, RH, 18"-9", SD	0	0	0	1	1	0	0	0	0	0	1	0	340.00	0	340.00
1021627	1163 FPG, 115", 41, RH, 18"-8 1/2", SD	0	0	0	1	1	0	0	0	0	0	0	6,697.80	0	6,697.80	
1021671	1163 FPG, 115", 41, RH, 16"-6", SD	0	0	0	1	1	0	0	0	0	0	0	5,612.19	0	5,612.19	
1021687	1163 FPG, 115", 41, RH, 17", 0"	0	0	0	1	1	0	0	0	0	0	0	6,230.00	0	6,230.00	
1025451	1163 JOINT, BRR, BENT, 115", 41, SD	0	0	0	0	0	0	0	0	0	0	0	1	6,354.22	0	6,354.22
1025456	1163 JOINT, BRR, BENT, 132", 41, SD	0	0	0	0	0	0	0	0	0	0	2	0	42.67	0	42.67
1029149	1163 FLARE, INS, CA, 1020", 14, 15-5	0	0	0	0	0	0	0	0	0	0	2	0	10.03	0	10.03
1029150	1163 FLARE, INS, CA, 1020", 14, 15-5	0	0	0	1	0	0	0	0	0	0	2	0	10.03	0	10.03
1029172	1163 FLARE, INS, CA, 100/115", RH, 22", C	0	0	0	1	0	0	0	0	0	0	0	0	127.26	0	127.26
1029368	1163 FLARE, INS, CA, 100/115", RH, 22", B	0	0	0	1	0	0	0	0	0	0	0	0	270.35	0	270.35
1034206	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	0	0	0	0	0	0	0	0	276.40	0	276.40
1034204	1163 FLARE, INS, CA, 9020", 15", 14, SD	0	0	0	1	1	0	0	0	0	0	0	0	406.63	0	406.63
1035305	1163 FLARE, INS, CA, 9020", 15", 15", RH, SD	0	0	0	1	1	0	0	0	0	1-	0	0	1,151.04	0	1,151.04
1035306	1163 FLARE, INS, CA, 10020", 15", 15", LH, SD	0	0	0	4	0	0	0	0	0	3-	0	0	476.26	0	476.26
1035394	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	1	1,481.03	0	1,481.03
1035394	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036408	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	1,481.03
1036710	1163 FLARE, INS, CA, 132", 14, 22", B	0	0	0	1	1	0	0	0	0	0	0	0	1,481.03	0	

Attachment 6

Little Tree Materials

Material	Unit	Material description	Qty	Open Order	Reorder pt	Unstr.	Safety stock	MS	Qty	Totl Use 1	Totl Use 2	Totl Use 3	MagPrice	Reord val.	Tot. value
0157661	1163	JOINT, COP, 1020/115" RH	3	0	0	3	0	0	0	1	1	0	158.53	0	475.59
0157660	1163	JOINT, RAIL, RLY-115, 131, 61, 800	6	0	0	6	0	0	0	3	0	0	231.50	0	1,389.00
0151901	1163	WASHER, SR, RAIL, ERACE, 7/8"	140	0	0	140	50	0	0	0	10	0	0.18	0	25.20
0151911	1163	WASHER, SR, RAIL, ERACE, 7/8"	1	0	0	1	0	0	0	0	0	0	854.20	0	854.20
0152005	1163	WASHER, SR, RAIL, ERACE, 7/8"	1	0	0	1	0	0	0	0	0	0	507.07	0	507.07
0152006	1163	WASHER, SR, RAIL, ERACE, 7/8"	10	0	0	10	0	0	0	0	0	0	30.00	0	300.00
0152007	1163	WASHER, SR, RAIL, ERACE, 7/8"	4,000	0	0	4,000	0	0	0	0	0	0	21.99	0	87,960.00
0152008	1163	WASHER, SR, RAIL, ERACE, 7/8"	7	0	0	7	0	0	0	0	0	0	0.80	0	5.60
0152009	1163	WASHER, SR, RAIL, ERACE, 7/8"	1,070	0	0	1,070	0	0	0	0	0	0	26.87	0	28,749.90
0152010	1163	WASHER, SR, RAIL, ERACE, 7/8"	272	0	0	272	0	0	0	0	0	0	5.54	0	1,506.88
0152011	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	5.23	0	0.00
0152012	1163	WASHER, SR, RAIL, ERACE, 7/8"	100	0	0	100	0	0	0	0	0	0	1.03	0	103.00
0152013	1163	WASHER, SR, RAIL, ERACE, 7/8"	100	0	0	100	0	0	0	0	0	0	1.67	0	167.00
0152014	1163	WASHER, SR, RAIL, ERACE, 7/8"	2	0	0	2	0	0	0	0	0	0	251.63	0	503.26
0152015	1163	WASHER, SR, RAIL, ERACE, 7/8"	17	0	0	17	0	0	0	0	0	0	498.37	0	8,471.29
0152016	1163	WASHER, SR, RAIL, ERACE, 7/8"	40	0	0	40	0	0	0	0	0	0	7.00	0	280.00
0152017	1163	WASHER, SR, RAIL, ERACE, 7/8"	3	0	0	3	0	0	0	0	0	0	1.67	0	5.01
0152018	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	1,401.04	0	0.00
0152019	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	819.33	0	0.00
0152020	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	819.33	0	0.00
0152021	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	685.27	0	0.00
0152022	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	685.27	0	0.00
0152023	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	819.33	0	0.00
0152024	1163	WASHER, SR, RAIL, ERACE, 7/8"	32	0	0	32	0	0	0	0	0	0	819.33	0	26,218.56
0152025	1163	WASHER, SR, RAIL, ERACE, 7/8"	100	0	0	100	0	0	0	0	0	0	2.10	0	210.00
0152026	1163	WASHER, SR, RAIL, ERACE, 7/8"	7	0	0	7	0	0	0	0	0	0	1.40	0	9.80
0152027	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	63.47	0	0.00
0152028	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	27.60	0	0.00
0152029	1163	WASHER, SR, RAIL, ERACE, 7/8"	16	0	0	16	0	0	0	0	0	0	30.49	0	487.84
0152030	1163	WASHER, SR, RAIL, ERACE, 7/8"	846	0	0	846	0	0	0	0	0	0	15.76	12	13,219.20
0152031	1163	WASHER, SR, RAIL, ERACE, 7/8"	120	0	0	120	0	0	0	0	0	0	19.48	12	2,337.60
0152032	1163	WASHER, SR, RAIL, ERACE, 7/8"	4	0	0	4	0	0	0	0	0	0	0.33	0	1.32
0152033	1163	WASHER, SR, RAIL, ERACE, 7/8"	260	0	0	260	0	0	0	0	0	0	11.53	0	2,997.80
0152034	1163	WASHER, SR, RAIL, ERACE, 7/8"	38	0	0	38	0	0	0	0	0	0	14.70	0	558.60
0152035	1163	WASHER, SR, RAIL, ERACE, 7/8"	2	0	0	2	0	0	0	0	0	0	5.72	0	11.44
0152036	1163	WASHER, SR, RAIL, ERACE, 7/8"	2	0	0	2	0	0	0	0	0	0	11.91	0	23.82
0152037	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	53.15	0	0.00
0152038	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	55.93	0	0.00
0152039	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	72.36	0	0.00
0152040	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	144.72	0	0.00
0152041	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	8.60	0	0.00
0152042	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	8.60	0	0.00
0152043	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	3.15	0	0.00
0152044	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	0.46	0	0.00
0152045	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	2.42	0	0.00
0152046	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	20.70	0	0.00
0152047	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	9.57	0	0.00
0152048	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	31.89	0	0.00
0152049	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	72.57	0	0.00
0152050	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	35.54	0	0.00
0152051	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	39.32	0	0.00
0152052	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	33.23	0	0.00
0152053	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	41.47	0	0.00
0152054	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	42.14	0	0.00
0152055	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	45.72	0	0.00
0152056	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	51.56	0	0.00
0152057	1163	WASHER, SR, RAIL, ERACE, 7/8"	0	0	0	0	0	0	0	0	0	0	55.25	0	0.00

Lattice Trace Methods

Serial	Material description	Bin	Qty	Order	Reorder pt	Unrecd	Safety stock	Cl	MS Typ	El	Trail Use 1	Total Use 2	Trail Use 3	Weighted Round val.	Tot. value
K20152	116 TIE, SWITCH, HO, 15", 0799X7"	BA	0		0	2	0	0	II ZA		0	2	0	63.71	127.42
K20157	116 TIE, SWITCH, HO, 15", 0799X7"	BA	0		0	12	0	0	II ZA		2-	0	0	67.67	812.04
K40618	116 HANK, XING, 7-1/2X882, TR	BA	0		0	0	0	0	II ZA		7-	0	0	26.20	0.00
K40620	116 HANK, XING, 7-1/2X882, TR	BA	0		0	42	0	0	II ZA		6-	22-	1-	57.61	2,419.62
K40623	116 HANK, XING, 8-1/4X888, TR	BA	0		0	0	0	0	II ZA		14	7-	0	31.48	0.00
K40624	116 HANK, XING, 8-1/4X882, TR	BA	0		0	0	0	0	II ZA		13	4-	0	44.54	0.00
K33396	116 POINT, BA, 115", 21", 1H, 8M, 8D	BA	0		1	0	0	0	II ZA		0	0	0	0.00	230.56
01090920	116 POINT, BA, 115", 21", 1H, 8M, 8D	BA	0		0	0	0	0	II ZA		0	0	0	0.00	0.00
02000560	116 ARCHER, RAIL, 112"/115", CHARNLOC HO, SH	BA	0		2	0	1	1	II ZA		0	1-	1	0.00	43.42
02051800	116 PLATE, TIE, 115", DS, 13", 8D/BEH, SH	BA	0		0	0	0	0	II ND		0	0	0	0.00	0.00
02302006	116 JOINT BR, 115"x8, 36", 6H, SH	BA	0		74	0	0	0	II ND		664	200	1,200	0.00	0.00
02514820	116 JOINT BR, 115"x8, 36", 6H, SH	BA	0		25	0	0	0	II ZA		4	56	0	0.00	87.32
02514960	116 JOINT BR, 115"x8, 36", 6H, 8D, SH	BA	0		31	0	10	0	II ZA		8-	0	0	3.65	91.25
02514990	116 JOINT BR, 115"x8, 36", 6H, 8D, SH	BA	0		37	0	3	0	II ZA		3-	5	0	0.00	91.25
02515030	116 JOINT BR, 115"x8, 36", 1 1/8", 8D, SH	BA	0		37	0	2-	0	II ZA		7	0	0	0.00	157.18
02515070	116 JOINT BR, 112"x8, 36", 6H, 8D, SH	BA	0		0	0	0	0	II ZA		0	1-	0	0.00	190.92
02515170	116 JOINT BR, 1020" 24", 4H, 8D, SH	BA	0		71	0	10	0	II ZA		18	32	1-	7.02	0.00
02515190	116 JOINT BR, 920" 24", 6", MUL, SH	BA	0		57	0	10	0	II ZA		0	3	0	0.00	370.62
02515240	116 JOINT BR, 850" 24", 6", MUL, SH	BA	0		21	0	0	0	II ZA		0	5-	0	0.00	250.80
02515310	116 JOINT BR, 700" 24", MUL, SH	BA	0		33	0	0	0	II ZA		0	21	0	0.00	57.12
02515340	116 PLATE, TIE, 80/85/90", 10", 8D, SH	BA	0		16	0	0	0	II ZA		0	1-	5	0.00	208.23
02515400	116 PLATE, TIE, 117", 15, 11", 8D, SH	BA	0		10	0	0	0	II ZA		0	3	13	0.00	31.28
02515440	116 PLATE, TIE, 131/137", DS, 12", 8D, SH	BA	0		410	0	0	0	II ZA		6	0	0	0.00	0.00
02515490	116 PLATE, TIE, 131/137", DS, 13", 8D, SH	BA	0		158	0	0	0	II ZA		22	12	0	0.00	434.60
02703009	116 PLATE, TIE, 115", 15, 14", HCC, SH	BA	0		15	0	0	0	II ZA		6-	16	0	0.00	156.92
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	BA	0		12	0	0	0	II ZA		15-	0	0	1.76	26.40
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		2,500	0	0	0	II ZA		5-	0	0	0.00	15.36
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	100	0	1.80	4,500.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA		0	0	0	0.00	0.00
028000770	116 RAIL, RELAY, 920" 14, 5 1/2, SH	PT	0		0	0	0		II ZA</						

Inventory Report LATA S+C

Attachment 8

Letter
SIC

Material	Part	Material description	Alt	Qty	Order	Reorder pt	Unreserv	Safety stck	Od	Typ	El	Totl Use 1	Totl Use 2	Totl Use 3	Waigsize	Rund val.	Tot. value
00064320	322	NO RES, 900P, ROUN, 3M	EA	0	0	0	8	2	1	II	2A	0	1	3	10.71	0	85.68
00064340	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	1	10.89	0	10.89
00064360	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	204.95	0	204.95
00064380	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	2	1	1	II	2A	0	0	0	261.63	0	261.63
00064400	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	2	1	II	2A	0	0	0	235.00	0	235.00
00064420	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	13.26	0	13.26
00064440	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	245.80	0	245.80
00064460	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	310.24	0	310.24
00064480	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	201.60	0	201.60
00064500	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	271.04	0	271.04
00064520	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	230.72	0	230.72
00064540	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	13.38	0	13.38
00064560	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	96.89	0	96.89
00064580	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	134.74	0	134.74
00064600	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	220.64	0	220.64
00064620	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	834.71	0	834.71
00064640	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	37.02	0	37.02
00064660	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	16.06	0	16.06
00064680	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	43.80	0	43.80
00064700	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	183.18	0	183.18
00064720	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	14.00	100	14.00
00064740	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	0.00	0	0.00
00064760	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	93.69	0	93.69
00064780	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	27.56	0	27.56
00064800	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	360.61	0	360.61
00064820	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	659.48	0	659.48
00064840	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	53.97	0	53.97
00064860	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	222.99	0	222.99
00064880	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	14.35	0	14.35
00064900	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	232.92	0	232.92
00064920	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	1.33	0	1.33
00064940	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	0.79	0	0.79
00064960	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	11.19	0	11.19
00064980	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	0.34	0	0.34
00065000	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	25.57	0	25.57
00065020	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	10.00	100	10.00
00065040	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	0.58	100	0.58
00065060	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	0.37	100	0.37
00065080	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	329.85	0	329.85
00065100	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	25.10	0	25.10
00065120	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	14.17	0	14.17
00065140	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	0.38	0	0.38
00065160	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	0.35	500	0.35
00065180	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	475.40	0	475.40
00065200	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	1.18	0	1.18
00065220	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	237.66	0	237.66
00065240	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	10.07	0	10.07
00065260	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	5.73	0	5.73
00065280	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	37.04	10	37.04
00065300	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	220.48	0	220.48
00065320	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	105.00	0	105.00
00065340	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	3.47	0	3.47
00065360	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	6.21	0	6.21
00065380	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	574.56	0	574.56
00065400	322	NO RES, 1002S, ROUN, 3M	EA	0	0	0	1	1	1	II	2A	0	0	0	97.44	0	97.44

Attachment 8

Letter S.C.

Material	Part	Material Description	Qty	Order	Reorder pt	Unrestr.	Safety stock	Orig MS	Typ	Pl	Totl Use 1	Totl Use 2	Totl Use 3	Waughts	Round val.	Tot. value
004706437	323	RESISTOR 5 CH, 100 1.73 MP	EA	0	0	5	2	II	2A		0	0	0	24.39	0	121.95
004706510	323	RELAY, 30-15 DEG F/L, 8 3/8"	EA	0	0	4	2	II	2A		0	0	0	8.52	0	34.08
004717611	323	SLINT, NUT, BNO, 11340-2	EA	0	0	2	1	II	2A		0	0	0	169.75	0	339.50
004717770	323	SLINT, NUT, BNO, 11340-2	EA	0	0	2	1	II	2A		0	0	0	243.00	0	486.00
004717790	323	SLINT, NUT, BNO, 11340-2	EA	0	0	1	1	II	2A		0	0	1	243.00	0	243.00
004738864	323	TUNING, 100-1.1, 452	EA	0	0	3	0	II	2A		0	0	0	24.69	0	74.07
004744698	323	CLIP, REPAIR, 3/8" x 1/2"	EA	0	0	50	1	II	2A		0	50	0	2.86	0	143.00
004779066	323	SLINT, NUT, BNO, 11340-2	EA	0	0	2	1	II	2A		0	0	0	243.00	0	486.00
004779249	323	CLIP, 100-1.1, 452	EA	0	0	1	1	II	2A		0	0	0	697.00	0	697.00
004779256	323	CLIP, 100-1.1, 452	EA	0	0	1	1	II	2A		0	0	0	5.60	10	0.00
004790009	323	CLIP, 100-1.1, 452	EA	10	0	0	10	II	2A		10	0	0	5.60	10	56.00
004790038	323	CLIP, 100-1.1, 452	EA	20	0	10	12	II	2A		10	0	0	0.53	100	53.00
004790087	323	CLIP, 100-1.1, 452	EA	0	0	100	25	II	2A		0	19	0	2.61	0	39.15
004790110	323	CLIP, 100-1.1, 452	EA	0	0	15	0	II	2A		0	0	0	2.20	0	22.00
004790120	323	CLIP, 100-1.1, 452	EA	0	0	10	0	II	2A		0	0	0	3.41	0	3.41
004790150	323	CLIP, 100-1.1, 452	EA	0	0	1	0	II	2A		0	0	0	19.00	0	19.00
004790170	323	CLIP, 100-1.1, 452	EA	0	0	4	1	II	2A		0	0	0	2.47	0	2.47
004790180	323	CLIP, 100-1.1, 452	EA	0	0	5	0	II	2A		0	0	0	1.77	0	1.77
004790190	323	CLIP, 100-1.1, 452	EA	0	0	2	0	II	2A		0	0	0	231.09	0	231.09
004790200	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790210	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790220	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790230	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790240	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790250	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790260	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790270	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790280	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790290	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790300	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790310	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790320	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790330	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790340	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790350	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790360	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790370	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790380	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790390	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790400	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790410	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790420	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790430	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790440	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790450	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790460	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790470	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790480	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790490	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790500	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790510	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790520	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790530	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790540	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790550	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790560	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790570	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790580	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790590	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790600	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790610	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790620	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790630	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790640	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790650	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790660	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790670	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790680	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790690	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790700	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790710	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790720	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790730	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790740	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790750	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790760	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790770	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790780	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790790	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790800	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790810	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790820	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790830	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790840	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790850	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790860	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790870	323	CLIP, 100-1.1, 452	EA	0	0	0	0	II	2A		0	0	0	0.00	0	0.00
004790880	323	CLIP, 100-1.1, 452	EA	0	0	0										

Att 10 - Mechanical (Roundhouse) Parts and Tools

<u>Description</u>	<u>Amount</u>
1-Bobcat front end loader. Good for cleaning pans and plowing snow.	\$4,000.00
2-boxes of fusees	\$65.00
1-portable torch with hoses and gauges.	\$200.00
1-box of ditch lights	\$165.00
1-pressure washer	\$300.00
5-head lights	\$70.00
1-portable pressure washer	\$150.00
Assorted bulbs for loco cabs and steps	\$25.00
1 portable electric pump	\$150.00
1-shop vac.	\$75.00
1-oil filter crusher-not working	\$400.00
1-Sulair air compressor with 4393 hours.	\$300.00
1-miller welding machine	\$1,200.00
1-new fueling hose	\$150.00
2-spill containers for drums	\$150.00
1-six foot aluminum step ladder	\$45.00
1-oil tank 2000 gal. capacity with pump	\$8,000.00
1-gas powered weed eater	\$130.00
3-propane gas heaters	\$200.00
2-sets of jumper cables	\$250.00
5-radios	to be returned
10-boxes of assorted engine filters	to be returned
5-IDU's	to be returned
1-heavy duty grinder	\$60.00
4-hand sets	to be returned
1-bench vise	\$50.00
2-tool chests with assorted tools	\$2,500.00
1-chain pull	\$150.00
3-boxes of brake shoes	\$3,250.00
9-good fire extinguishers	\$900.00
2-pocket bins with assorted elbows, street ells, nipples, etc.	\$150.00
Total	\$23,085.00

Att 11 - Rip Track Parts

<u>Description</u>	<u>Amount</u>
3-Wabco b3a brake beams	\$730.86
1-FR205EA coupler body	\$551.27
22-hand brakes	\$5,794.58
9-#24 brake beams	\$675.81
6-SBE60EE coupler bodies	\$1,488.12
2-F45AE locking blocks	\$99.06
15-#18 brake beams	\$1,157.40
1-F79CC coupler body	\$408.00
8-F41HTE locking blocks	\$68.48
4-8 1/2 in wabco pistons	\$659.68
2-air reservoirs	\$316.42
9-E24 locking blocks	\$112.68
10-7 1/2 inch ab pistons	\$1,360.00
14-F51A knuckles	\$1,003.10
72-hand holds	\$360.00
1-skid of 1 1/2 inch brake shoes	\$1,370.40
5-E50HTE knuckles	\$554.30
10-bottom rods	\$480.00
1-skid of yellow brake shoes	\$2,244.00
10-cross keys	\$300.10
12-D6 outer and inner springs	\$104.00
12-cross-over steps	\$288.00
60-33: long air hoses	\$1,640.40
12-D3 outer springs	\$103.80
29 brake steps	\$300.00
36-standard aar air hose	\$540.00
10-D5 outer and inner springs	\$167.77
42-metal knuckle pins	\$322.98
52-cans of aerosol spray paint	\$200.00
9-rotary coupler to yoke connection pins	\$108.72
45 sill steps	\$2,250.00
6-ABD emergency valves	\$408.96
5-bottom rotary pin retainers	\$114.00
15-E42HTE lock lifters	\$258.45
1-DB20 emergency valve	\$143.90
4-rotary top pin retainers	\$91.20
26-F8 lock lifters	\$176.80
7-ABDXL emergency valves	\$5,009.34
5-F type rotary yokes	\$1,933.75
12-F7 lock lifter assemblies	\$162.00
12-ABD service portions	\$1,187.64
3-F type non rotary yokes	\$1,105.29
5-E knuckles throwers	\$18.15
10-DB10 service portions	\$1,865.00
2-Y40HTE yokes	\$331.48
6-F knuckle throwers	\$21.78

Att 11 - Rip Track Parts

<u>Description</u>	<u>Amount</u>
7-long under slung hoses	\$469.00
8-rotary followers	\$514.72
30-brake shoe keys	\$48.90
9-short under slung hoses	\$192.00
2-follower blocks	\$55.78
11-trombone type pin lifters	\$427.35
30-end cocks	\$1,893.30
6-SF70DE coupler bodies	\$4,456.80
22-non-telescoping type pin lifters	\$396.00
14-angle cocks	\$449.68
3-FR304WE coupler bodies	\$1,832.79
10-hand brake wheels	\$270.00
20-outlet gate locks	\$360.10
24-routing boards	\$298.32
8-wabco air hoses	\$207.04
6-bell cranks	\$270.00
10-placards boards	\$237.50
25-truck and body levers	\$525.00
17 center pins	\$97.92
15 retaining valves	\$330.00
10-brake rod clevises	\$42.50
10 3/4" welded fittings	\$38.50
5 no. 8 vent valves	\$320.20
60-wabco compression fittings	\$1,305.00
10 3/8" welded fittings	\$35.00
6-doubler roller side bearing cages	\$144.00
14-11/4" welded fittings	\$173.46
40 5/8" studs	\$90.00
30-assorted size pipe nipples	\$30.00
19 emergency portion gaskets	\$29.07
15 service portion gaskets	\$22.50
30 lbs 1/8" low hydrogen welding rod	\$90.00
2-single car test devices	\$253.22
110 3" x 12" x 24" blocking	\$440.00
30lbs 5/32 low hydrogen welding rod	\$90.00
2-brake cylinder gauges	\$160.00
6-pr. of 6 1/2 r.b. wheels	\$4,818.18
200 rubber gaskets for train line	\$24.00
200 wedges	\$184.00
5-pr. of 6 x 11 r.b. wheels	\$3,787.85
200-air hose gaskets	\$24.00
13-6 1/2 r.b. adapters	\$235.95
20-6 x 11 r.b. adapters	\$350.00
50-5/8" flat washers	
50-1/2" flat washers	
150-1/2 x 1 1/2 mach. bolts	
50-3/4 inch flat washers	
50-1/2" x 2" mach. bolts	
100-5/8" x 2" mach. bolts	
50-3/4" x 3" mach. Bolts	
50-3/4" x 4" mach. Bolts	

Att 11 - Rip Track Parts

<u>Description</u>	<u>Amount</u>
100-5/8" x 2 1/2" mach. Bolts	
50-5/8" x 3" carriage bolts	
25-5/8" x 3/4" carriage	
100-5/8" x 3" mach. Bolts	
50-3/4" x 4 1/2" mach. Bolts	
25-7/8" x 4"	
25-7/8" x 4 1/2" mach. Bolts	
25-7/8" x 6" mach. Bolts	
15-1" x 8" bolts	
100-1/2" lock washers	
100-5/8" lock washers	
200-3/8" x 3" cotter keys	
20-1/2" x 4" cotter keys	
60-"U" bolts	
	64,607.30
Total Misc	
	1,600.00
Total	66,207.30

Rip Track Tools

<u>Description</u>	<u>Amount</u>
2 tool chests with assorted tools	\$1,500.00
5 chain hoists - 1 with broken handle	\$1,000.00
10 lifting cables	\$2,000.00
All required AAR gauges	\$2,500.00
1 welding rod oven	\$200.00
1 Sulair air compressor	\$6,000.00
4 air jacks	\$8,000.00
1 Kabota tractor	\$2,000.00
1 bench top grinder	\$90.00
4 hydraulic jacks	\$42,000.00
1 Clark forklift	\$7,000.00
1 bench top vise	\$90.00
3 small hydraulic jacks with 5" rise	\$600.00
2 drum spill containers	\$300.00
1 pipe clamp	\$45.00
6 lifting chains	\$900.00
1 portable fan	\$125.00
3 Miller portable welding machines	\$6,000.00
3 ziggy chains	\$375.00
1 stationary Miller welding machine	\$1,800.00
1 18 volt Craftsman drill with charger and 2 batteries	\$100.00
Total	\$82,625.00

EXHIBIT L
UTILITY EASEMENTS

See Attached.

In accordance with IND. CODE § 32-23-2-5(a), the most recent deed of record for the burdened property is that certain Quit Claim Deed dated _____, _____ and recorded on _____, _____, as Instrument No. _____ in the Office of the County Recorder of _____, County, Indiana.

Easement Agreement

THIS EASEMENT AGREEMENT (this "**Agreement**") is entered into as of the _____ day of _____, _____, by The Indiana Rail Road Company ("**Grantor**"), and Soo Line Railroad Company d/b/a Canadian Pacific Railway, a Minnesota corporation ("**Grantee**").

WHEREAS, of even date herewith, Grantor has acquired from Grantee the interests of Grantee in the real property described on Exhibit A attached hereto (the "**Property**"); and

WHEREAS, Grantor desires to convey to Grantee certain easement rights, in gross, over, under and on the Property as more particularly described herein;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor and Grantee hereby agree as follows:

1. Grant of Easement. Grantor does hereby grant and convey unto Grantee, subject to the terms and conditions set forth herein, a perpetual easement in gross over, under and on the Property, for the construction, operation and maintenance by Grantee, at Grantee's cost and expense, of longitudinal power lines, fiber optic cable and transmissions lines, and any

other conduit of any kind used in the transmission of electricity or information (the "**Transmission Lines**") (all Transmission Lines, support structures and appurtenances are herein referred to as "**Easement Facilities**"). The easements granted to Grantee by this Agreement shall be subject in all respects to any and all rights-of-way, roadways, easements, licenses, leases, liens and encumbrances affecting the Property and existing as of the date of this Agreement and any and all matters and circumstances that would be disclosed by a complete and accurate survey and physical inspection of the Property existing as of the date of this Agreement (the "**Existing Encumbrances**").

2. Exclusive Rights.

(a) Except for any easements existing in favor of Grantor on the date of this Agreement, any Existing Encumbrances, and any Subsequent Easement Facilities (as defined below), the easement rights granted herein shall be exclusive to Grantee and its agents, licensees, contractors, successors and permitted assigns. Except for Easement Facilities located on the Property on the date of this Agreement and except for any Subsequent Easement Facilities, Grantee shall be entitled to 100% of all revenue derived from any Easement Facilities at any time located on the Property.

(b) Grantor shall not construct or operate and shall not grant to any other party the right to construct or operate any Easement Facilities on, over, under or through the Property or any portion of the Property without the prior written consent of Grantee, such consent not to be unreasonably withheld, conditioned or delayed. Grantee's consent shall be deemed to have been granted if Grantee fails to respond to Grantor's request for consent within ten (10) days after receipt of Grantor's written request for consent. Any such Easement Facilities to which Grantee

consents, or is deemed to have consented, pursuant to this subsection (b) are referred to in this Agreement as the "**Subsequent Easement Facilities**".

3. Unobstructed Access. Subject to any Existing Encumbrances and any Subsequent Easement Facilities, Grantee shall have unobstructed access, ingress and egress at any and all times over and across the Property to access the Easement Facilities for the purpose of constructing, installing, inspecting maintaining, repairing, replacing or removing any Easement Facilities or any other purpose consistent with the terms of this Agreement, provided that Grantee (a) provides Grantor with at least five (5) business' days written notice (except in the event of an emergency) before entering onto the Property, (b) does not unreasonably interfere with Grantor's use of the Property for railroad purposes, (c) does not interfere with the rights of any third parties under any Existing Encumbrances, and (d) does not unreasonably interfere with the rights of third parties with respect to any Subsequent Easement Facilities.

4. Construction and Maintenance of Easement Facilities. Grantee shall have the right, at its own expense, to alter or relocate existing Easement Facilities and to construct new Easement Facilities on the Property, provided such construction, alteration or relocation does not unreasonably interfere with Grantor's use of the Property for railroad purposes, does not interfere with the rights of any third parties under any Existing Encumbrances, and does not unreasonably interfere with the rights of third parties with respect to any Subsequent Easement Facilities. Prior to constructing any new Easement Facilities or materially altering or relocating any existing Easement Facilities, Grantee shall notify Grantor and obtain Grantor's consent, which consent shall not be unreasonably withheld, conditioned or delayed so long as such construction, alteration or relocation will not unreasonably interfere with Grantor's use of the Property for railroad purposes, will not interfere with the rights of any third parties under any Existing

Encumbrances, and will not unreasonably interfere with the rights of any third parties with respect to any Subsequent Easement Facilities. Grantor's consent shall be deemed given if Grantor does not respond to Grantee's request for consent with ten (10) days after Grantor's receipt of Grantee's written request for consent. Except to the extent required by law or court order, Grantor shall not disclose or furnish to any third party any copy of any plans for any Easement Facilities without the consent of Grantee, which consent will not be unreasonably withheld, conditioned or delayed.

At Grantee's sole cost and expense, Grantee shall construct, operate and maintain all Easement Facilities in good condition and repair and in accordance with all applicable laws, regulations or ordinances. Grantee shall have the right, at all reasonable times, and after at least five (5) business days' prior written notice to Grantor (except in the event of an emergency), to enter the Property for the purpose of constructing, maintaining and repairing the Easement Facilities, including emergency maintenance and repairs, provided that Grantee shall (i) not unreasonably interfere with Grantor's use of the Property for railroad purposes, including, without limitation, Grantor's common carrier rail operations, shall not interfere with the rights of any third parties under Existing Encumbrances, and shall not unreasonably interfere with the rights of any third parties with respect to any Subsequent Easement Facilities, (ii) to the extent disturbed by Grantee, restore, at Grantee's cost and expense, any railbed, track, ties, pipe or any other improvements, structures or facilities located upon the Property and used in connection with Grantor's use of the Property for railroad purposes (the "**Railroad Facilities**"), and restore, at Grantee's cost and expense, any improvements, structures or facilities located upon the Property and used or owned by any third parties in connection with the Existing Encumbrances or in connection with any Subsequent Easement Facilities, and (iii) at Grantee's cost and

expense, after completion, remove from the Property all personal property and equipment used in the construction, maintenance or repair work and restore the Property to at least the condition that existed prior to such construction, maintenance or repairs.

5. Alteration of Railroad Facilities. If Grantee desires to construct, alter or relocate Easement Facilities in such manner which requires alteration of the location or arrangement of any Railroad Facilities, Grantee shall first obtain the prior written consent of Grantor, which may be granted or withheld in Grantor's reasonable discretion; and, if Grantor provides its written consent, any such alteration of the location or arrangement of any Railroad Facilities shall be conducted only in a manner that is acceptable to Grantor and shall be done at Grantee's expense. Grantor's consent shall be deemed given if Grantor does not respond to Grantee's request for consent within ten (10) days after receipt of Grantee's written request for consent.

Prior to constructing any new Railroad Facilities or materially altering any existing Railroad Facilities, if the location of those Railroad Facilities is such that construction or alteration of them has or would have a direct, physical effect on the Easement Facilities, Grantor shall notify Grantee and obtain Grantee's consent, which consent shall not be unreasonably withheld, conditioned or delayed, provided such construction or alteration does not unreasonably affect Grantee's use of the Easement Facilities. Grantor shall bear the cost of any alteration, modification or reconstruction of the Easement Facilities necessitated hereunder because of construction or alteration of Railroad Facilities.

6. Mechanic's Liens. Grantee shall not suffer any mechanic's or other lien to be filed against the Property by reason of any work, labor, services or materials performed or furnished at Grantee's, its successors', assigns' or licensees' request or otherwise on behalf of or for the benefit of Grantee, its successors, assigns or licensees in connection with construction,

operation, or maintenance of the Easement Facilities. If such mechanic's lien shall at any time be filed, Grantee shall forthwith, at Grantee's expense, promptly cause the same to be discharged of record by payment, bond, order of a court of competent jurisdiction or otherwise, in a manner acceptable to Grantor, but Grantee shall have the right to contest any and all such liens, provided that Grantee, at Grantee's cost and expense, shall first deposit with Grantor a bond or other security satisfactory to Grantor in such amounts as Grantor shall require and provided further, that Grantee shall thereafter diligently and continuously proceed to cause such lien to be removed and discharged. If Grantee shall fail to cause such lien to be discharged within thirty (30) days after being notified of the filing thereof, Grantor may, but shall not be obligated to, discharge the same by paying the amount claimed to be due or by bonding or other proceeding deemed appropriate by Grantor, and the amount so paid by Grantor and all costs and expenses incurred by Grantor in procuring the discharge of such lien, including reasonable attorney's fees, shall be reimbursed by Grantee to Grantor on demand.

7. Use of Property by Grantor. Grantor reserves the right to use the Property in any manner not inconsistent with this Agreement. Grantee expressly agrees it will not, through its use of the privileges and authority granted herein, unreasonably interfere with Grantor's operations on the Property or the operations of third parties using the Property, or any portion thereof, with Grantor's permission, interfere with the rights or privileges of any third parties under any Existing Encumbrances, or unreasonably interfere with the rights or privileges of any third parties with respect to any Subsequent Easement Facilities. Nothing herein shall be construed to limit the right of Grantor to make repairs, alterations, changes, improvements, or additions reasonably determined by Grantor to be in its best interests, provided such repairs,

alterations, changes, improvements, or additions do not unreasonably affect Grantee's use of the Easement Facilities.

8. Indemnification. Grantee does hereby indemnify and hold harmless Grantor and Grantor's owners, officers, directors, managers, employees, contractors, agents, representatives, licensees and invitees from and against any and all liabilities, damages, costs, expenses, losses, actions, causes of action, suits, claims or judgments arising from, in connection with or relating to, negligent acts or omissions of Grantee or its owners, officers, directors, managers, employees, contractors, agents, representatives, licensees or invitees related to the Easement Facilities or Railroad Facilities, including but not limited to, costs related to any personal injury, death or property damage occurring as a result of such negligence.

Grantor does hereby indemnify and hold harmless Grantee and Grantee's owners, officers, directors, managers, employees, contractors, agents, representatives, licensees and invitees from and against any and all liabilities, damages, costs, expenses, losses, actions, causes of action, suits, claims or judgments arising from, in connection with or relating to, negligent acts or omissions of Grantor or its owners, officers, directors, managers, employees, contractors, agents, representatives, licensees or invitees related to the Easement Facilities or Railroad Facilities, including but not limited to, costs related to any personal injury, death or property damage occurring as a result of such negligence.

Notwithstanding the foregoing, the parties mutually waive any claims for indirect, consequential, punitive or exemplary damages, including loss of profits of income, and nothing herein contained is to be construed as indemnification against Grantor's or Grantee's own gross negligence (or of such other railroad company or companies).

9. Default. In the event Grantor believes that Grantee has breached any of the covenants or agreements contained herein, Grantor shall notify Grantee of said breach in writing. Should Grantee fail to correct any breach or condition within 10 days after receiving written notice from Grantor, Grantor shall have available all rights and remedies provided at law or in equity, and Grantee agrees that it will not interpose the defense that specific performance should not be available on the basis that Grantor has an adequate remedy at law. Provided, however, in the case of a condition violated which cannot be cured with due diligence within said 10 day period, Grantee shall be entitled to such additional time to correct the condition as may be reasonably necessary, but no more than 60 additional days, provided that Grantee gives Grantor written notice of its need for additional time, prior to the expiration of the initial 10 day period, and provided that Grantee shall not be entitled to the benefit of the additional 60 day period if Grantee's breach materially interferes with Grantor's use of the Property for railroad purposes or interferes with rights of any third parties under any Existing Encumbrances or unreasonably interferes with the rights of any third parties with respect to any Subsequent Easement Facilities.

10. Covenants Run With Land. This Agreement constitutes an easement in gross. The burdens imposed on the Grantor, as owner of the fee interest in the Property, shall run with the land and be binding upon future owners of the Property or any interest therein. The rights and obligations of Grantee shall be binding on Grantee and its successors and permitted assigns. Grantee shall not assign this Agreement or its rights or obligations under this Agreement without the prior written consent of Grantor, such consent not to be unreasonably withheld, conditioned or delayed. Notwithstanding the preceding sentence, (a) Grantee may, without Grantor's consent, assign this Agreement and its rights and obligations under this Agreement to an entity controlled by, controlling or under common control with Grantee, provided that Grantee shall provide

Grantor with written notice of any such assignment within five (5) days after such assignment occurs; and (b) Grantee shall have the right, without Grantor's consent, to grant a license to third parties to construct, operate and maintain Transmission Lines and Easement Facilities, provided that Grantee shall provide Grantor with written notice of the granting of any such license within five (5) days after the granting thereof. However, no such assignment or licensing by Grantee shall relieve Grantee of any of its obligations under this Agreement. Grantee may also assign this Agreement and its rights and obligations under this Agreement to any third party with the consent of Grantor, such consent not to be unreasonably withheld or delayed.

11. No Representations or Warranties. Grantor makes no representation or warranty to Grantee in connection with the rights and interests conveyed in this Agreement, including, without limitation, any representation or warranty as to Grantor's title (if any) to the Property.

12. Notices. All notices, requests, demands, consents and other communications required or permitted under this Agreement shall be in writing and shall be deemed to have been duly and properly given on the date of service if delivered personally, or, if mailed, on the third business day after such notice is deposited in a receptacle of the United States Postal Service, registered or certified mail, first class postage prepaid, return receipt requested, or on the first business day following deposit with a nationally recognized overnight courier service (e.g., FedEx), postage prepaid, in any event addressed appropriately as follows:

If to Grantor: Indiana Rail Road Company

Attention: _____

If to Grantee: Soo Line Railroad Company d/b/a Canadian Pacific Railway

Attention: _____

Either party may change its address for purposes of this Section by giving the other party written notice of the new address in the manner set forth above.

13. Amendment. This Agreement shall not be amended except by written agreement executed by Grantor and Grantee, or their successors and assigns.

14. No Dedication. The provisions of this Agreement shall not be deemed to constitute a dedication for public use or to create any right in the general public.

15. Counterparts. This Agreement may be executed in counterparts, each of which may be deemed an original but together shall constitute but one and the same instrument.

[signatures on next page]

IN WITNESS WHEREOF, the parties hereto have executed this instrument as of the day and year above written.

THE INDIANA RAIL ROAD COMPANY

By _____
(signature)

(printed name)

Its _____
(title)

State of _____)
County of _____)

Before me, a Notary Public in and for said County and State, personally appeared _____, in his/her capacity as the _____ of The Indiana Rail Road Company, a/an _____, who acknowledged the execution of the foregoing Easement Agreement for and on behalf of said entity and who, having been duly sworn, stated that any representations contained therein are true.

Witness my hand and Notarial Seal this _____ day of _____, _____.

(SEAL)

(signature)

(printed name) Notary Public

My Commission Expires: _____

My County of Residence: _____

SOO LINE RAILROAD COMPANY d/b/a
CANADIAN PACIFIC RAILWAY, a
Minnesota corporation

By _____
(signature)

(printed name)

Its _____
(title)

State of _____)
County of _____)

Before me, a Notary Public in and for said County and State, personally appeared _____, in his/her capacity as the _____ of Soo Line Railroad Company (d/b/a Canadian Pacific Railway), a Minnesota corporation, who acknowledged the execution of the foregoing Easement Agreement for and on behalf of said entity and who, having been duly sworn, stated that any representations contained therein are true.

Witness my hand and Notarial Seal this _____ day of _____, _____.

(SEAL)

(signature)

(printed name) Notary Public

My Commission Expires: _____

My County of Residence: _____

This Instrument was prepared by:

Steven B. Mayeron
Leonard, Street and Deinard,
Professional Association
150 South Fifth Street, Suite 2300
Minneapolis, Minnesota 55402

EXHIBIT A
TO
EASEMENT AGREEMENT
The Property

EXHIBIT M
PRORATION PROCEDURES

See Attached.

PRORATION PROCEDURES

A. Trains.

1. Seller shall be entitled to retain all revenues from cars which have reached their destination prior to the Effective Time. "Effective Time" means 12.01 a.m. Chicago time on the day following the Closing.

2. Buyer shall be entitled to 100% of its share of revenues from all trains that have not reached the Main System or Other Acquired Rights (the "Acquired Lines") prior to the Effective Time.

3. Unit train traffic shall be considered as potash trains from Seller points north of Chicago to Jeffersonville and coke trains from Roseport to Fayette.

4. Non-unit train traffic enroute to destination on the Acquired Lines at the Effective Time shall be prorated by (i) determining the number of cars on the Acquired Lines at the Effective Time, (ii) multiplying such number of cars by \$344 per car, (iii) and prorating the result of (i) and (ii) on a 50/50 basis between Buyer and Seller.

5. From and after the Closing until the Effective Time, for unit trains of potash moving from the BRC Rockwell Street Yard in the Chicago Terminal ("Rockwell Yard") on the Acquired Lines, revenue derived from the applicable per car rate shall be prorated by (A)(i) dividing the track mileage from Rockwell Yard to the point the unit train is released to Buyer by (ii) the total track miles from Rockwell Street Yard to destination at Jeffersonville, IN (344.2 miles), and (B) multiplying the foregoing by the per car rate then in effect (currently \$1,200) times the number of cars in the train. The resulting amount shall be the amount payable to Seller, with remainder of applicable revenues payable to Buyer.

6. From and after the Closing until the Effective Time, for unit trains of coke moving from Rockwell Yard on the Acquired Lines, revenues payable to Seller shall be similarly determined by (A) (i) dividing the track miles from Rockwell Yard to the point the unit train is released to Buyer by (ii) the total track miles from Rockwell Yard to destination at Fayette, IN (197.2 miles), and (B) multiplying the foregoing by the per car rate then in effect (currently

\$367) times the number of cars in the unit train. The resulting amount shall be the amount payable to Seller, with remainder of applicable revenues payable to Buyer.

7. The proration procedures outlined above apply to loaded cars only. Empty cars will be handled in the ordinary course of business.

8. Seller will not initiate any trains from a terminal that cannot reasonably be expected to reach the next terminal prior to the Effective Time.

B. Other.

1. Miscellaneous revenue and other income (such as rental or easement income) billed or billable for, or relating to, any period in which the Effective Time occurs (but excluding any amounts received more than 12 months prior to the Effective), shall be prorated for such period on the basis of the actual number of calendar days in such period occurring before and after the Effective Time.

2. (a) Demurrage and detention revenue accruing on cars released prior to the Effective Time will be for account of Seller. Demurrage and detention revenue occurring on cars released subsequent to the Effective Time will be for the account of Buyer.

(b) For purposes of equipment rentals, all freight cars, trailers, and containers (including Seller's other railroads, and privates') which are not part of the Acquired Assets but which are located on the trackage operated by Buyer, shall be considered interchanged by Seller to Buyer at the Effective Time. Seller shall be liable for equipment rentals for periods before that time and Buyer for periods thereafter. Bad order equipment shall not be considered interchanged to Buyer.

3. If Buyer elects and is able to calculate its liability for Railroad Retirement (Tiers I and II), Railroad Unemployment and Railroad Unemployment Repayment taxes (collectively, "Payroll Taxes") for the year in which Closing occurs and with respect to employees hired by Buyer who were former Seller employees, by taking into account compensation paid to such employees prior to Closing, then Buyer shall be liable to Seller for 50% of the Payroll Tax Savings (defined below). The "Payroll Tax Savings" shall be the amount equal to the excess, if any of (i) the liability for Payroll Taxes Buyer would have been required to pay with respect to its employees who were former Seller employees if Buyer could not have calculated such liability for Payroll Taxes by taking into account compensation paid to such employees by Seller prior to Closing over (ii) the actual amount of liability for such Payroll Taxes payable by Buyer

with respect to its employees who were former Seller employees for the year of Closing. The amount payable to Seller, if any, will be paid no later than March 31 of the year following the year in which Closing occurs. Seller agrees to provide Buyer with all necessary information required to allow Buyer to calculate Payroll Taxes by taking into account compensation paid prior to Closing to Buyer's employees who were former Seller employees.

4. Joint facility bills payable for work performed on the joint facility during any period in which the Effective Time occurs, shall be prorated for such period, except that where calculable, liability for such bills shall be apportioned between Seller and Buyer on the basis of the dates before and after the Effective Time on which the underlying work was actually performed. If adequate information is not available, the bill shall be allocated on the basis of the actual number of calendar days in such period occurring before and after the Effective Time.

5. Liability for heavy repairs to, or the casualty value of, foreign cars or locomotives damaged or destroyed while in service on the trackage operated by Buyer shall be cut off on the basis of the time and date such cars were damaged or destroyed, with liability being Seller if the incident occurred prior to the Effective Time and Buyer's if the incident occurred after the Effective Time.

6. Costs of expenses incurred in the operation of the Main System billable with respect to any period in which the Effective Time occurs shall be billed and collectible by Seller. Buyer will bill and collect such costs and expenses relating to any period after the Effective Time. Reimbursements required hereunder will be promptly made.

7. Prepaid expenses for rent and equipment rent relating to the operation of the Main System for any period in which the Effective Time occurs shall be prorated for such period on the basis of the actual number of calendar days in such period occurring before and after the Effective Time.

8. After the Effective Time, Seller shall administer the billing and collection of the miscellaneous revenue and other income referred to in paragraph B.1. of this Exhibit, including both CPR's and Buyer's share of receivables for such items, until such time as the entire billed amount for each item is the receivable of Buyer. To the extent either Seller or Buyer cannot collect a receivable from a third party, the party who prepared the bill will allow the party entitled to the majority of the revenue to pursue collection.

9. After the Effective Time, Seller shall administer the payment of bills and expenses normally processed through audited vouchers (such as joint facilities, utility charges, office expenses, building, equipment, data processing, communication rentals, ramping/deramping services, material and supply invoices and equipment repair invoices), including both Seller's and Buyer's share of liability for such bills and expenses, until such time as the entire liability for each such bill and expense is the liability of Buyer. As soon as practical after the Effective Time, Seller will notify each supplier/payee that all invoices issued after the Effective Time should be directed to Buyer's office for payment.

10. Within 30 days after the end of each month after the Closing Date, each party shall provide the other with a detailed statement showing the amounts billed and funds collected and disbursed with respect to miscellaneous revenue and other income and disbursements for that month.

11. Buyer shall be entitled to audit, as its expense, during customary business hours and within a reasonable time period, all accounting records underlying the data presented in the monthly statement and any other records that may impact upon amounts owing from Buyer to Seller.

12. Seller shall be entitled to audit, at its own expense, during customary business hours and within a reasonable time period, all accounting records underlying the data presented in the monthly statement and any other records that may impact upon amounts owing from Seller to Buyer.

EXHIBIT O
LS&D OPINION
See Attached.

[Letterhead of Leonard, Street and Deinard
Professional Association]

[DATE]

Stephen M. Quinlivan
612-335-7076
stephen.quinlivan@leonard.com

The Indiana Rail Road Company
101 W. Ohio Street, Suite 1600
Indianapolis, Indiana 46204

**Re: *Asset Purchase Agreement dated as of [●] ("Asset Purchase Agreement")
between The Indiana Rail Road Company ("Buyer") and Soo Line Railroad
Company ("Seller")***

Ladies and Gentlemen:

We have acted as counsel to Seller in connection with the above referenced transaction. This opinion is being delivered pursuant to Section 9.03 of the Asset Purchase Agreement. Capitalized terms used but not defined herein have the meanings ascribed to them in the Asset Purchase Agreement.

We have examined Seller's Articles of Incorporation and Bylaws and resolutions authorizing the execution and delivery of the Transaction Documents. We have also examined such other documents and instruments and such matters of law and have made such further investigation as we have considered necessary and appropriate to render this opinion. "Transaction Documents" means the Asset Purchase Agreement, the Bill of Sale, the Assignment and Assumption Agreement, the Deeds, the Interchange Agreement, the Marketing and Divisions Agreement, the Utility Easements and the Power Run Through Agreement.

In addition to the documents upon which we have specifically expressed reliance, we have also relied upon certificates of public officials and certificates and statements of Seller (including, without limitation, representations of Seller contained in the Asset Purchase Agreement) with respect to the accuracy of material factual matters contained therein which we have not independently established.

We have assumed the genuineness of all signatures (other than those of representatives of Seller) and the authenticity of all items submitted to us as originals and the conformity with

originals of all items submitted to us as copies. In making our examination of the Transaction Documents which have been executed by entities other than Seller, we have assumed that each such other entity had the power to enter into and perform all of its obligations thereunder and also have assumed the due authorization by each such entity of all requisite action and the due execution and delivery of such documents by each such entity.

Whenever our opinion or confirmation herein with respect to the existence or absence of facts is indicated to be based upon our knowledge or belief, it is intended to signify that, during the course of our representation of the Seller no information has come to the attention of Stephen M. Quinlivan, David S. Ezrilov, Robert F. Devolve and Steven B. Mayeron which would give them actual knowledge of the existence or absence of such facts. Except to the extent expressly set forth herein, we have not undertaken any independent investigation to determine the existence or absence of such facts or circumstances or the assumed facts set forth herein, we accept no responsibility to make any such investigation, and no inference as to our knowledge of the existence or absence of such facts or circumstances or of our having made any independent review thereof should be drawn from our representation of the Seller.

Based upon and subject to the foregoing, it is our opinion that:

1. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Minnesota.
2. Seller has the corporate power (a) to own, lease and operate the Acquired Assets and Other Acquired Rights, (b) to conduct its business as presently conducted and (c) to execute and perform its obligations under the Transaction Documents.
3. The Transaction Documents have been duly executed and delivered by Seller and are the legal, valid and binding obligations of Seller, enforceable in accordance with their terms, except as such enforcement may be limited by (a) bankruptcy, insolvency, reorganization, arrangement, moratorium, or other similar laws affecting the enforcement of creditors' rights generally, and (b) general principles of equity upon the specific enforceability of any of the remedies, covenants, or other provisions of the documents identified herein and upon the availability of injunctive relief or other equitable remedies, and the application of principles of equity.
4. The execution and delivery by Seller of the Transaction Documents and the performance by Seller of its obligations thereunder (a) have been authorized by all necessary corporate action, (b) will not, with or without the giving of notice and the lapse of time, or both, (i) violate any provision of law, statute, rule or regulation to which Seller is subject which a lawyer in Minnesota exercising customary professional diligence would reasonably recognize as being directly applicable to Seller or (ii) result in a breach of or conflict with any term or provision of, or result in the creation or imposition of any Encumbrance pursuant to its Articles of Incorporation or Bylaws.

5. The execution and delivery by Seller of the Transaction Documents, and the consummation of the transactions contemplated thereby, do not require any permit, application, notice, transfer, consent, approval, order, qualification, waiver from or authorization of, or declaration, filing or registration with any Governmental Authority under the laws of the State of Minnesota or the federal laws of the United States of America which has not been obtained and which a lawyer in Minnesota exercising customary professional diligence would reasonably recognize as being directly applicable to Seller.

As a matter of fact and not as a legal opinion, we hereby confirm to you that, to our knowledge, based solely upon an officer's certificate, there is no action, proceeding, or investigation before or by any court, governmental agency, or other body or official pending or overtly threatened in writing against the Seller questioning the validity of any action by the Buyer in connection with the execution, delivery and performance of each of the Transaction Documents or that, if adversely determined, could reasonably be expected to have a material adverse effect on the ability of Seller to perform its obligations under the Transaction Documents. We have made no search of any court or other public records, or the files or records of the Seller to determine the existence of any of the matters referred to in this paragraph.

Our opinion is limited to the application of the laws of the State of Minnesota and the federal laws of the United States of America, and we express no opinion of the laws of any other jurisdiction other than the State of Minnesota and the United States of America. We express no opinion regarding the title to or absence of any Encumbrance on the Acquired Assets or Other Acquired Rights. In addition, we express no opinion regarding (i) the ICC Termination Act of 1995 (49 U.S.C. § 10101.1, et seq.), the Railway Labor Act (45 U.S.C. § 151, et seq.), the Consolidated Railroad Safety Legislation (49 U.S.C. § 20100, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. § 5101, et seq.), the Railroad Retirement Act (45 U.S.C. § 231, et seq.), the Railroad Unemployment Insurance Act (45 U.S.C. § 351, et seq.) or the Federal Employers Liability Act (45 U.S.C. § 51, et seq.) or (ii) to any other Federal legislation specifically applicable to railroads.

This opinion may be relied upon by Buyer [and Buyer's lender] in connection with the transactions outlined in the Asset Purchase Agreement and may not be relied upon for any other purpose or by any other person or entity without our express prior written consent.

The opinions expressed herein are given only as of the date hereof and by rendering the opinions expressed herein, we do not assume any responsibility to advise you of any changes as to any of the matters expressed herein which may occur, of which we may become aware, after the date hereof. This opinion is limited to the matters expressly set forth herein, and no opinion is implied or may be inferred beyond the matters expressly so stated.

Very truly yours,

[Insert date]

Page 4

LEONARD, STREET AND DEINARD
PROFESSIONAL ASSOCIATION

By: _____

Stephen M. Quinlivan

EXHIBIT P

SIDLEY OPINION

See Attached.

SIDLEY AUSTIN BROWN & WOOD LLP

BEIJING
BRUSSELS
CHICAGO
DALLAS
GENEVA
HONG KONG
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TOKYO
WASHINGTON, D.C.

WRITER'S DIRECT NUMBER
(202) 736-8198

WRITER'S E-MAIL ADDRESS
thynes@sidley.com

[Closing Date]

DRAFT

The Indiana Rail Road Company
101 W. Ohio Street, Suite 1600
Indianapolis, Indiana 46204

Re: Asset Purchase Agreement dated as of November 1, 2005 by and between The
Indiana Rail Road Company and Soo Line Railroad Company

Dear Sirs:

We have acted as special United States Surface Transportation Board ("STB") counsel to Canadian Pacific Railway Company ("CPR") and Soo Line Railroad Company ("SOO") in connection with that certain Asset Purchase Agreement dated as of November 1, 2005 between The Indiana Rail Road Company ("INRD") and Soo Line Railroad Company d/b/a/ Canadian Pacific Railway Company (the "Asset Purchase Agreement").

Unless otherwise defined in this letter, capitalized terms used herein shall have the meanings ascribed to them in the Asset Purchase Agreement.

We have examined the Order served by the STB on [DATE] in Finance Docket No. [____], in which INRD filed an application pursuant to 49 U.S.C. § 11323 *et seq.* for authority to acquire the Acquired Assets and the Other Acquired Rights (the "STB Order"). For the purpose of expressing the opinions set forth herein, we have relied, as to various questions of fact material thereto, upon the representations made in the Asset Purchase Agreement and the certificates of officers of INRD and Soo. We also have examined originals, or copies of originals certified to our satisfaction, of such agreements, documents, certificates and other statements of government officials and other instruments, have examined such questions of law, and have satisfied ourselves as to such matters of fact, as we have considered relevant and necessary as a basis for this letter. We have assumed the genuineness of all signatures, the legal capacity of all natural persons, the authenticity of all documents submitted to us as originals and the conformity with the original documents of all documents submitted to us as certified or photostatic copies. With respect to any instrument or agreement executed or to be executed by

The Indiana Rail Road Company
[Closing Date]
Page 2

any party, we have assumed, to the extent relevant to the opinions set forth herein, that (i) such party (if not a natural person) has been duly organized and is validly existing and in good standing under the laws of its jurisdiction of organization and (ii) such party has full right, power and authority to execute, deliver and perform its obligations under each instrument or agreement to which it is a party and each such instrument or agreement has been duly authorized (if applicable), executed and delivered by, and is a valid, binding and enforceable agreement or obligation, as the case may be, of, such party.

Based upon the foregoing, this will advise you that, in our opinion, subject to the assumptions and limitations set forth herein, the STB Order has become effective as of [DATE], and, unless reversed or modified upon reconsideration, reopening or judicial review, the STB Order approves and authorizes the transactions contemplated by the Asset Purchase Agreement to the extent that such transactions are subject to the prior approval requirement of 49 U.S.C. § 11323 *et seq.*¹ No other approval or consent of, or registration, declaration or filing with, any other United States Government agency is required under the Interstate Commerce Commission Termination Act of 1995 (ICCTA”), or any other federal statute or regulation specifically applicable to railroads, to authorize the acquisition by INRD of the Acquired Assets and the Other Acquired Rights contemplated by the Asset Purchase Agreement.

The foregoing opinions are limited to the federal laws of the United States of America.

The opinions rendered in this letter are based upon applicable law on the date hereof and upon facts known to us on such date, and we do not undertake, and hereby disclaim, any obligation to advise you of any changes in law or fact, whether or not material, which may hereafter come to our attention. This opinion letter is being delivered solely for the benefit of INRD, and may not be used, quoted from, circulated to, published or relied upon by any other person or used in any other context without our prior written consent, except that you may furnish a copy hereof (i) to your independent auditors and attorneys, (ii) to any United States (federal or State) authority, (iii) pursuant to an order or legal process of any court or government agency, and (iv) in connection with any legal action to which you are a party arising out of the Asset Purchase Agreement.

¹ The period for filing a petition for judicial review of the STB Order will expire on [DATE]. A petition for reconsideration of the STB Order must be filed by [DATE]. A petition to reopen the STB Order or a petition for supplemental order may be filed at any time.

SIDLEY AUSTIN BROWN & WOOD LLP

WASHINGTON, D.C.

The Indiana Rail Road Company

[Closing Date]

Page 3

Sincerely yours,

SIDLEY AUSTIN BROWN & WOOD LLP

EXHIBIT Q

SELLER OFFICER'S CERTIFICATE

See Attached.

**OFFICERS CERTIFICATE
OF
SOO LINE RAILROAD COMPANY**

This Certificate is being delivered pursuant to Section 9.03 of that certain Asset Purchase Agreement dated as of November 1, 2005 (the "Purchase Agreement") between The Indiana Rail Road Company and Soo Line Railroad Company. Capitalized terms not otherwise defined herein have the meanings given to such terms in the Purchase Agreement.

The undersigned, do hereby certify on behalf of Seller, and not in an individual capacity and without personal liability, that:

- (i) attached hereto as Exhibit A is a true, complete and correct copy of the Articles of Incorporation of Seller certified by the Office of the Minnesota Secretary of State, which such Articles of Incorporation are in full force and effect and have not been amended since the date of their adoption reflected on the attached;
- (ii) attached hereto as Exhibit B is a true, complete and correct copy of the Bylaws of Seller, which such Bylaws are in full force and effect and have not been amended since the date of their adoption reflected on the attached;
- (iii) attached hereto as Exhibit C is a true, complete and correct copy of an extract of the resolutions of the Board of Directors of Seller, authorizing the execution, delivery and performance by Seller of the Purchase Agreement, and such resolutions are in full force and effect and have not been amended since the date of their adoption reflected on the attached;
- (iv) attached hereto as Exhibit D is a true, complete and correct copy of a Certificate of Good Standing of Seller issued by the Office of the Minnesota Secretary of State; and
- (v) the representations and warranties of Seller set forth in the in the Purchase Agreement are true and correct in all material respects on and as of the date of this Certificate as though made on and as of this date.

[THIS SPACE INTENTIONALLY LEFT BLANK]

This Certificate is given solely in the capacities as the President and Secretary of Seller and no personal liability is assumed by the undersigned in connection herewith.

IN WITNESS WHEREOF, I have hereto set my hand this ____ day of ____, 200_.

SOO LINE RAILROAD COMPANY

By: _____
_____, President

_____, Secretary

EXHIBIT A
ARTICLES OF INCORPORATION

EXHIBIT B

BYLAWS

EXHIBIT C

BOARD OF DIRECTOR RESOLUTIONS

EXHIBIT D

GOOD STANDING CERTIFICATE

EXHIBIT R

ICE MILLER OPINION

See Attached.

DRAFT—SUBJECT TO APPROVAL OF ICE MILLER OPINIONS COMMITTEE

[Closing Date]

Soo Line Railroad Company
d/b/a Canadian Pacific Railway
501 Marquette Avenue, Suite 800
Minneapolis, MN 55402

Re: Asset Purchase Agreement for the Acquisition of Assets from Soo
Line Railroad Company d/b/a Canadian Pacific Railway

Ladies and Gentlemen:

We have acted as counsel to The Indiana Rail Road Company, an Indiana corporation (the "Buyer"), in connection with the Asset Purchase Agreement (the "Purchase Agreement"), dated as of the date hereof, by and between Buyer and Soo Line Railroad Company d/b/a Canadian Pacific Railway (the "Seller"). Further, we have acted as counsel to Midland United Corporation, an Indiana corporation (the "Guarantor"), solely in its capacity as the guarantor of the Buyer's obligations to the Seller under the Purchase Agreement. This opinion letter is provided to you at the request of the Buyer pursuant to Section 10.03 of the Asset Purchase Agreement. Capitalized terms used in this opinion letter that are not specifically defined herein have the meanings ascribed in the Purchase Agreement.

Our opinions expressed in this letter are limited conclusions based on information set forth below and on Exhibit A and that otherwise has been brought to our attention by a certificate executed and delivered to us by an officer of the Buyer and the Guarantor in connection with this opinion letter. We have examined originals or copies, certified or otherwise identified to our satisfaction, of the documents listed in the attached Exhibit A, which is made a part hereof. For the purposes of this opinion, the documents listed as items 1 through 8 on Exhibit A are hereinafter referred to collectively as the "Purchase Documents," and the documents listed as items 9 through 18 on Exhibit A are hereinafter referred to collectively as the "Authorization Documents."

In rendering our opinion, we also have examined such certificates of public officials, organizational documents and records and other certificates and instruments as we have deemed necessary for the purposes of the opinion herein expressed and, with your permission, have relied upon and assumed the accuracy of such certificates, documents, records and instruments. We have made such examination of the laws of the State of Indiana as we deemed relevant for purposes of this opinion, but we have not made a review of, and express no opinion concerning, the laws of any jurisdiction other than the State of Indiana and the laws of the United States of general application to transactions in the State of Indiana.

We have relied upon and assumed the truth and accuracy of the representations, certifications and warranties made in the Purchase Documents and the Authorization Documents, and have not made any independent investigation or verification of any factual matters stated or represented therein. Whenever our opinion or confirmation herein with respect to the existence or absence of facts is indicated to be based upon our knowledge or belief, it is intended to signify that, during the course of our representation of the Buyer and the Guarantor, no information has come to the attention of John R. Thornburgh, Terri A. Czajka, Sarah K. Funke, Michelle M. Molin, Thomas Mulhern or Douglas Henning which would give us actual knowledge of the existence or absence of such facts. Except to the extent expressly set forth herein, we have not undertaken any independent investigation to determine the existence or absence of such facts or circumstances or the assumed facts set forth herein, we accept no responsibility to make any such investigation, and no inference as to our knowledge of the existence or absence of such facts or circumstances or of our having made any independent review thereof should be drawn from our representation of the Buyer and the Guarantor. Our opinions are limited to the transactions contemplated by the Purchase Documents.

In rendering this opinion letter to you, we have assumed with your permission:

- (a) The genuineness of all signatures, other than those of representatives of the Buyer and the Guarantor, the legal capacity and competency of natural persons executing the Purchase Documents, whether on behalf of themselves or other persons or entities, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified, conformed or photostatic copies, and the authenticity of the originals of such copies.
- (b) The documents that have been or will be executed and delivered in consummation of the transactions contemplated by the Purchase Documents are or will be identical in all material and relevant respects with the copies of the documents we have examined and on which this opinion is based.
- (c) The Seller (i) has been organized, is validly existing, and where applicable is in good standing under its jurisdiction of incorporation or organization, as applicable, (ii) has full power and authority to enter into, execute, deliver, receive and perform its obligations under each of the Purchase Documents, and (iii) is qualified, to the extent that qualification is necessary, and authorized to do business in the State of Indiana.
- (d) The entry into, execution, delivery, receipt, and performance of the Purchase Documents by the Seller have been duly authorized by all requisite action on the part of the Seller.
- (e) Each of the Purchase Documents has been or will be duly entered into, executed, received and delivered by the Seller, and upon such execution and delivery

constitutes the legal, valid and binding obligation of the Seller, so that all of such instruments have mutuality of binding effect.

- (f) The Seller will at all times exercise its rights and remedies under the Purchase Documents in good faith and in a manner that is commercially reasonable, and full and adequate consideration has been given for the undertakings of the Buyer under the Purchase Documents to which it is a party.
- (g) The respective factual representations, statements and warranties of the Buyer and the Guarantor in the Purchase Documents to which each is a party and the Authorization Documents, and in the other documents that we have reviewed, and upon which we have relied, are accurate, complete and truthful.
- (h) The execution and delivery of the Purchase Documents by all parties thereto will be free of intentional or unintentional mistake, misrepresentation, concealment, fraud, undue influence, duress or criminal activity.
- (i) All terms and conditions of, or relating to, the transactions described in the Purchase Documents are correctly and completely contained in the Purchase Documents, and the Purchase Documents have not been amended or modified by oral or written agreement or by conduct of the parties; there are no other agreements or understandings among the parties, written or oral, and there is no usage of trade or course of prior dealing among the parties, that would, in either case, define, supplement, qualify or render invalid or unenforceable any of the terms and provisions of the Purchase Documents that are opined on herein.
- (j) All official public records (including their proper indexing and filing) furnished to or obtained by us, electronically or otherwise, were accurate, complete and authentic when delivered or issued and remain accurate, complete and authentic as of the date of this opinion letter.
- (k) The Authorization Documents are accurate and have not been amended or rescinded.
- (l) The execution, delivery and performance of the Purchase Documents by the parties thereto (except the Buyer and the Guarantor) do not and will not contravene, conflict with, violate or result in a breach of, or constitute a default under (i) any term or provision of any organizational document of that party; (ii) any law, statute or ordinance of any jurisdiction, (iii) any approval, consent, license, order, writ, judgment, injunction or decree of any court, arbitrator, administrative agency or other governmental authority, or (iv) any indenture, trust agreement, mortgage, deed of trust, agreement, lease, ground lease or other instrument applicable to that party or by which that party or any of its property or assets is bound.

- (m) To the extent that any licenses, franchises, leases, plans, specifications, operating agreements, service contracts, contract rights or other general intangibles require by their terms the consent of another party for their assignment or encumbrance, such consents have been obtained.
- (n) Guarantor has received reasonably equivalent value in exchange for its guaranty of Buyer's obligations pursuant to the Guaranty.

Based on the foregoing and upon such investigation as we have deemed necessary, and subject to the assumptions, qualifications, exceptions and limitations set forth herein, we are of the opinion that:

1. The Buyer is a corporation incorporated and, based solely on the Buyer's Certificate of Existence, validly existing under the laws of the State of Indiana, for which the most recent required biennial report has been filed with the Secretary of State of the State of Indiana (the "Secretary of State") and no Articles of Dissolution appear as filed in the Secretary of State's records.
2. The Guarantor is a corporation incorporated and, based solely on the Guarantor's Certificate of Existence, validly existing under the laws of the State of Indiana, for which the most recent required biennial report has been filed with the Secretary and no Articles of Dissolution appear as filed in the Secretary of State's records.
3. The Buyer has all requisite corporate power and corporate authority under Indiana law to own and operate its properties and carry on its business as now conducted, to execute and deliver the Purchase Documents to which it is a party, and to perform its obligations under the Purchase Documents.
4. The Guarantor has all requisite corporate power and corporate authority under Indiana law to own and operate its properties and carry on its business as now conducted, to execute and deliver the Guarantee, and to perform its obligations under the Guarantee.
5. The execution and delivery by the Buyer of the Purchase Documents to which it is a party, and the performance of the Buyer's obligations under the Purchase Agreements to which it is a party have been duly authorized by all requisite corporate action on the part of the Buyer.
6. The execution and delivery of the Guarantee by the Guarantor and the performance of the Guarantor's obligations under the Guaranty have been duly authorized by all requisite corporate action on the part of the Guarantor.
7. The Purchase Documents to which Buyer is a party have been duly executed and delivered by the Buyer.
8. The Guarantee has been duly executed and delivered by the Guarantor.

9. Each of the Purchase Documents to which the Buyer is a party constitutes the legal, valid and binding obligation of the Buyer, and is enforceable against the Buyer in accordance with its terms.

10. The Guarantee constitutes the legal, valid and binding obligation of the Guarantor, and is enforceable against the Guarantor in accordance with its terms.

11. The execution and delivery by the Buyer of the Purchase Documents to which it is a party do not, and the performance by the Buyer of the obligations thereunder will not (a) conflict with or violate any provision of the Buyer's Articles of Incorporation or Bylaws, or (b) conflict with or violate any judgment, order, writ, injunction or decree binding on the Buyer.

12. The execution and delivery by the Guarantor of the Guarantee does not, and the performance by the Guarantor of the obligations thereunder will not (a) conflict with or violate any provision of the Guarantor's Articles of Incorporation or Bylaws, or (b) conflict with or violate any judgment, order, writ, injunction or decree binding on the Guarantor.

13. The execution and delivery by the Buyer of the Purchase Documents to which it is a party do not, and the performance by the Buyer of the transaction(s) contemplated thereby will not conflict with or violate any law, rule, regulation or ordinance of the State of Indiana or United States Federal law or regulation, the violation of which would have a material adverse effect on the property or financial condition of the Buyer. The opinion expressed herein is limited to those laws, statutes, rules and regulations that a lawyer exercising customary professional diligence in commercial transactions would reasonably recognize as being applicable to the Buyer and the transactions contemplated by the Purchase Documents.

14. The execution and delivery by the Guarantor of the Guarantee does not, and the performance by the Guarantor of the transaction(s) contemplated thereby will not conflict with or violate any law, rule, regulation or ordinance of the State of Indiana or United States Federal law or regulation, the violation of which would have a material adverse effect on the property or financial condition of the Guarantor. The opinion expressed herein is limited to those laws, statutes, rules and regulations that a lawyer exercising customary professional diligence in commercial transactions would reasonably recognize as being applicable to the Guarantor and the transactions contemplated by the Purchase Documents.

15. To our knowledge, the execution and delivery by the Buyer of the Purchase Documents to which it is a party and the performance by the Buyer of the transaction(s) contemplated thereby require the Buyer to obtain the consent or approval of or authorization by, or to make any registration or filing with, any governmental authority or regulatory body of the State of Indiana or under United States Federal law except any approvals and actions that already have been obtained or taken. The opinion expressed herein is limited to those laws, statutes, rules and regulations that a lawyer exercising customary professional diligence in commercial transactions would reasonably recognize as being applicable to the Buyer and the transactions contemplated by the Purchase Documents.

16. To our knowledge, the execution and delivery by the Guarantor of the Guarantee and the performance by the Guarantor of the transaction(s) contemplated thereby, do not require the Guarantor to obtain the consent or approval of or authorization by, or to make any registration or filing with, any governmental authority or regulatory body of the State of Indiana or under United States Federal law except any approvals and actions that already have been obtained or taken. The opinion expressed herein is limited to those laws, statutes, rules and regulations that a lawyer exercising customary professional diligence in commercial transactions would reasonably recognize as being applicable to the Guarantor and the transactions contemplated by the Purchase Documents.

As a matter of fact and not as a legal opinion, we hereby confirm to you that to our knowledge, based solely upon the Buyer's Officer's Certificate and the Guarantor Officer's Certificate, there is no action, proceeding, or investigation before or by any court, governmental agency, or other body or official pending or overtly threatened in writing against the Buyer or the Guarantor questioning the validity of any action by the Buyer or the Guarantor in connection with the execution, delivery and performance of each of the Purchase Documents to which the Buyer or Guarantor is a party or that, if adversely determined, could reasonably be expected to have a material adverse effect on the property or the financial condition or operations of the Buyer or the Guarantor. We have made no search of any court or other public records, or the files or records of the Buyer or the Guarantor to determine the existence of any of the matters referred to in this paragraph.

Each of the opinions set forth above is limited by its terms and subject to the assumptions hereinabove stated and is further subject to the following qualifications, exceptions and limitations, none of which shall limit the generality of any other assumption, qualification, exception or limitation.

A. The legality, validity and enforceability of the Purchase Documents and the opinions expressed in paragraphs 9 and 10 above may be limited or otherwise affected by:

(i) bankruptcy, insolvency, reorganization, liquidation, readjustment of debt, receivership, moratorium, fraudulent conveyance, equitable subordination, equity of redemption, recharacterization or other similar legal principles now or hereafter in effect governing or affecting the rights and remedies of debtors and creditors generally, or general principles of equity, regardless of whether considered in a proceeding at law or in equity;

(ii) applicable laws or judicial decisions of the State of Indiana which may render certain of the rights, remedies, waivers, and attorney-in-fact appointments contained therein unenforceable or ineffective, but the inclusion of which do not render the Purchase Documents invalid as a whole or make the remedies generally afforded thereunder inadequate for the practical realization of the principal benefits intended to be provided by those documents; and/or

(iii) the concepts of good faith and fair dealing, materiality and reasonableness, regardless of whether considered in a proceeding at law or in equity.

Notwithstanding the foregoing and without limiting the generality of the foregoing exceptions, we express no opinion with respect to (a) the availability of the remedies of specific performance or injunctive relief, (b) the availability of ex parte remedies and other self-help or non-judicial relief or (c) the legality, validity, binding effect, or enforceability of provisions that provide for an event of default or availability of remedies predicated solely upon commencement of bankruptcy, reorganization or similar proceedings with respect to the Buyer or the Guarantor.

B. We express no opinion and make no statements concerning or with respect to any statutes, ordinances, administrative decisions, rules, and regulations of counties, towns, municipalities, and special political subdivisions.

C. We wish to advise you that under Indiana law, contractual indemnification and hold harmless provisions seeking to cover the indemnified party's own negligence, strict liability or other acts or omissions may not be enforceable to the extent the contract does not clearly and unequivocally specify that the indemnity or exculpation covers claims, losses, expenses or other liabilities arising or alleged to arise, in whole or in part, from the negligence, strict liability or other acts or omissions of the indemnified party. At least one Indiana case, Wilson Leasing Co. v. Gadberry, 437 N.E.2d 500 (Ind. Ct. App. 1982), states that indemnification clauses generally are strictly construed and that the terms must be set forth clearly and unequivocally. Another Indiana case, Powell v. American Health Fitness Center, 694 N.E.2d 757 (Ind. Ct. App. 1998), states that exculpatory clauses must both specifically and explicitly refer to the negligence of the party seeking release from liability. Further, indemnification or exculpation as against certain claims, losses, expenses, or other liabilities arising as the result of the indemnified party's violation of federal or state statutes, or the indemnified party's own tort liability when performing a public or quasi-public duty, or other acts or omissions, may be considered contrary to public policy and therefore invalid and/or unenforceable. Our opinion set forth in paragraph 5 above is limited by and subject to the Wilson Leasing and Powell decisions and these principles.

D. Without limiting the generality of any other exception, limitation or qualification, we express no opinion in this letter with respect to (i) the enforceability of a set-off right; (ii) the application of any law, statute, rule or regulation relating to the environment, health, or safety; (iii) any law, statute, rule, or regulation that may apply to any party as a result of its activities in the State of Indiana that are not directly related to the transactions contemplated by the Purchase Documents; (iv) the enforceability of any provisions of the Purchase Documents pertaining to consent to jurisdiction in so far as it relates to Federal courts or agreements stating that failure to exercise or delay in exercising rights will not operate as a waiver of the right or remedy; and (v) the validity or enforceability of any purported waiver or purported consent relating to any other rights of any party, or duties owed to any of them, existing as a matter of law, including without limitation the purported waiver of any party's right to a jury trial; (vi) the enforceability of any provisions of the Purchase Documents to the extent that any recovery of attorney's fees is not limited to reasonable attorney's fees; or (vii) the enforceability of any choice of law provision.

E. We express no opinion and make no statements concerning or with respect to any statutes, ordinances, administrative decisions, rules, and regulations of counties, towns, municipalities and special political subdivisions.

F. We express no opinion as to the applicability to the transactions contemplated by the Purchase Documents of Section 548 of the United States Bankruptcy Code or Ind. Code 32-18-2 relating to fraudulent transfers or obligations, and the opinions expressed herein are limited by and subject to the application of these statutes.

G. We have not considered and do not express an opinion with respect to any Federal or state (including Indiana) securities, tax or antitrust laws and regulations. Our opinions set forth in this letter are expressly subject to the effect of the application of all Federal and state (including Indiana) securities, tax and antitrust laws and regulations.

H. In rendering the opinions expressed above, we have not undertaken any investigation of the business, property or affairs of the Buyer or of the Guarantor or any other party to the Purchase Documents. We have not considered and do not express an opinion with respect to the performance by the Buyer or the Guarantor of its covenants and agreements in the Purchase Documents to operate its business in any specified manner.

I. Notwithstanding any opinions or statements expressed elsewhere in this opinion letter, we express no opinion and make no statements concerning or with respect to matters relating to the Surface Transportation Board and related statutes, rules and/or regulations, including: (i) the ICC Termination Act of 1995 (49 U.S.C. § 10101.1, et seq.), the Railway Labor Act (45 U.S.C. § 151, et seq.), the Consolidated Railroad Safety Legislation (49 U.S.C. § 20100, et seq.), the Hazardous Materials Transportation Act (49 U.S.C. § 5101, et seq.), the Railroad Retirement Act (45 U.S.C. § 231, et seq.), the Railroad Unemployment Insurance Act (45 U.S.C. § 351, et seq.) or the Federal Employers Liability Act (45 U.S.C. § 51, et seq.) or (ii) to any other Federal legislation specifically applicable to railroads.

J. The legality, validity, enforceability, and binding nature of the Guarantee may be limited or otherwise affected if:

- (i) Guarantor was or is rendered "insolvent," as that term is defined under Section 548 of the United States Bankruptcy Code, at the time the Guarantee was executed or performed, or as a result of its execution or performance;
- (ii) Guarantor will not directly or indirectly benefit from the extension of credit by the Seller to the Buyer; and/or
- (iii) fair consideration has not been received by Buyer in exchange for the transactions contemplated by the Guarantee and the delivery of the Guarantee.

The opinions expressed herein are matters of professional judgment, are not a guarantee

Soo Line Railroad Company

[Closing Date]

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of result and are effective only as of the date hereof. We do not undertake to advise you of any matter within the scope of this letter that comes to our attention after the date of this letter and disclaim any responsibility to advise you of any future changes in law or fact that may affect the opinions set forth herein. We express no opinion other than as hereinbefore expressly set forth. No expansion of the opinions expressed herein may or should be made by implication or otherwise.

We are informed that you are relying on this opinion letter in connection with the consummation of the actions and transactions contemplated by the Purchase Documents. The foregoing opinion shall not be relied upon for any other purpose or by any other party. The use or reliance upon this opinion letter by any other person or entity without our prior written consent is strictly prohibited.

Very truly yours,

EXHIBIT A

LIST OF DOCUMENTS REVIEWED

1. Asset Purchase Agreement dated as of November 1, 2005, by and between The Indiana Rail Road Company and Soo Line Railroad Company, d/b/a Canadian Pacific Railway.
2. Bill of Sale dated as of the date hereof, by the Seller in favor of the Buyer.
3. The Assignment and Assumption Agreement dated as of the date hereof, by and between the Buyer and the Seller.
4. The Interchange Agreement dated as of the date hereof, by and between the Buyer and the Seller.
5. The Marketing and Divisions Agreement dated as of the date hereof, by and between the Buyer and the Seller.
6. The Utility Easements dated as of the date hereof, by and between the Buyer and the Seller.
7. Power Run Through Agreement dated as of the date hereof, by and between the Buyer and the Seller.
8. Guarantee dated as of the date hereof, made by the Guarantor in favor of the Seller (the "Guarantee").
9. Certificate of Existence for the Buyer ("Buyer's Certificate of Existence") issued by the Secretary of State dated [•].
10. Certificate of Existence for the Guarantor ("Guarantor's Certificate of Existence") issued by the Secretary of State dated [•].
11. Articles of Incorporation of the Buyer as certified by the Secretary of State on [•] to be a true and complete copy of the Articles of Incorporation of the Buyer, as amended.
12. Articles of Incorporation of the Guarantor as certified by the Secretary of State on [•] to be a true and complete copy of the Articles of Incorporation of the Guarantor, as amended.
13. Bylaws of the Buyer, as certified by the Secretary of the Buyer as of the date hereof to be a true and complete copy of the Bylaws of the Buyer.
14. Bylaws of the Guarantor, as certified by the Secretary of the Guarantor as of the date hereof to be a true and complete copy of the Bylaws of the Guarantor.

15. Resolutions of the Board of Directors of the Buyer certified by the Secretary of the Buyer as of the date hereof.
16. Resolutions of the Board of Directors of the Guarantor certified by the Secretary of the Guarantor as of the date hereof.
17. Certificate of the Secretary of Buyer dated as of the date hereof as to certain factual matters (the "Buyer's Officer's Certificate").
18. Certificate of the Secretary of the Guarantor dated as of the date hereof as to certain factual matters (the "Guarantor's Officer's Certificate").

INDY 1629448v5

EXHIBIT S

BUYER OFFICER'S CERTIFICATE

See Attached.

**OFFICERS CERTIFICATE
OF
THE INDIANA RAIL ROAD COMPANY**

This Certificate is being delivered pursuant to Section 10.03 of that certain Asset Purchase Agreement dated as of November 1, 2005 (the "Purchase Agreement") between The Indiana Rail Road Company and Soo Line Railroad Company. Capitalized terms not otherwise defined herein have the meanings given to such terms in the Purchase Agreement.

The undersigned, do hereby certify on behalf of Buyer, and not in an individual capacity and without personal liability, that:

- (i) attached hereto as Exhibit A is a true, complete and correct copy of the Articles of Incorporation of Buyer certified by the Office of the Indiana Secretary of State, which such Articles of Incorporation are in full force and effect and have not been amended since the date of their adoption reflected on the attached;
- (ii) attached hereto as Exhibit B is a true, complete and correct copy of the Bylaws of Buyer, which such Bylaws are in full force and effect and have not been amended since the date of their adoption reflected on the attached;
- (iii) attached hereto as Exhibit C is a true, complete and correct copy of an extract of the resolutions of the Board of Directors of Buyer, authorizing the execution, delivery and performance by Buyer of the Purchase Agreement, and such resolutions are in full force and effect and have not been amended since the date of their adoption reflected on the attached;
- (iv) attached hereto as Exhibit D is a true, complete and correct copy of a Certificate of Good Standing of Buyer issued by the Office of the Indiana Secretary of State; and
- (v) the representations and warranties of Buyer set forth in the in the Purchase Agreement are true and correct in all material respects on and as of the date of this Certificate as though made on and as of this date.

[THIS SPACE INTENTIONALLY LEFT BLANK]

This Certificate is given solely in the capacities as the President and Secretary of Buyer and no personal liability is assumed by the undersigned in connection herewith.

IN WITNESS WHEREOF, I have hereto set my hand this ____ day of ____, 200_.

THE INDIANA RAIL ROAD COMPANY

By: _____
_____, President

_____, Secretary

EXHIBIT A
ARTICLES OF INCORPORATION

EXHIBIT B

BYLAWS

EXHIBIT C

BOARD OF DIRECTOR RESOLUTIONS

EXHIBIT D
GOOD STANDING CERTIFICATE

EXHIBIT T

JOHN BROADLEY OPINION

See Attached.

[CLOSING DATE]

Soo Line Railroad Company
d/b/a Canadian Pacific Railway
501 Marquette Avenue, Suite 800
Minneapolis, MN 55402

Re: Asset Purchase Agreement for the Acquisition of Assets from Soo Line Railroad Company, d/b/a Canadian Pacific Railway

Dear Sir/Madam:

We have acted as special Surface Transportation Board ("STB") counsel to The Indiana Rail Road Company ("INRD") in connection with that certain Asset Purchase Agreement dated as of November 1, 2005 between Soo Line Railroad Company d/b/a Canadian Pacific Railway Company ("Soo") and INRD (the "Asset Purchase Agreement").

Unless otherwise defined in this letter, capitalized terms used herein shall have the meanings ascribed to them in the Asset Purchase Agreement.

We have examined the Order served by the STB on [DATE] in Finance Docket No. [____], in which INRD filed an application pursuant to 49 U.S.C. § 11323 *et seq.* for authority to acquire the Acquired Assets and the Other Acquired Rights (the "STB Order."). For the purpose of expressing the opinions set forth herein, we have relied, as to various questions of fact material thereto, upon the representations made in the Asset Purchase Agreement and the certificates of officers of Soo and INRD. We also have examined originals, or copies of originals certified to our satisfaction, of such agreements, documents, certificates and other statements of government officials and other instruments, have examined such questions of law, and have satisfied ourselves as to such matters of fact, as we have considered relevant and necessary as a basis for this letter. We have assumed the genuineness of all signatures, the legal capacity of all natural persons, the authenticity of all documents submitted to us as originals and the conformity with the original documents of all documents submitted to us as certified or photostatic copies. With respect to any instrument executed or to be executed by any party, we have assumed, to the extent relevant to the opinions set forth herein, that (i) such party (if not a natural person) has been duly organized and is validly existing and in good standing under the laws of its jurisdiction of organization, and (ii) such party

Soo Line Railroad Company
[CLOSING DATE]
Page No. 2

has full right, power and authority to execute, deliver and perform its obligations under any instrument or agreement to which it is a party and each such instrument or agreement has been duly authorized (if applicable), executed and delivered by, and is a valid, binding and enforceable agreement or obligation, as the case may be, of such party.

Based upon the foregoing, this will advise you that, in our opinion, subject to the assumptions and limitations set forth herein, the STB Order has become effective as of [DATE], and, unless reversed or modified upon reconsideration, reopening or judicial review, or pursuant to a supplemental order, the STB Order approves and authorizes the transactions contemplated by the Asset Purchase Agreement to the extent that such transactions are subject to the prior approval requirement of 49 U.S.C. § 11323 *se seq.*¹ No other approval or consent of, or registration, declaration or filing with, any other United States Government agency is required under the Interstate Commerce Commission Termination Act of 1995 ("ICCTA"), or any other federal statute or regulation specifically applicable to railroads, to authorize the acquisition by INRD of the Acquired Assets and the Other Acquired Rights contemplated by the Asset Purchase Agreement.

The foregoing opinions are limited to the federal laws of the United States of America.

The opinions rendered in this letter are based upon applicable law on the date hereof and upon facts known to us on such date, and we do not undertake, and hereby disclaim, any obligation to advise you of any changes in law or fact, whether or not material, which may hereafter come to our attention. This opinion letter is being delivered solely for the benefit of Soo, and may not be used, quoted from, circulated to, published or relied upon by any other person or used in any other context without our prior written consent, except that you may furnish a copy hereof (i) to your independent auditors and attorneys, (ii) to any United States (federal or State) authority, (iii) pursuant to an order or legal process of any court of government agency, and (iv) in connection with any legal action to which you are a party arising out of the Asset Purchase Agreement.

Yours very truly,

¹ The period for filing a petition for judicial review of the STB Order will expire on [DATE]. A petition for reconsideration of the STB Order must be filed by [DATE]. A petition to reopen the STB Order or a petition for a supplemental order may be filed at any time.

Soo Line Railroad Company
[CLOSING DATE]
Page No. 3

JOHN H. BROADLEY & ASSOCIATES, P.C.

SOO LINE RAILROAD COMPANY SCHEDULES

Introduction

The following are the schedules of Soo Line Railroad Company d/b/a Canadian Pacific Railway, a Minnesota corporation ("Soo Line") pursuant to the Asset Purchase Agreement, dated November 1, 2005 (the "Agreement") by and between Soo Line and The Indiana Rail Road Company (except Schedule 7.02 which is the schedule of The Indiana Rail Road Company). The section numbers in these Schedules correspond to the section numbers in the Agreement. Any terms defined in the Agreement shall have the same meaning when used in these Schedules as when used in the Agreement, unless the context otherwise requires.

Schedule 1.1(b)
Soo Line Railroad Company
Permitted Encumbrances

All interests and reserved easements set forth in the Corrective Deeds, dated October 31, 1998, executed by CMC Real Estate Corporation in favor of Soo Line.

All of the leases and license set forth on Schedule 2.01(a)(ii).

Schedule 2.01(a)(ii)
Soo Line Railroad Company
Contracts

A. Interline Agreements

1. Interchange Agreement with Terre Haute, Brazil & Eastern Railroad Company, dated August 15, 1987
2. Agreement Interchange and Run-Through of Locomotives and Cabooses/ETDs for Public Service Company of Indiana Unit Coal Trains between Hawthorne Mine and Cayuga, Indiana with CSX, dated July 1, 1990 (not assignable without consent)
3. Standard Detour Agreement with ISRR, dated May 20, 1993
4. Haulage Agreement with ISRR, dated April 15, 1993 (between Beehunter and Petersburg)
5. Interchange Agreement with ISRR, dated April 15, 1993
6. Trackage Rights Agreement with ISRR, dated April 15, 1993 (Beehunter to Elnora)
7. Dispatching Service Agreement with INRD, dated April 11, 1998
8. Linton Interchange Agreement with INRD, dated April 1, 1997
9. Interchange Letter Agreement with NS, dated June 1997
10. Equipment Use Agreement with Black Beauty Coal Company, dated December 1, 1998 (needs consent to assign)
11. Emergency Intercarrier Rail Services Agreement with ISRR, dated July 14, 1994
12. Interchange Agreement between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and the Pennsylvania Railroad Company, dated May 11, 1966
13. Agreement between Southern Indiana Railway Company and The New Pittsburgh Coal & Coke Company, dated August 15, 1899 for Spur Track and Furnishing Cars for Coal Shipments in Clay County
14. Louisville Terminal Agreement between Southern Railway Company and Richard Ogilvie, Trustee of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, dated July 1, 1981 (terminal services and trackage rights)
15. Intentionally omitted.
16. T-1135 Trackage Rights Agreements with Consolidated Rail Corporation as follows:
 - (i) Agreement between The Baltimore and Ohio Railroad Company and Ogilvie as Trustee of The Chicago, Milwaukee, St. Paul and Pacific Railroad Company, dated April 9, 1980 (interchange at Chrisman, rights over Gibson to Terre Haute), as amended
 - (ii) Trackage Rights Agreement between Consolidated Rail Corporation and Trustee of The Chicago, Milwaukee, St. Paul and Pacific Railroad Company, dated July 16, 1979 (Gibson to Terre Haute), as amended
 - (iii) Agreement between Consolidated Rail Corporation and Trustee of The Chicago, Milwaukee, St. Paul and Pacific Railroad Company, dated September 8, 1982 (Paris connection), as amended
17. Agreement between Consolidated Rail Corporation and Ogilvie, Trustee of The Chicago, Milwaukee, St. Paul and Pacific Railroad Company, dated November 12, 1980 (trackage rights Preston to Chase)

18. Agreement between Consolidated Rail Corporation and The Milwaukee Road, Inc., dated June 28, 1985 (trackage rights Beehunter and Sandborn)
19. Agreement between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and The New York Central Railroad Company, dated February 29, 1952 (signals near Terre Haute)
20. Agreement between Chicago, Terre Haute & Southeastern Railway Company and Trustees of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, dated July 15, 1943 (rebuild bridge Blankenship)
21. Agreement between Evansville and Terre Haute Railroad Company and Southern Indiana Railway Company, dated August 9, 1902 (crossing Abbot)
22. Agreement between Receiver of Terre Haute and Indianapolis Railroad Company and Southern Indiana Railway Company, dated September 9, 1903 (overhead crossing Terre Haute)
23. Supplemental Agreement between Chicago & Eastern Illinois Railway Company and Chicago, Milwaukee, St. Paul and Pacific Railroad Company, dated March 2, 1960 including predecessor agreements dated May 11, 1900, May 3, 1903, March 1, 1926 and October 10, 1930 (Spring Hill to Belt Junction and Crossing and Interlocker at Spring Hill)
24. Supplemental Agreement between Chicago & Eastern Illinois Railway Company, Chicago, Terre Haute & Southeastern Railway Company and Trustees of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, dated August 12, 1943 (Crossing at Terre Haute)
 - Agreement between Trustees of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, Chicago & Eastern Illinois Railway Company, and Chicago & Eastern Illinois Railway Company and, dated May 22, 1941, amending Agreement dated March 14, 1928
25. Agreement between Chicago, Terre Haute & Southeastern Railway Company and Nashville and Terre Haute RR Co. (crossing protection in Terre Haute) [**Agreement is missing**]
26. Agreement between Evansville and Terre Haute Railroad Company and The Southern Indiana Railway Company, dated May 8, 1903 (Bell Jct. Interlocker)
27. Letter Agreement between Conrail and Chicago, Milwaukee, St. Paul and Pacific Railroad Company, dated September 22, 1978 amending agreement dated June 23, 1902 and supplemented October 14, 1936 (Crossing in Terre Haute)
28. Agreement between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and Chicago & Eastern Illinois Railroad Company, dated August 2, 1950 (crossing at Dewey)
29. Agreement between Chicago, Indianapolis & Louisville Railway Company and Chicago, Milwaukee, St. Paul and Pacific Railroad Company, dated May 15, 1951 (M&O Bedford)
30. Agreement among Cleveland, Cincinnati, Chicago & St. Louis Railway Company (Big Four), Terre Haute & Logansport Railway Company and the Southern Indiana Railway Company, dated May 23, 1904, as amended, among other times, October 1, 1930 and amended and superseded on July 8, 1974 (Interlocker Preston)

31. Agreement between Consolidated Rail Corporation and Trustee of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, dated February 29, 1984, amending and superseding agreement dated May 10, 1899 (M&O Elnora) [needs consent to assign]
32. Agreement between Evansville and Terre Haute Railroad Company and Southern Indiana Railway Company, dated June 5, 1900 (Crossing in Terre Haute)
33. Crossing Agreement, originally dated October 10, 1899, governing Seller's crossing of the INRD in Linton, IN. Further supplemented by an exchange of letter agreements dated June 6, 1946, March 11, 1947, August 8, 1948 and finally May 12, 1959 flat rating the billing for the maintenance and operations.

B. Leases and Licenses

1. License No. 23905 between Soo Line Railroad Company and McLeod USA Telecommunications Services, Inc., dated January 1, 1986, amended by Amendment to License No. 23905, dated January 1, 2001.
2. Pipeline License No. 49818 (renumbered as 24024) between Trustees of the Property of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company and Socony-Vacuum Oil Company, Inc., dated May 25, 1939, Socony-Vacuum Oil Company's interest in which has been assigned to and assumed by Magnolia Pipe Line Company, pursuant to an Assignment dated July 1, 1942, and further assigned by Marathon Pipe Line Company, pursuant to an Assignment dated March 1, 1967.
3. Pole and Wire Agreement No. N-17906 (renumbered 25675) between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and Public Service Company of Indiana, Inc., dated November 30, 1979.
4. Pole and Wire Agreement No. N-17973 (renumbered 25677) between Trustee of the Property of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company and Public Service Company of Indiana, Inc., dated April 9, 1980.
5. Pole and Wire Agreement No. N-16649 (renumbered 25700) between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and Win Energy REMC (formerly Sullivan County Rural Electric Membership Corporation), dated June 19, 1975; and amended pursuant to Amendment to License No. 25700, dated December 1, 1999.
6. Lease No. 26018-03 between Soo Line Railroad Company and Jerry W. Cowden, dated October 1, 2001, and Lease between Soo Line Railroad Company and Robert D. Koontz, dated October 1, 1986, Koontz's interest in which was assigned to Richard E. Craig, and further assigned to Jerry W. Cowden, as recited pursuant to the Assignment and Assumption dated effective as of October 1, 2001.
7. Pole and Wire Agreement No. N-15656 (renumbered 26348) between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and General Telephone Company of Indiana, Inc., dated June 9, 1972.
8. Wire Crossing Permit License No. 26274-A between Soo Line Railroad Company and GTE North Incorporated, dated April 1, 1987.
9. Cable Crossing Permit License No. 26785 between Soo Line Railroad Company and AT&T Communications of Indiana, Inc., dated November 1, 1987.

10. Pipe Line License No. 50491 between Trustees of the Property of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company and BP Oil Pipeline Company (formerly Ohio Pipe Line Company), dated January 17, 1940.
11. Pipe Line License No. 54133 (renumbered 26674) between Trustees of the Property of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company and The Ohio Oil Company, dated October 16, 1944, The Ohio Oil Company's interest in which has been assigned to The Buckeye Pipe Line Company pursuant to an Assignment of Railroad Crossing License dated March 26, 1945, and further assigned (in part) to Marathon Petroleum Company pursuant to a Bill of Sale dated December 27, 1989.
12. Cable Crossing Permit License No. 27148 between Soo Line Railroad Company and AT&T Communications of Indiana, Inc., dated March 2, 1989.
13. Pipe Line Crossing Permit No. 27150 between Soo Line Railroad Company and City of Linton, Indiana, dated May 1, 1989.
14. Pipe Line Crossing Permit No. 27206 between Soo Line Railroad Company and North Lawrence Water Corporation, dated February 1, 1989.
15. Pole and Wire Agreement No. N-14393 (renumbered 27325) between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and Public Service Company of Indiana, dated July 15, 1968.
16. Pole and Wire Agreement No. N-14377 (renumbered No. 27340) between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and Cable T.V., Inc., dated June 20, 1968.
17. Pole and Wire Agreement No. N-14466 (renumbered 27368) between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and General Telephone Company of Indiana, dated September 16, 1968.
18. Pole and Wire Agreement No. 27371 between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and Win Energy REMC (formerly Sullivan County Rural Electric Membership Corporation), dated January 9, 1969, amended by Amendment to License dated September 1, 1998, and further amended by Amendment to License dated December 1, 1999.
19. Pole and Wire Agreement No. 27374 between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and Hoosier Energy, dated October 22, 1968, amended by Amendment to License dated October 1, 1998.
20. Pole and Wire Agreement No. 27402 between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and Odon & Madison Township Telephone Company, dated March 21, 1969; amended by Amendment between Soo Line Railroad Company and Centurytel, dated March 1, 2000.
21. Pole and Wire Agreement No. N-11312 (renumbered 27419) between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and PSI Energy Inc. (formerly Public Service Company of Indiana, Inc.), dated June 2, 1959.
22. Pole and Wire Agreement No. 27434 between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and Win Energy REMC (formerly Sullivan County Rural Electric Membership Corporation), dated August 17, 1964, amended by Amendment to License dated December 1, 1999.
23. Pole and Wire Agreement No. 13717 (renumbered 27536) between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and Indianapolis Power and Light Company, dated September 16, 1966.

24. Pole and Wire Agreement No. 11058 (renumbered 27790) between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and PSI Energy Inc. (formerly Public Service Company of Indiana, Inc.), dated July 10, 1958.
25. Wire Crossing Permit No. 28148 between Soo Line Railroad Company, as Licensor, and Century Telephone Co. dba Odon Telephone Company, as Licensee, dated November 1, 1990; and as amended by Amendment to License between Soo Line Railroad, Licensor, and Centurytel, as Licensee, dated March 1, 2000.
26. Roadway Permit No. 27922, between Soo Line Railroad Company and Englewood Cut Stone Co., dated December 1, 1989.
27. Pipe Line License No. 70253 (renumbered 28185) between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and Indian Gas and Water Company, Inc., dated January 23, 1963.
28. Pole and Wire Agreement No. N-16843 (renumbered as agreements numbered: 28552, 28553, 28554 and 28555) between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and Daviess Martin County Rural Telephone Corporation, dated February 24, 1976.
29. Pole and Wire Agreement No. 2775 (renumbered 28735) between Trustees of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad Company and PSI Envery Ing. (formerly Public Service Company of Indiana, Inc.), dated February 28, 1938.
30. Pipe Line Crossing Permit No. 29022 between Soo Line Railroad Company and Indiana-American Water Company, Inc., dated November 1, 1993.
31. Pipe Line Crossing Permit No. 29144 between Soo Line Railroad Company and Bedford Recycling, Inc., dated June 1, 1994.
32. Private Crossing Easement No. 29156 between Soo Line Railroad Company and Bedford Recycling, Inc., dated May 15, 1994.
33. Pipe Line Crossing Permit No. 29165 between Soo Line Railroad Company, and Bedford Recycling, Inc. dated June 1, 1994.
34. Pipe Line Crossing Permit No. 29595 between Soo Line Railroad Company and City of Linton Gas Utility, dated February 1, 1996.
35. Pole and Wire Agreement No. 29916 between Chicago, Milwaukee, St. Paul and Pacific Railroad Company and Shell Oil Company, dated June 14, 1954, Shell Oil Company's interest in which has been assigned to Shell Pipeline Corporation pursuant to an Assignment and Assumption dated May 6, 1996.
36. Pipe Line Agreement No. 29917 between Chicago, Milwaukee, St. Paul and Pacific Railroad and Shell Oil Company dated January 16, 1969, Shell Oil Company's interest in which has been assigned to Shell Pipeline Company pursuant to an Assignment and Assumption dated May 6, 1996.
37. Pipe Line Agreement No. 29918 between Chicago, Milwaukee, St. Paul and Pacific Railroad and Shell Oil Company, dated July 8, 1968, Shell Oil Company's interest in which has been assigned to Shell Pipeline Company pursuant to an Assignment and Assumption dated May 6, 1996.
38. Wire Crossing Permit No. 29960 between Soo Line Railroad Company and PSI Energy, Inc., dated October 1, 1997.
39. Pole and Wire Agreement No. 12993 (renumbered 30527) between Chicago, Milwaukee, St. Paul and Pacific Railroad and Ameritech (formerly Indiana Bell Telephone Company), dated December 15, 1964.

40. Pole and Wire Agreement No. 16741 (renumbered 30528) between Chicago, Milwaukee, St. Paul and Pacific Railroad and Ameritech (formerly Indiana Bell Telephone Company), dated October 24, 1975.
41. Pole and Wire Agreement No. 17008 (renumbered 30529) between Chicago, Milwaukee, St. Paul and Pacific Railroad and Ameritech (formerly Indiana Bell Telephone Company), dated September 7, 1976.
42. Pole and Wire Agreement No. 6555 (renumbered 30530) between the trustees for the property of Chicago, Milwaukee, St. Paul and Pacific Railroad and Ameritech (formerly Indiana Bell Telephone Company), dated March 3, 1945.
43. Pole and Wire Agreement No. 9488 (renumbered 30531) between Chicago, Milwaukee, St. Paul and Pacific Railroad and Ameritech (formerly Indiana Bell Telephone Company), dated October 23, 1953.
44. Pole and Wire Agreement No. 7259 (renumbered 30532) between Chicago, Milwaukee, St. Paul and Pacific Railroad and Ameritech (formerly Indiana Bell Telephone Company), dated July 1, 1947.
45. Pole and Wire Agreement No. 12175 (renumbered 30533) between Chicago, Milwaukee, St. Paul and Pacific Railroad and Ameritech (formerly Indiana Bell Telephone Company), dated February 13, 1962.
46. Pole and Wire Agreement No. 6381 (renumbered 30534) between Chicago, Milwaukee, St. Paul and Pacific Railroad and Ameritech (formerly Indiana Bell Telephone Company), dated April 15, 1944.
47. Pole and Wire Agreement No. 4183 (renumbered 30535) between Chicago, Milwaukee, St. Paul and Pacific Railroad and Ameritech (formerly Indiana Bell Telephone Company), dated March 7, 1931.
48. Wire Crossing Permit No. 30874 between Soo Line Railroad Company and Insight Communication of Indiana, LLC, dated May 1, 2000.
49. Pipe Line Crossing Permit No. 30905 between Soo Line Railroad Company and City of Terre Haute, dated July 1, 2000.
50. Pipe Line Crossing Permit No. 30906 between Soo Line Railroad Company and City of Terre Haute, dated July 1, 2000.
51. Pipe Line Crossing Permit No. 30954 between Soo Line Railroad Company and City of Terre Haute, dated July 1, 2000.
52. Wire Crossing Permit No. 31032 between Soo Line Railroad Company and R.T.C. Communications, Inc., dated April 1, 2001.
53. Pipe Line Crossing Permit No. 31037 between Soo Line Railroad Company and United States of America, acting by and through the Department of the Navy, dated July 1, 2001.
54. Pipe Line Crossing Permit No. 31617 between Soo Line Railroad Company and Fruitridge Glen, LLC, dated October 1, 2003.
55. Pipe Line License No. 62790 (renumbered 24033) between Chicago, Milwaukee, St. Paul and Pacific Railroad and The Ohio Oil Company, dated July 1, 1954, The Ohio Oil Company's interest in which has been assigned to Marathon Pipe Line Company pursuant to an Assignment and Acceptance dated effective January 1, 1960.
56. Pipe Line Crossing Permit No. 24172-A between Soo Line Railroad Company and Texas Gas Transmission Corporation, dated July 1, 1987.
57. Lease No. 43070 (renumbered 24173) between Chicago, Milwaukee, St. Paul and Pacific Railroad and Kentucky Natural Gas Company, dated March 24, 1931, Kentucky Natural

- Gas Company's interest in which was assigned to Texas Gas Transmission Corporation pursuant to an Assignment and Acceptance dated April 5, 1948.
58. Pipe Line License No. 43334 (renumbered 24174) between Chicago, Milwaukee, St. Paul and Pacific Railroad, as Licensor, and Kentucky Natural Gas Company, as License, the Licensee's interest in which was assigned to Texas Gas Transmission Corporation pursuant to an Assignment and Acceptance dated July 3, 1948, and further assigned to Terre Haute Gas Corporation pursuant to an Assignment and Acceptance dated as of April 6, 1959, and further assigned to Indiana Gas Company, Inc. pursuant to an Assignment and Acceptance dated May 2, 1991.
 59. Pipe Line License No. 45654 (renumbered 24175) between Chicago, Milwaukee, St. Paul and Pacific Railroad and City of Linton, dated July 14, 1934.
 60. Pipe Line License No. 68098 (renumbered 24184) between Chicago, Milwaukee, St. Paul and Pacific Railroad and Texas Gas Transmission Corporation, dated August 8, 1960.
 61. Pipe Line Crossing Permit No. 24188-A between Soo Line Railroad Company and Texas Gas Transmission Corporation, dated July 1, 1988.
 62. License No. 79031 (renumbered 24344) between Chicago, Milwaukee, St. Paul and Pacific Railroad and Gulf Refining, dated October 16, 1936, Gulf Refining's interest in which was assigned to Williams Brothers Pipeline Company pursuant to an Assignment dated March 8, 1973, and further assigned to WorldCom Network Services Inc. (formerly Wiltel, Inc.) pursuant to an Assignment and Acceptance dated February 17, 1992.
 63. Pipe Line Agreement No. 24399 between the trustee of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad and Texas Gas Transmission Company, dated July 15, 1983, amended pursuant to an Amendment to Lease No. 24399 dated as of July 1, 1988.
 64. Pipe Line Crossing Permit No. 24716 between Soo Line Railroad Company and Grover Phillips, dated July 1, 1986.
 65. Wire Crossing Permit No. 24922 between Soo Line Railroad Company and Public Service Company of Indiana, Inc., dated June 1, 1986.
 66. Pole and Wire Agreement No. 25141 between Chicago, Milwaukee, St. Paul and Pacific Railroad and American Cable Vision dated January 13, 1982.
 67. Pole and Wire Agreement No. 25237 between Receivers of Chicago, Milwaukee, St. Paul and Pacific Railroad and Terre Haute & Southeastern Railway Company, dated September 8, 1925.
 68. Pole and Wire Agreement No. 25647 between trustee of the property of Chicago, Milwaukee, St. Paul and Pacific Railroad and Public Service Company of Indiana, dated April 5, 1979.
 69. Site Lease No. 23988-A between Soo Line Railroad Company and Davco East Loading Corporation, dated August 1, 1990.
 70. Site Lease No. 24025-A between Soo Line Railroad Company and L & K Contracting Company, dated April 1, 1989.
 71. Site Lease No. 24031-A between Soo Line Railroad Company and William D. McCracken, dated November 1, 1990.
 72. Lease No. 26146-A between Soo Line Railroad Company and Bemis Company, Inc. Film Division, dated May 15, 1987.
 73. Site Lease No. 26358 between Soo Line Railroad Company and Toney Petroleum, Inc., dated January 1, 1987.

74. Lease No. 26908-B between Soo Line Railroad Company and Exxon Chemical Americas, dated January 1, 1990.
75. Site Lease No. 28546 between Soo Line Railroad Company and Amos Swartzentruber, dated March 1, 1992.
76. Lease No. 28895 between Soo Line Railroad Company and Victor Ray Plano and Diane Plano, dated May 20, 1994.
77. Lease No. 29447-1 between Soo Line Railroad Company and Equistar Chemicals (formerly Lyondell Polymers), dated December 1, 1995.
78. Private Crossing Easement No. 29640 between Soo Line Railroad Company and IMCO Recycling of Indiana, Inc., dated November 1, 1995.
79. Lease No. 29836 between Soo Line Railroad Company and Cynergy Corp., dated June 1, 1997.
80. Lease No. 30338 between Soo Line Railroad Company and Richard Scott Stevenson, as Lessee, dated January 1, 1998, Richard Scott Stevenson's interest in which has been assigned to and assumed by Leonard Gallagher, pursuant to an Assignment and Assumption, dated effective as of June 1, 2003.
81. Industry Track Agreement No. 20512 (also identified as Lease No. 30513) between Soo Line Railroad Company and Bedford Recycling, Inc., dated December 14, 1994.
82. Lease No. 30759 between Soo Line Railroad Company and Indiana Steel and Engineering Corp., dated January 1, 2000.
83. Track Lease No. 31136 between Soo Line Railroad Company and Cendian Corporation, dated October 1, 2003.
84. Track Lease No. 31147 between Soo Line Railroad Company and Oxy Vinyls, L.P. of Dallas, State of Texas, dated January 1, 2004.
85. Lease No. 24049-A between Soo Line Railroad Company and Mullis Petroleum Products, dated April 1, 1990.
86. Lease No. 24299 between Soo Line Railroad Company and Agri-Basics Fertilizer Company, Inc., dated April 9, 1986, and Lease #83426 between Chicago, Milwaukee, St. Paul, and Pacific Railroad Company and Cornelius Farm Supply Co., Inc., dated November 20, 1980, the lessee's interest in which has been assigned to Agri-Basics Fertilizer Company, Inc., pursuant to an Assignment dated effective as of April 9, 1986.
87. Lease No. 24395-02 between Soo Line Railroad Company and Jane Schollaert, dated July 1, 2000, and Lease #24395 between Soo Line Railroad Company and Harold H. Taylor, dated June 22, 1960, the lessee's interest which has been assigned first to William R. Raymann, and subsequently to Jane Schollaert, as described in the Assignment and Assumption between William R. Raymann and Jane Schollaert, dated effective as of July 1, 2000.
88. Lease No. 24410-A between Soo Line Railroad Company and Odon Feed and Grain, Inc., dated July 1, 1988.
89. Lease No. 24631-A between Soo Line Railroad Company and Graham Feed Company, Inc., dated November 1, 1988.
90. Track Lease No. 24819-A between Soo Line Railroad Company and PolyOne Corporation (formerly The GEON Company), dated November 1, 1998.
91. Lease No. 24912 between Soo Line Railroad Company and Elnora Oil Company, dated August 1, 1986.

Schedule 2.01(a)(iv)
Soo Line Railroad Company
Real Property Interests – Leases

See the Leases and License set forth on Schedule 2.01(a)(ii)

Schedule 2.01(a)(viii)
Soo Line Railroad Company
Shipper Contracts

Contract Road & Number		Comment
CSXT	83276	
INRD - C -	0250	
INRD - C -	0302	
NSRQ	63559	
NSSC	81394	
BNSF	304802	
OTMQ	104941	
UP	91676	
BNSFQ	111231	partial assignment
BNSFC	305125-0007	partial assignment
CSXT - C -	82971	partial assignment
NS	18275	partial assignment
UPCQ	73893.078	partial assignment
UPCQ	78099.041	partial assignment
CPRS	38714	
CPRS	137932	
CPRS	147095	
CPRS	148076	
CPRS	131141	
CPRS	133794	
CPRS	135744	
CPRS	138445	
CPRS	148578	

Schedule 6.02
Soo Line Railroad Company
Authorizations, Consents or Approvals of Third Parties

Filing and Expiration of the waiting period under the Hart-Scott-Rodino Anti-Trust Improvements Act unless the transaction is exempt from anti-trust laws under applicable rail legislation.

STB Order or Approval as set forth in the agreement.

Consents are required pursuant to the following agreements:

- Agreement Interchange and Run-Through of Locomotives and Cabooses/ETDs for Public Service Company of Indiana Unit Coal Trains between Hawthorne Mine and Cayuga, Indiana with CSX, dated July 1, 1990
- Agreement between Consolidated Rail Corporation and Trustee of Chicago, Milwaukee, St. Paul and Pacific Railroad Company, dated February 29, 1984, amending and superseding agreement dated May 10, 1899 (M&O Elnora)
- Switching Service Agreement for Coal Shipments with ISRR (Contract No. 20655)
- Equipment Use Agreement with Black Beauty Coal Company, dated December 1, 1998

The following Permit needs consent as follows:

- NPDES permit for the Latta Switchyard can be transferred provided that the current permittee notify IDEM at least 30 days prior to transfer, a written agreement containing a specific date for transfer of permit responsibilities between the existing permittee and the transferee is submitted to the commissioner, and the transferee certifies in writing to the commissioner of its intent to operate the facility without making material alterations or additions that would change the nature or quantity of pollutants being discharged.

Schedule 6.06
Soo Line Railroad Company
Litigation

The Latta Yard is subject to ongoing investigation and remediation of contamination, with oversight by the Indiana Department of Environmental Management through its Voluntary Remediation Program.

The site of the diesel fuel spill just south of the Latta Yard and approximately 2 miles south of Jasonville, Indiana, is subject to ongoing investigation and/or remediation with oversight by the Indiana Department of Environmental Management.

Schedule 6.07
Soo Line Railroad Company
Absence of Changes

None.

Schedule 6.11
Soo Line Railroad Company
Hazardous Materials/Underground Storage Tanks

1. Phase II Environmental Site Assessment for the Latta Yard, dated October 14, 2003 and prepared by ARCADIS G&M, Inc. (Volumes I and II).
2. Phase I Environmental Site Assessment for the Latta Subdivision, dated February 17, 2005 and prepared by Weaver Boos Consultants, Inc. (Volumes I and II).
3. VRP Phase II Site Investigation Report for the Latta Yard, dated March 22, 2005 and prepared by ARCADIS G&M, Inc.
4. Indiana Department of Environmental Management letter, dated June 24, 2005, commenting on the VRP Phase II Site Investigation Report for the Latta Yard that was prepared by ARCADIS G&M, Inc.
5. Phase I Environmental Site Assessment for the Latta Yard, dated November 18, 2003 and prepared by ARCADIS G&M, Inc.
6. CPR letter, dated February 26, 2003, concerning diesel fuel release in Jasonville, Indiana.
7. RETEC letter, dated September 2, 2003, regarding "Summary of Site Remediation and Restoration Activities" concerning diesel fuel release in Jasonville, Indiana.
8. RETEC letter, dated August 25, 2004, regarding "Groundwater Monitoring Summary Report" concerning diesel fuel release in Jasonville, Indiana.
9. Indiana Department of Environmental Management letter, dated February 11, 2005, requesting additional information concerning diesel fuel release in Jasonville, Indiana.
10. RETEC memorandum, dated March 31, 2005, regarding "Response to Request for Information by IDEM" concerning diesel fuel release in Jasonville, Indiana.
11. RETEC memorandum, dated May 27, 2005, regarding "Response to Request for Information by IDEM" concerning diesel fuel release in Jasonville, Indiana.
12. RETEC letter, dated September 21, 2005, regarding "Work Plan for Further Site Investigation Activities" concerning diesel fuel release in Jasonville, Indiana.
13. Indiana Department of Environmental Management letter, dated August 8, 2005, requesting denial of no further action and request for further site investigation concerning diesel fuel release in Jasonville, Indiana.

Schedule 7.02
The Indiana Rail Road Company
Consents

Filing and Expiration of the waiting period under the Hart-Scott-Rodino Anti-Trust Improvements Act unless the transaction is exempt from anti-trust laws under applicable rail legislation.

STB Order or Approval as set forth in the agreement. In the event the transactions contemplated by the Agreement are subject to the approval requirement of 49 U.S.C. Section 11323, CSX must be a signatory.

Schedule 9.06
Indiana Rail Road Company
Contractual Consents

The Consents listed on Schedule 7.02

Consent from the Crane Naval Station

Schedule 10.06
Soo Line Railroad Company
Contractual Consents

The Consents listed on Schedule 7.02

GUARANTY

GUARANTY, dated as of November 1, 2005, by Midland United Corporation, an Indiana corporation ("Guarantor"), in favor of Soo Line Railroad Company, d/b/a Canadian Pacific Railway, a Minnesota corporation (the "Beneficiary").

W I T N E S S E T H :

WHEREAS, 100% of the stock of Indiana Rail Road Company, an Indiana corporation ("Buyer"), is owned by Guarantor;

WHEREAS, Buyer has entered into an Asset Purchase Agreement, dated as of November 1, 2005 (the "Purchase Agreement"), with the Beneficiary for the sale and purchase of certain assets; and

WHEREAS, Guarantor will receive substantial direct and indirect benefits by reason of the Purchase Agreement (which benefits are hereby acknowledged);

NOW, THEREFORE, in order to induce the Beneficiary to execute and deliver the Purchase Agreement, and in consideration thereof, and for other good and valuable consideration, the receipt of which is hereby acknowledged, Guarantor hereby agrees as follows:

1. Definitions. Each capitalized term used in this Guaranty and not otherwise defined herein shall have the meaning specified in the Purchase Agreement.
2. Guaranty. Guarantor hereby absolutely, irrevocably and unconditionally guarantees to the Beneficiary, as primary obligor and not merely as surety, the full and prompt payment and performance when due of all amounts owed by Buyer now or hereafter and all of Buyer's duties, agreements, covenants, terms and obligations under the Purchase Agreement, and regardless of whether Buyer assigned any such duties, agreements, covenants, terms and obligations (the "Guaranteed Obligations").
3. Nature of Guarantor's Obligations. This Guaranty shall constitute a guaranty of payment and performance and not of collection. Guarantor guarantees that the Guaranteed Obligations will be paid and performed strictly in accordance with the terms of the Purchase Agreement. The obligations of Guarantor hereunder are absolute, present and continuing obligations which are not conditional upon the exercise of any remedies against Buyer or the making of a demand against Buyer or the filing of a suit to obtain or assert a claim for judgment against Buyer for the Guaranteed Obligations or the making of an effort at collecting the Guaranteed Obligations from Buyer, or any attempt to foreclose or realize upon any security for obligations of Buyer or the taking of any other action with respect to Buyer, it being expressly acknowledged and agreed that Guarantor shall be directly obligated hereunder, for all amounts payable by Buyer under the Purchase Agreement and for breaches of or failures to perform or observe, or any other noncompliance with any covenant, condition or agreement or other obligation to be performed by Buyer under the Purchase Agreement or the inaccuracy (in any

material respect) of any representation or warranty of Buyer in the Purchase Agreement. The liability of Guarantor under this Guaranty shall not be subject to any counterclaim, setoff, deduction, release, recoupment or defense (other than actual payment or performance) and shall remain in full force and effect and shall be irrevocable, absolute and unconditional, irrespective of: (i) any lack of validity, genuineness or enforceability of the Purchase Agreement or any other agreement or instrument relating thereto; (ii) any change in the time, manner or place of payment of, or in any other term of, all or any of the Guaranteed Obligations, or any other amendment, or waiver of or any consent to departure from the Purchase Agreement; (iii) any exchange, release or non-perfection of any collateral, or any release or amendment or waiver of or consent to departure from any other guaranty, for all or any of the Guaranteed Obligations; (iv) any bankruptcy or insolvency of, or any merger or consolidation of, or any sale of ownership interests in, Buyer; (v) any failure by Beneficiary to pursue remedies against Buyer; (vi) the pursuit by Beneficiary of whatsoever remedies there may be against Buyer, any other guarantor or any security for any or all of the Guaranteed Obligations; (vii) any claim as a result of any other dealing between any Beneficiary and Buyer; (viii) any defect in the title, condition, design, operation or fitness for use of, or damage or loss or destruction of, any of the Acquired Assets, whether or not due to the fault of Buyer or any other "Person" (which shall mean any individual, partnership, corporation, trust, unincorporated association or joint venture, a government or any department or agency thereof or any other legal entity), (ix) any assignment, sublease, transfer or other arrangement by which Buyer transfers possession or loses control of the use of any of the Acquired Assets; or (x) any other occurrence or circumstances whatsoever, whether similar or dissimilar to the foregoing and any other circumstances (other than actual payment or performance) that might otherwise constitute a legal or equitable defense or discharge of the liabilities of a guarantor or surety or that might otherwise limit recourse against Guarantor; provided, however, that the foregoing in no way constitutes a waiver of any claims or defenses of Guarantor which may be asserted directly against Beneficiary separately from this Guaranty. This Guaranty shall continue to be effective, or be reinstated, as the case may be, if at any time payment, in whole or in part, of any of the sums due to any Beneficiary pursuant to the terms of the Purchase Agreement is rescinded or must otherwise be restored or returned upon the bankruptcy, insolvency, reorganization, arrangement, adjustment, composition, dissolution, liquidation or the like, of Buyer, or upon or as a result of, the appointment of a custodian, receiver, trustee or other officer with similar powers with respect to Buyer or any substantial part of its property, or otherwise, all as though such payment had not been made notwithstanding any termination of this Guaranty or the Purchase Agreement. Indefeasible fulfillment by Buyer or Guarantor of any of the Guaranteed Obligations shall dispose of any claim hereunder with respect to, and to the extent of, such of the Guaranteed Obligations.

4. Waiver, Subrogation and Subordination.

(a) Guarantor hereby waives (i) notice of any of the foregoing matters, (ii) promptness, diligence, demand, protest, proof or notice of nonpayment and notice of acceptance and (iii) any other notice with respect to any of the Guaranteed Obligations and this Guaranty.

(b) Notwithstanding any payment or payments made by Guarantor, Guarantor shall not be subrogated to any rights of the Beneficiary against the Buyer until all of the Guaranteed Obligations then due shall have been finally, indefeasibly and unconditionally paid

and performed in full. Any claim of Guarantor against the Buyer or arising from payments made by Guarantor by reason of this Guaranty shall be in all respects subordinated to the final, indefeasible, unconditional, full and complete payment or discharge of all of the Guaranteed Obligations guaranteed hereby, and no payment by Guarantor shall give rise to any claim of Guarantor against the Beneficiary.

5. Representations and Warranties of the Guarantor. The Guarantor represents and warrants to Beneficiary as follows:

(a) The Guarantor is an Indiana corporation that has been duly incorporated and is validly existing under the laws of Indiana, has all requisite corporate power and authority to carry on its business in all material respects as now conducted, to own or hold under Purchase Agreement its property and to enter into, and perform its obligations under this Guaranty and is duly qualified and is in good standing as a foreign corporation in each other jurisdiction where the failure to so qualify, due to the character of its properties or the nature of its activities, could reasonably be expected to have a material adverse effect on its business, results of operations, assets or financial condition or would materially and adversely affect the ability of the Guarantor to perform its obligations under this Guaranty;

(b) The Guarantor is duly authorized by all necessary corporate action to execute and deliver this Guaranty to which it is or will be a party and to fulfill and comply with the terms, conditions and provisions thereof; this Guaranty has been duly executed and delivered by Guarantor; and this Guaranty is a valid, legal and binding agreement of the Guarantor, enforceable against the Guarantor in accordance its terms;

(c) There is not now pending or threatened in writing, or to the knowledge of the Guarantor, threatened against it or Buyer, any litigation, action, suit, investigation or other proceedings by or before any court, tribunal or other Governmental Authority in the United States of America or elsewhere or before any arbitrator, except proceedings which, in the aggregate, would not reasonably be expected to have a material adverse effect after taking into account applicable insurance coverage, or which purports to affect the legality, validity or enforceability of the Purchase Agreement or any other instrument contemplated hereby or thereby.

(d) Neither the execution and delivery of this Guaranty, nor the Guarantor's compliance with the terms and provisions hereof, (i) conflicts with, results in a breach of, constitutes a default under (with or without the giving of notice or the lapse of time or both), or violates any of the terms, conditions or provisions of, (A) the Articles of Incorporation and Bylaws of the Guarantor or (B) any bond, debenture, note, mortgage, indenture, agreement, lease or other instrument to which the Guarantor is now a party or by which it or its property is bound or affected, where such conflict, breach, default or violation, in the case of any of the instruments described in this subclause (B), would materially and adversely affect the ability of the Guarantor to perform its obligations under this Guaranty or (ii) results in the creation or imposition of any Encumbrances upon the Acquired Assets pursuant to the terms of any such articles, by-laws, bond, debenture, note, mortgage, indenture, agreement, lease or other instrument;

(e) Neither the execution and delivery by the Guarantor of this Guaranty, nor the fulfillment of, or compliance with, the terms and provisions of this Guaranty conflicts with, or results in a breach of, or violates, any of the terms, conditions or provisions of any law, rule, regulation, order, injunction or decree of any governmental authority applicable to the Guarantor, the breach or violation of which would (i) have a material adverse effect on Buyer, (ii) materially and adversely affect the Guarantor's ability to perform its obligations under this Guaranty, or (iii) result in, or materially increase the risk of, the imposition of any criminal liability on Buyer or the Guarantor; and

(f) No consent, approval or Authorization of any Governmental Authority is required on the part of Guarantor in connection with the execution and delivery of this Guaranty or the Purchase Agreement.

(g) Guarantor is ready, willing and able to guaranty financing necessary to enable Buyer to close under the Purchase Agreement, including such financing described in the commitment letter from Harris N.A. and Bank of Montreal or any similar financing acceptable to INRD. Guarantor, on behalf of Buyer and if requested, shall provide a guaranty to enable Buyer to obtain such financing on commercially reasonable terms.

6. Release. Effective upon the Closing, on behalf of Guarantor and each of its Affiliates, without further act, deed, or instrument, Guarantor hereby releases the Seller Released Parties to the same extent that Buyer releases the Seller Released Parties under Section 5.06(c) of the Purchase Agreement, and makes the same acknowledgements as Buyer in Section 5.06 of the Purchase Agreement, in each case as more fully set forth therein.

7. Assignment. Neither Guarantor nor Beneficiary may assign its rights or delegate its obligations under this Guaranty in whole or in part, without written consent of the other, and any purported assignment or delegation absent such consent is void.

8. Rights of Third Parties

. This Guaranty is made for the benefit of, and shall be enforceable by Beneficiary and its permitted successors and assigns to the extent of its interest in the Guaranteed Obligations. This Guaranty shall not be construed to create any right in any Person other than the Beneficiary and its permitted successors and assigns or to be a contract in whole or in part for the benefit of any Person other than the Beneficiary and its permitted successors and assigns.

9. Rights to Deal with Buyer. At any time and from time to time, without terminating, affecting or impairing the validity of this Guaranty or the obligations of Guarantor hereunder, Beneficiary may deal with Buyer in the same manner and as fully as if this Guaranty did not exist and shall be entitled, among other things, to grant Buyer such extension or extensions of time to perform, or to waive any obligation of Buyer to perform, any act or acts as may to Beneficiary be deemed advisable, and no such waiver or extension shall in any way limit or otherwise affect any of Guarantor's obligations hereunder.

10. Notices. All notices, demands or other communications to be given or delivered under or by reason of the provisions of this Guaranty must be in writing and shall be sent in the

manner and except with respect to the Guarantor, to the address specified pursuant to Section 13.08 of the Purchase Agreement.

With respect to the Guarantor:

To: Midland United Corporation
c/o Thomas G. Hoback, President
Indiana Rail Road Company
101 W. Ohio Street, Suite 1600
Indianapolis, Indiana 46204

11. No Waiver; Remedies. No failure on the part of Beneficiary to exercise, and no delay in exercising any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or the exercise of any other right. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.

12. Continuing Guaranty; Transfer of Interest. This Guaranty is a continuing guaranty and shall (i) remain in full force and effect until payment and performance in full of the Guaranteed Obligations, (ii) be binding upon the Guarantor, and its successors and assigns, and (iii) inure to the benefit of and be enforceable by the Beneficiary and its permitted successors, transferees and assigns. Guarantor shall execute and deliver to Beneficiary, upon such Person's request, such instruments and assurances and take such other actions as may be necessary or advisable to confirm or evidence the rights hereunder of any permitted successor, transferee or assignee to or of such Person.

13. Amendments, Etc. No amendment or waiver of any provision of this Guaranty nor consent to any departure by Guarantor therefrom shall in any event be effective unless the same shall be in writing and signed by Beneficiary and Guarantor, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

14. Governing Law. The rights and duties under this Guaranty shall be governed by the law of the State of Indiana and the provisions of this Guaranty shall be construed in accordance with the law of that State.

15. Submission to Jurisdiction. The Guarantor hereby irrevocably submits to the jurisdiction of the Courts of the States of Minnesota and Indiana and the United States District Courts in Minnesota and Indiana in any action arising out of or relating to this Guaranty, the subject matter hereof or any of the transactions contemplated hereby brought by the Beneficiary or its successors or assigns, and hereby irrevocably agrees that all claims in respect of such action may be heard and determined in such state or federal court. The Guarantor hereby irrevocably waives, to the fullest extent it may effectively do so, the defense of an inconvenient forum to the maintenance of such action or proceeding. A final judgment obtained in respect of any such action shall be conclusive and may be enforced in other jurisdictions by suit or judgment or in any manner as provided by applicable law.

16. Waiver of Jury Trial. THE GUARANTOR HEREBY WAIVES TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY WITH RESPECT TO ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS PARTICIPATION AGREEMENT, THE OTHER OPERATIVE DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY.

17. Headings. Headings of the articles and sections of this Guaranty are inserted for convenience only and shall not be deemed to constitute a part hereof.

18. Severability. To the fullest extent permitted by law, any provision of this Guaranty that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions and without affecting the validity or enforceability of such provision in any other jurisdiction.

[Signatures On Next Page]

IN WITNESS WHEREOF, Guarantor has caused this Guaranty to be duly executed and delivered by its officer thereunto duly authorized as of the date first above written.

Midland United Corporation

By: Thomas S. Hoback
Title: President + CEO

ESCROW AGREEMENT

THIS ESCROW AGREEMENT (this "Agreement") is dated as of November 1, 2005 and is among The Indiana Rail Road Company (the "Buyer"), Soo Line Railroad Company dba Canadian Pacific Railway (the "Seller") and J.P. Morgan Trust Company, National Association, a national banking association, as escrow agent (the "Escrow Agent").

WHEREAS, pursuant to an Asset Purchase Agreement, dated as of November 1, 2005 (the "Purchase Agreement") by and between the Buyer and the Seller, the Buyer is acquiring the Acquired Assets, as more fully described in the Purchase Agreement. Unless otherwise defined herein, capitalized terms used herein shall have the meanings assigned to them in the Purchase Agreement. This is the Escrow Agreement referred to in Section 5.07 the Purchase Agreement;

WHEREAS, the Purchase Agreement provides that concurrently with the execution and delivery of the Purchase Agreement, the Buyer, the Seller and the Escrow Agent shall execute and deliver this Agreement; and

WHEREAS, the Buyer and the Seller have agreed to deposit in escrow certain funds and wish such deposit to be subject to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the covenants and agreements herein contained, and for other good, fair and valuable consideration and reasonably equivalent value, the receipt and sufficiency of which are hereby acknowledged by the parties hereto, the parties do agree as follows, intending to be legally bound:

Section 1. Establishment of Escrow Account.

(a) The Buyer hereby deposits with the Escrow Agent immediately available funds in the amount of

Dollars (USD\$) to be held in escrow by the Escrow Agent (the "Escrow Funds"). The Escrow Agent accepts said sum and agrees to establish and maintain a separate account (the "Escrow Account") therefor in its capacity as Escrow Agent pursuant to the terms of this Agreement.

(b) In the event funds transfer instructions are given (other than in writing at the time of execution of this Escrow Agreement, whether in writing or by telecopier, the Escrow Agent is authorized to seek confirmation of such instructions by telephone call-back to the person or persons designated on Exhibit A hereto, and the Escrow Agent may rely upon the confirmation of anyone purporting to be the person or persons so designated. Each funds transfer instruction shall be executed by an authorized signatory, a list of such authorized signatories is set forth on Exhibit A. The undersigned is authorized to certify that the signatories on Exhibit A are

authorized signatories. The persons and telephone numbers for call-backs may be changed only in a writing actually received and acknowledged by the Escrow Agent. If the Escrow Agent is unable to contact any of the authorized representatives identified in Exhibit A, the Escrow Agent is hereby authorized to seek confirmation of such instructions by telephone call-back to any one or more of your executive officers, ("Executive Officers"), which shall include the titles of Vice President, as the Escrow Agent may select. The Escrow Agent may rely upon the confirmation of anyone purporting to be any such Executive Officer. The Escrow Agent and the beneficiary's bank in any funds transfer may rely solely upon any account numbers or similar identifying numbers provided by the Buyer or the Seller to identify (i) the beneficiary, (ii) the beneficiary's bank, or (iii) an intermediary bank. The Escrow Agent may apply any of the escrowed funds for any payment order it executes using any such identifying number, even when its use may result in a person other than the beneficiary being paid, or the transfer of funds to a bank other than the beneficiary's bank or an intermediary bank designated. The parties to this Escrow Agreement acknowledge that these security procedures are commercially reasonable.

(c) The Buyer and the Seller shall each furnish the Escrow Agent with a completed Form W-8 or Form W-9, as applicable.

Section 2. Investment.

(a) The Escrow Agent agrees to invest and reinvest all available funds in the Escrow Account in the JPMorgan Chase Bank Money Market Account, unless otherwise directed by the Buyer (in compliance with the terms of the Purchase Agreement) and as shall be acceptable to the Escrow Agent. The Buyer and Seller agree that the investments listed on Exhibit C are acceptable to both the Buyer and the Seller and that the Seller shall not object to the Buyer's direction to invest the Escrow Funds in any investment listed on Exhibit C.

(b) The parties recognize and agree that the Escrow Agent will not provide supervision, recommendations or advice relating to either the investment of moneys held in the Escrow Account or the purchase, sale, retention or other disposition of any investment described herein.

(c) All investments in the Escrow Account shall be immediately available for distribution. Interest and other earnings on investments described herein shall be disbursed to the Buyer on a quarterly basis, beginning on December 31, 2005 and on the Closing Date or such other date on which this Agreement is terminated hereunder. Any loss or expense incurred as a result of an investment will be borne by the Escrow Account. In the event that the Escrow Agent does not receive directions to invest funds held in the Escrow Account, the Escrow Agent shall invest such funds in the JPMorgan Chase Bank Money Market Account, or a successor or similar investment offered by the Escrow Agent.

(d) The Escrow Agent is hereby authorized to execute purchases and sales of investments through the facilities of its own trading or capital markets operations or those of any affiliated entity. The Escrow Agent shall send statements to each of the parties hereto on a monthly basis reflecting activity in the Escrow Account for the preceding month. In doing so, the Escrow Agent may provide a statement containing information regarding any deposits and disbursements and a separate statement reflecting the investment detail, including the balance, purchases, sales, maturities, and dividend or interest postings. Although the Buyer and the Seller each recognizes that it may obtain a broker confirmation or written statement containing comparable information at no additional cost, the Buyer and the Seller hereby agree that confirmations of investments are not required to be issued by the Escrow Agent for each month in which a monthly statement is rendered. However, no statement need be rendered for the Escrow Account if no activity occurred for such month.

(e) The Buyer and the Seller acknowledge and agree that the delivery of the escrowed property is subject to the sale and final settlement of investments described herein. Proceeds of a sale of investments will be delivered on the business day on which the appropriate instructions are delivered to the Escrow Agent if received prior to the deadline for same day sale of such investments. If such instructions are received after the applicable deadline, proceeds will be delivered on the next succeeding business day.

Section 3. Distribution of Escrow Funds.

(a) At the Closing of the transactions contemplated by the Purchase Agreement (the "Closing Date"), the Escrow Agent shall distribute the Escrow Funds (less any interest accrued thereon) to the Seller and the payment of the Escrow Funds to Seller shall serve as a credit against the Purchase Price to be made by the Buyer to the Seller in accordance with Section 2.03(a) of the Purchase Agreement, upon receipt of a joint written instructions signed by the Buyer and the Seller.

(b) If the Buyer notifies the Escrow Agent and the Seller in writing that the Purchase Agreement has been terminated pursuant to Section 11.05 of the Purchase Agreement, then ten (10) Business Days after the date of the joint written instructions signed by the Buyer and the Seller, the Escrow Agent shall pay to the Buyer (or such other person specified in the joint written instructions) the Escrow Funds (plus any accrued interest thereon).

(c) If the Buyer notifies the Escrow Agent and the Seller in writing that the Purchase Agreement has been terminated: (i) (A) by the Buyer pursuant to Sections 11.03(a)(1)(i), (ii), or (iii) of the Purchase Agreement and (B) the Buyer is not then in default of the performance of its obligations under the Purchase Agreement; (ii) by the Seller pursuant to Section 11.02(b) of the Purchase Agreement and Buyer is entitled to retain the Deposit under Section 11.03A(a) of the Purchase Agreement; (iii) by the Buyer pursuant to Section 11.03(b) of the Purchase Agreement and Buyer is entitled to retain the Deposit under Section 11.03A(a) of the Purchase

Agreement; or (iv) by either the Buyer or the Seller pursuant to Section 11.04 of the Purchase Agreement and Buyer is entitled to retain the Deposit under Section 11.03A(a) of the Purchase Agreement; then ten (10) Business Days after the date of the written notice is received by the Escrow Agent, the Escrow Agent shall pay to the Buyer the Escrow Funds (plus any accrued interest thereon), unless the Seller notifies the Escrow Agent of the Seller's objection within such ten (10) Business Day-period.

(d) If the Seller notifies the Escrow Agent and the Buyer in writing that (i)(A) the Purchase Agreement has been terminated by the Seller pursuant to Sections 11.02(a)(1)(i), (ii) or (iii) of the Purchase Agreement and (B) the Seller is not in then in default of Seller's performance under the Purchase Agreement or (ii) Seller notifies the Escrow Agent that the Purchase Agreement has been terminated for any other reason other than as set forth in Sections 3(b) or 3(c) hereof and Seller is entitled to retain the Deposit under Section 11.03A(b) of the Purchase Agreement, then ten (10) Business Days after the date of the written notice is received by the Escrow Agent, the Escrow Agent shall pay to the Seller the Escrow Funds (and any accrued interest thereon), unless the Buyer notifies the Escrow Agent of its objection within such ten (10) Business Day-period.

(e) In the event of a conflict in interpretation between the provisions of this Section 3 hereof and Section 11.03A of the Purchase Agreement, Section 11.03A of the Purchase Agreement shall control.

Section 4. Concerning the Escrow Agent. Notwithstanding any provision contained herein to the contrary, the Escrow Agent, including its officers, directors, employees and agents, shall:

(a) not be liable for any action taken or omitted under this Agreement so long as it shall have acted in good faith and without gross negligence;

(b) have no responsibility to inquire into or determine the genuineness, authenticity, or sufficiency of any securities, checks, or other documents or instruments submitted to it in connection with its duties hereunder;

(c) be entitled to deem the signatories of any documents or instruments submitted to it hereunder as being those purported to be authorized to sign such documents or instruments on behalf of the parties hereto, and shall be entitled to rely upon the genuineness of the signatures of such signatories without inquiry and without requiring substantiating evidence of any kind;

(d) be entitled to refrain from taking any action contemplated by this Agreement in the event that it becomes aware of any disagreement between the parties hereto as to any facts or as to the happening of any contemplated event precedent to such action;

(e) have no responsibility or liability for any diminution in value of any assets held hereunder which may result from any investments or reinvestment made in accordance with any provision which may be contained herein;

(f) be entitled to compensation for its services hereunder as per Exhibit B attached hereto, which is made a part hereof, and for reimbursement of its out-of-pocket expenses including, but not by way of limitation, the fees and costs of attorneys or agents which it may find necessary to engage in performance of its duties hereunder, all to be paid by the Buyer, and the Escrow Agent shall have, and is hereby granted, a prior lien upon any property, cash, or assets of the Escrow Account, with respect to its unpaid fees, nonreimbursed expenses and unsatisfied indemnification rights, superior to the interests of any other persons or entities;

(g) be entitled and is hereby granted the right to set off and deduct any unpaid fees, nonreimbursed expenses or unsatisfied indemnification rights from amounts on deposit in the Escrow Account;

(h) be under no obligation to invest the deposited funds or the income generated thereby until it has received a Form W-9 or W-8, as applicable, from the Buyer and the Seller, regardless of whether such party is exempt from reporting or withholding requirements under the Internal Revenue Code of 1986, as amended;

(i) be, and hereby is, jointly and severally indemnified and saved harmless by the Buyer and the Seller from any and all losses, liabilities, claims, proceedings, suits, demands, penalties, costs and expenses, including without limitation fees and expenses of outside and internal counsel and experts and their staffs and all expenses of document location, duplication and shipment and of preparation to defend any of the foregoing ("Losses"), which may be incurred by it as a result of its execution, delivery or performance of this Agreement, unless such Losses shall have been finally adjudicated to have been primarily caused by the bad faith or gross negligence of the Escrow Agent, and the provisions of this section shall survive the resignation or removal of the Escrow Agent and the termination of this Agreement;

(j) in the event that (i) any dispute shall arise between the parties with respect to the disposition or disbursement of any of the assets held hereunder or (ii) the Escrow Agent shall be uncertain as to how to proceed in a situation not explicitly addressed by the terms of this Agreement whether because of conflicting demands by the other parties hereto or otherwise, the Escrow Agent shall be permitted to interplead all of the assets held hereunder into a court of competent jurisdiction, and thereafter be fully relieved from any and all liability or obligation with respect to such interpleaded assets. The parties hereto other than the Escrow Agent further agree to pursue any redress or recourse in connection with such a dispute, without making the Escrow Agent a party to same;

(k) have only those duties as are specifically provided herein, which shall be deemed purely ministerial in nature, and shall under no circumstance be deemed a fiduciary for any of the parties to this Agreement. The Escrow Agent shall neither be responsible for, nor chargeable with, knowledge of the terms and conditions of any other agreement, instrument or document between the other parties hereto, in connection herewith, including without limitation the Purchase Agreement. This Agreement sets forth all matters pertinent to the escrow contemplated hereunder, and no additional obligations of the Escrow Agent shall be inferred from the terms of this Agreement or any other Agreement. IN NO EVENT SHALL THE ESCROW AGENT BE LIABLE, DIRECTLY OR INDIRECTLY, FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL LOSSES OR DAMAGES OF ANY KIND WHATSOEVER (INCLUDING BUT NOT LIMITED TO LOST PROFITS), EVEN IF THE ESCROW AGENT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH LOSSES OR DAMAGES AND REGARDLESS OF THE FORM OF ACTION;

(l) have the right, but not the obligation, to consult with counsel of choice and shall not be liable for action taken or omitted to be taken by Escrow Agent in good faith in accordance with the advice of such counsel; if the Escrow Agent becomes involved in litigation on account of this Agreement, it shall have the right to retain counsel and shall have a first lien on the property deposited hereunder for any and all costs, attorneys' fees, charges, disbursements, and expenses in connection with such litigation; and shall be entitled to reimburse itself therefor out of the property deposited hereunder, and if it shall be unable to reimburse itself from the property deposited hereunder, the parties hereto jointly and severally agree to pay to the Escrow Agent on demand its reasonable charges, counsel and attorneys' fees, disbursements, and expenses in connection with such litigation; and

(m) have the right to perform any of its duties hereunder through agents, attorneys, custodians or nominees.

Any banking association or corporation into which the Escrow Agent may be merged, converted or with which the Escrow Agent may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Escrow Agent shall be a party, or any banking association or corporation to which all or substantially all of the corporate trust business or escrow business of the Escrow Agent shall be transferred, shall succeed to all the Escrow Agent's rights, obligations and immunities hereunder without the execution or filing of any paper or any further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

Section 5. Attachment of Escrow Fund; Compliance with Legal Orders. In the event that any escrow property shall be attached, garnished or levied upon by any court order, or the delivery thereof shall be stayed or enjoined by an order of a court, or any order, judgment or decree shall be made or entered by any court order affecting the property deposited under this Agreement, the Escrow Agent is hereby expressly authorized, in its sole discretion, to obey

and comply with all writs, orders or decrees so entered or issued, which it is advised by legal counsel of its own choosing is binding upon it, whether with or without jurisdiction, and in the event that the Escrow Agent obeys or complies with any such writ, order or decree it shall not be liable to any of the parties hereto or to any other person, firm or corporation, by reason of such compliance notwithstanding such writ, order or decree be subsequently reversed, modified, annulled, set aside or vacated.

Section 6. Tax Matters.

(a) Reporting of Income. The Escrow Agent shall report to the Internal Revenue Service, as of each calendar year-end, all income earned from the investment of any sum held in the Escrow Account against the Buyer, whether or not said income has been distributed during such year, as and to the extent required by law.

(b) Preparation and Filing of Tax Returns. Any tax returns required to be prepared and filed will be prepared and filed by the Buyer with the Internal Revenue Service in all years income is earned, whether or not income is received or distributed in any particular tax year, and Escrow Agent shall have no responsibility for the preparation and/or filing of any tax return with respect to any income earned by the Escrow Account.

(c) Payment of Taxes. Any taxes payable on income earned from the investment of any sums held in the Escrow Account shall be paid by the Buyer, whether or not the income was distributed by the Escrow Agent during any particular year.

Section 7. Resignation or Removal of Escrow Agent. The Escrow Agent may resign as such following the giving of thirty (30) days prior written notice to the other parties hereto. Similarly, the Escrow Agent may be removed and replaced following the giving of thirty (30) days prior written notice to the Escrow Agent by the other parties hereto. In either event, the duties of the Escrow Agent shall terminate thirty (30) days after receipt of such notice (or as of such earlier date as may be mutually agreeable); and the Escrow Agent shall then deliver the balance of the moneys or assets then in its possession to a successor escrow agent as shall be appointed by the other parties hereto as evidenced by a written notice filed with the Escrow Agent. If the other parties hereto have failed to appoint a successor prior to the expiration of thirty (30) days following receipt of the notice of resignation or removal, the Escrow Agent may appoint a successor or petition any court of competent jurisdiction for the appointment of a successor escrow agent or for other appropriate relief, and any such resulting appointment shall be binding upon all of the parties hereto.

Section 8. Termination. The Escrow Agent shall deliver the full balance and proceeds of the Escrow Account upon, and pursuant to, the joint written instructions of the Buyer and the Seller. Upon delivery of all proceeds of the Escrow Account by the Escrow Agent, this Escrow Agreement shall terminate.

Section 9. Notices. Any notice, consent or request to be given in connection with any of the terms or provisions of this Agreement shall be in writing and be given in person, by facsimile transmission, courier delivery service or by mail, and shall become effective (a) on delivery if given in person, (b) on the date of delivery if sent by facsimile or by courier delivery service, or (c) four business days after being deposited in the mails, with proper postage for first-class registered or certified mail, prepaid.

Notices shall be addressed as follows:

(i) If to the Buyer :

The Indiana Rail Road Company
101 West Ohio Street, Suite 1600
Indianapolis, Indiana 46204
Attention: Thomas G. Hoback, President
Fax Number: (317) 262-3314

With a copy to:

Ice Miller
One American Square
Box 82001
Indianapolis, Indiana 46282-0200
Attn: John R. Thornburgh, Esq. and Michelle M. Molin, Esq.
Fax Number: (317) 236-2219

(ii) If to the Seller :

Soo Line Railroad Company
DBA Canadian Pacific Railway
401 9th Avenue S.W.
5th Floor, Gulf Canada Square
Calgary, Alberta T2P 4Z4
Canada
Attention: Dave Craig, General Manager – Business Development
Fax Number: (403) 205-9142

With a copy to:

Canadian Pacific Railway
401 9th Avenue S.W.
5th Floor, Gulf Canada Square
Calgary, Alberta T2P 4Z4
Canada
Attention: Paul Guthrie, Esq.

Fax Number: (403) 205-9000

(iii) If to the Escrow Agent

J.P. Morgan Trust Company, National Association
227 West Monroe, 26th Floor
Chicago, IL 60606
Attention: Rory Nowakowski, Institutional Trust Services
Fax Number: (312) 267-5202

Section 10. Governing Law, Counterparts. This Agreement shall be construed in accordance with the laws of the State of Illinois. It may be executed in several counterparts, each one of which shall constitute an original and all collectively shall constitute but one instrument.

Section 11. Amendment, Modification or Waiver. This Agreement may be amended or modified and any term of this Agreement may be waived if such amendment, modification or waiver is in writing and signed by all parties.

Section 12. Assignments of Interests. No assignment of the interest of any of the parties hereto shall be binding upon the Escrow Agent unless and until written notice of such assignment shall be delivered to and acknowledged by the Escrow Agent.

Section 13. Force Majeure. Notwithstanding any other provision of this Agreement, the Escrow Agent shall not be obligated to perform any obligation hereunder and shall not incur any liability for the nonperformance or breach of any obligation hereunder to the extent that the Escrow Agent is delayed in performing, unable to perform or breaches such obligation because of acts of God, war, terrorism, fire, floods, strikes, electrical outages, equipment or transmission failures, or other causes reasonably beyond its control.

Section 14. IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. When an account is opened, we will ask for information that will allow us to identify relevant parties

[Remainder of Page Intentionally Blank]

IN WITNESS WHEREOF, the parties have been duly executed this Escrow Agreement as of the date first above written.

Tax Certification: Taxpayer ID#: 35-1673889

Name & Address: The Indiana Rail Road Company
101 West Ohio Street, Suite 1600
Indianapolis, IN 46204

Customer is a (check one):

☒ Corporation ☐ Municipality ☐ Partnership ☐ Non-profit or Charitable Org
☐ Individual ☐ REMIC ☐ Trust ☐ Other _____

Under the penalties of perjury, the undersigned certifies that:

- (1) the entity is organized under the laws of the United States
- (2) the number shown above is its correct Taxpayer Identification Number (or it is waiting for a number to be issued to it); and
- (3) it is not subject to backup withholding because: (a) it is exempt from backup withholding or (b) it has not been notified by the Internal Revenue Service (IRS) that it is subject to backup withholding as a result of failure to report all interest or dividends, or (c) the IRS has notified it that it is no longer subject to backup withholding.

(If the entity is subject to backup withholding, cross out the words after the (3) above.)

Investors who do not supply a tax identification number will be subject to backup withholding in accordance with IRS regulations.

Note: The IRS does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

THE INDIANA RAIL ROAD COMPANY

By: Thomas G. Hoback

Printed: Thomas G. Hoback

Its: President + CEO

Tax Certification: Taxpayer ID#: 41-6009079

Name & Address: Soo Line Railroad Company
501 Marquette Avenue
Minneapolis, MN 55402

Customer is a (check one):

☒ Corporation ☐ Municipality ☐ Partnership ☐ Non-profit or Charitable Org
☐ Individual ☐ REMIC ☐ Trust ☐ Other _____

Under the penalties of perjury, the undersigned certifies that:

- (1) the entity is organized under the laws of the United States
- (2) the number shown above is its correct Taxpayer Identification Number (or it is waiting for a number to be issued to it); and
- (3) it is not subject to backup withholding because: (a) it is exempt from backup withholding or (b) it has not been notified by the Internal Revenue Service (IRS) that it is subject to backup withholding as a result of failure to report all interest or dividends, or (c) the IRS has notified it that it is no longer subject to backup withholding.

(If the entity is subject to backup withholding, cross out the words after the (3) above.)

Investors who do not supply a tax identification number will be subject to backup withholding in accordance with IRS regulations.

Note: The IRS does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

**SOO LINE RAILROAD COMPANY
DBA CANADIAN PACIFIC
RAILWAY**

By: Wm. M. Tuttle

Printed: William M. Tuttle

Its: Vice President - Corporate

**J.P. MORGAN TRUST COMPANY,
NATIONAL ASSOCIATION, as Escrow
Agent**

By: _____

Printed: _____

Its: _____

Tax Certification: Taxpayer ID#: 41-6009079

Name & Address: Soo Line Railroad Company
501 Marquette Avenue
Minneapolis, MN 55402

Customer is a (check one):

☒ Corporation ☐ Municipality ☐ Partnership ☐ Non-profit or Charitable Org
☐ Individual ☐ REMIC ☐ Trust ☐ Other _____

Under the penalties of perjury, the undersigned certifies that:

- (1) the entity is organized under the laws of the United States*
- (2) the number shown above is its correct Taxpayer Identification Number (or it is waiting for a number to be issued to it); and*
- (3) it is not subject to backup withholding because: (a) it is exempt from backup withholding or (b) it has not been notified by the Internal Revenue Service (IRS) that it is subject to backup withholding as a result of failure to report all interest or dividends, or (c) the IRS has notified it that it is no longer subject to backup withholding.*

(If the entity is subject to backup withholding, cross out the words after the (3) above.)

Investors who do not supply a tax identification number will be subject to backup withholding in accordance with IRS regulations.

Note: The IRS does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

**SOO LINE RAILROAD COMPANY
DBA CANADIAN PACIFIC
RAILWAY**

By: _____

Printed: _____

Its: _____

**J.P. MORGAN TRUST COMPANY,
NATIONAL ASSOCIATION, as Escrow
Agent**

By: Rory Nowakowski

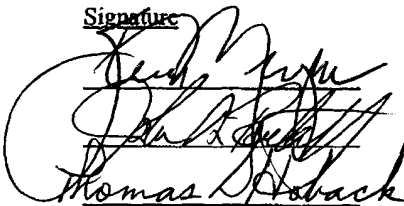
Printed: Rory Nowakowski

Its: Authorized Officer

EXHIBIT A

Telephone Number(s) and Signature(s) for Person(s) Designated to give Funds Transfer Instructions

If to Buyer:

<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1. Steven Meyer	(317) 616-3436	
2. John Rickoff	(317) 616-3424	
3. Thomas G. Hoback	(317) 262-5140 ext 3444	

If to Seller:

<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1. John C. Miller	(612) 851-5610	_____
2. Michael L. Swenson	(612) 851-5646	_____

Telephone Number(s) for Call-Backs and Person(s) Designated to Confirm Funds Transfer Instructions

If to Buyer:

<u>Name</u>	<u>Telephone Number</u>
1. Steven Meyer	(317) 616-3436
2. John Rickoff	(317) 616-3424
3. Thomas G. Hoback	(317) 262-5140 ext 3444

If to Seller:

<u>Name</u>	<u>Telephone Number</u>
1. John C. Miller	(612) 851-5610
2. Michael L. Swenson	(612) 851-5646

Telephone call backs shall be made to each party if joint instructions are required pursuant to the agreement. All funds transfer instructions must include the signature of the person(s) authorizing said funds transfer and must not be the same person confirming said transfer.

Signatures may be delivered post signing.

EXHIBIT A

Telephone Number(s) and Signature(s) for Person(s) Designated to give Funds Transfer Instructions

If to Buyer:

<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1. Steven Meyer	(317) 616-3436	_____
2. John Rickoff	(317) 616-3424	_____
3. Thomas G. Hoback	(317) 262-5140 ext 3444	_____

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<u>Name</u>	<u>Telephone Number</u>	<u>Signature</u>
1. John C. Miller	(612) 851-5610	_____
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2. John Rickoff	(317) 616-3424
3. Thomas G. Hoback	(317) 262-5140 ext 3444

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<u>Name</u>	<u>Telephone Number</u>
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2. Michael L. Swenson	(612) 851-5646

Telephone call backs shall be made to each party if joint instructions are required pursuant to the agreement. All funds transfer instructions must include the signature of the person(s) authorizing said funds transfer and must not be the same person confirming said transfer.

Signatures may be delivered post signing.



SCHEDULE OF ESCROW AGENT FEES

Schedule of Fees

Escrow Agent Services

New Account Acceptance Fee Waived
Payable upon Account Opening

Minimum Administrative Fee \$3,000
Payable Upon Account Opening and in Advance
each year in which we act as Escrow Agent

A New Account Acceptance Fee will be charged for the Bank's review of the Escrow Agreement along with any related account documentation. The account will be invoiced in the month in which the account is opened and annually thereafter. Payment of the invoice is due 30 days following receipt.

The Administrative Fee will cover a maximum of ten (10) annual administrative hours for the Bank's standard Escrow services including account setup, safekeeping of assets, investment of funds, collection of income and other receipts, preparation of statements comprising account activity and asset listing, and distribution of assets in accordance with the specific terms of the Escrow Agreement. These fees cover a full year, or any part thereof, and thus are not prorated in the year of termination.

Extraordinary Services and Out-of-Pocket Expenses:

Any additional services beyond our standard services as specified above, such as annual administrative activities in excess of ten (10) hours and all reasonable out-of-pocket expenses including attorney's fees will be considered extraordinary services for which related costs, transaction charges, and additional fees will be billed at the Bank's standard rate.

Modification of Fees:

Circumstances may arise necessitating a change in the foregoing fee schedule. The Bank will attempt at all times, however, to maintain the fees at a level that is fair and reasonable in relation to the responsibilities assumed and the duties performed.

Disclosure & Assumptions:

- The escrow deposit shall be continuously invested in the JPMorgan Chase Bank Money Market Account, or if directed otherwise, Escrow Agent shall execute purchases and sales of investments through the facilities of its own trading or capital markets operations or those of any affiliated entity.

- To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. When you open an account, we will ask for information that will allow us to identify you.

EXHIBIT C

Permitted Investments

- JPMorgan Chase Bank Money Market Account; or
- One of the following JPMorgan Asset Management money market mutual funds:
 - JPMorgan U.S. Government Money Market Fund;
 - JPMorgan Liquid Assets Money Market Fund;
 - JPMorgan U.S. Treasury Plus Money Market Fund;
 - JPMorgan Municipal Money Market Fund;
 - JPMorgan Michigan Municipal Money Market Fund; or
 - JPMorgan Ohio Municipal Money Market Fund.

INDY 1649491v.1

A WARNING TO THE PARTIES TO A TRANSFER OF PROPERTY: It is highly unlikely that the single act of reading this document would be found to constitute "all appropriate inquiry into the previous ownership and uses of the property" so as to protect you against liability under the "innocent purchaser" provision of the federal Comprehensive Environmental Response, Compensation and Liability Act, (42 U.S.C. 9601(35)(B)). You are strongly encouraged not only to read this document carefully but also to take all other actions necessary to the exercise of due diligence in your inquiry into the previous ownership and uses of the property.

**ENVIRONMENTAL DISCLOSURE DOCUMENT FOR
TRANSFER OF REAL PROPERTY**

The following information is provided under IC 13-25-3, the Responsible Property Transfer Law.

For use by County Recorder's Office

County: _____

Date: _____

Doc. No. _____

Vol. _____

Page: _____

Rec'd by: _____

I. PROPERTY IDENTIFICATION

A. Address of property: N/A
Street _____
City or Town _____
Township _____

Tax Parcel Identification No. (Key Number): _____

B. Legal Description:

Section _____ Township _____ Range _____

Enter or attach complete legal description in this area: See attached Exhibit A.

LIABILITY DISCLOSURE

Transferors and transferees of real property are advised that their ownership or other control of such property may render them liable for environmental cleanup costs whether or not they caused or contributed to the presence of environmental problems in association with the property.

C. Property Characteristics:

Lot Size _____ Acreage _____

Check all types of improvement and uses that pertain to the property:

- ☐ Apartment building (6 units or less)
- ☐ Commercial apartment (over 6 units)
- ☐ Store, office, commercial building
- ☐ Industrial building
- ☐ Farm, with buildings
- ☒ Other (specify): Railroad corridor with track, bridges, buildings, culverts, maintenance and rail yards, and leased parcels with various uses.

II. NATURE OF TRANSFER

- | | Yes | No |
|---|-----|----|
| A. (1) Is this a transfer by deed of other instrument of conveyance of fee title to property? | X | |
| (2) Is this a transfer by assignment of over 25% of beneficial interest of a land trust? | | X |
| (3) A lease exceeding a term of 40 years? | | X |
| (4) A collateral assignment of beneficial interest? | | X |
| (5) An installment contract for the sale of property? | | X |
| (6) A mortgage or trust deed? | | X |
| (7) A lease of any duration that includes an option to purchase? | | X |

B. (1) Identify Transferor

Name and current address of Transferor: Soo Line Railroad Company, doing business as Canadian Pacific Railway

Trust No. (if applicable): _____

Name and address of Trustee if this is a transfer of beneficial interest of a land trust:

- (2) Identify person who has completed this form on behalf of the Transferor and who has knowledge of the information contained in this form:
Thomas Parsons

Name, Position (if any), Address, and Telephone No.:

Thomas Parsons, Environmental Engineer, 501 Marquette Avenue
South, Suite 804, Minneapolis, Minnesota 55402, 612-904-6131.

C. Identify Transferee: The Indiana Rail Road Company

Name and Current Address of Transferee:

The Indiana Rail Road Company, 101 W. Ohio Street, Suite 1600,
Indianapolis, IN 46204.

III. ENVIRONMENTAL INFORMATION

A. Regulatory Information During Current Ownership

1. Has the transferor ever conducted operations on the property which involved the generation, manufacture, processing, transportation, treatment, storage, or handling of a "hazardous substance" (as defined by IC 13-11-2-98)? This question does not apply to consumer goods stored or handled by a retailer in the same form and approximate amount, concentration, and manner as they are sold to consumers, unless the retailer has engaged in any commercial mixing (other than paint mixing or tinting of consumer sized containers), finishing, refinishing, servicing, or cleaning operations on the property.

Yes ☒ No ☐

2. Has the transferor ever conducted operations on the property which involved the processing, storage, or handling of petroleum, other than that which was associated with the transferor's vehicle usage?

Yes ☒ No ☐

3. Has the transferor ever conducted operations on the property which involved the generation, transportation, storage, treatment, or disposal of "hazardous waste" (as defined in IC 13-11-2-99(a))?

Yes ☒ No ☐

4. Are there any of the following specific units (operating or closed) at the property that are used or were used by the transferor to manage hazardous wastes, hazardous substances, or petroleum?

	Yes	No
Landfill	☐	☒
Surface Impoundment	☐	☒
Land Application	☐	☒
Waste Pile [coal piles and stockpiles of formerly used rail ties are scattered over the entire property; a coal pile located in the Latta Yard is shown on the attached site plan]	☒	☐
Incinerator	☐	☒
Storage Tank (Above Ground)	☒	☐
Storage Tank (Underground)	☐	☒
Container Storage Area	☒	☐
Injection Wells	☐	☒
Wastewater Treatment Units [oil/water separator at Latta Yard]	☒	☐

Septic Tanks	☐	☒
Transfer Stations	☐	☒
Waste Recycling Operations	☐	☒
Waste Treatment Detoxification	☐	☒
Other Land Disposal Area	☐	☒

If there are "YES" answers to any of the above items and the transfer of property that requires the filing of this document is other than a mortgage or trust deed or a collateral assignment of beneficial interest in a land trust, you must attach to the copies of this document that you file with the county recorder and the department of environmental management a site plan that identifies the location of each unit.

5. Has the transferor ever held any of the following in regard to this real property?

- | | | |
|--|---|--|
| (A) Permits for discharges of wastewater to waters of Indiana. | Yes ☒ | No ☐ |
| (B) Permits for emissions to the atmosphere. | Yes ☐ | No ☒ |
| (C) Permits for any waste storage, waste treatment, or waste disposal operation. | Yes ☐ | No ☒ |

6. Has the transferor ever discharged any wastewater (other than sewage) to a publicly owned treatment works? Yes ☐ No ☒

7. Has the transferor been required to take any of the the following actions relative to this property? Yes ☒ No ☐

- | | | |
|--|---|--|
| (A) Filed an emergency and hazardous chemical inventory form pursuant to the federal Emergency Planning and Community Right to-Know Act of 1986 (42 U.S.C. 11022). | Yes ☒ | No ☐ |
| (B) Filed a toxic chemical release form pursuant to the federal Emergency Planning and Community Right-to-Know Act of 1986 (42 U.S.C. 11023). | Yes ☐ | No ☒ |

8. Has the transferor or any facility on the property or the property been the subject of any of the following state or federal governmental actions?

- | | | |
|--|---|--|
| (A) Written notification regarding known, suspected, or alleged contamination on or emanating from the property. | Yes ☒ | No ☐ |
| (B) Filing an environmental enforcement case with a court or the solid waste management board for which a final order or consent decree was entered. | Yes ☐ | No ☒ |

(C) If the answer to question (B) was Yes, then indicate whether or not the final order or decree is still in effect for this property.

Yes ☐ No ☐

9. Environmental Releases During Transferor's Ownership. (These responses also cover releases by prior owners that were ongoing during Transferor's ownership.)

(A) Has any situation occurred at this site which resulted in a reportable "release" of any hazardous substances or petroleum as required under state or federal laws?

Yes ☒ No ☐

(B) Have any hazardous substances or petroleum which were released come into direct contact with the ground at this site?

Yes ☒ No ☐

If the answer to question (A) or (B) is Yes, have any of the following actions or events been associated with a release on the property?

- ☒ Use of a cleanup contractor to remove or treat materials including soils, pavement, or other surficial materials?
- ☒ Assignment of in-house maintenance staff to remove or treat materials including soils, pavement, or other surficial materials?
- ☒ Sampling and analysis of soils?
- ☒ Temporary or more long term monitoring of groundwater at or near the site?
- ☐ Impaired usage of an onsite or nearby water well because of offensive characteristics of the water?
- ☐ Coping with fumes from subsurface storm drains or inside basements?
- ☐ Signs of substances leaching out of the ground along the base of slopes or at other low points on or immediately adjacent to the site?

(C) Is there an environmental defect (as defined in IC 13-11-2-70) on the property that is not reported under question (A) or (B)?

Yes ☐ No ☒

If the answer is Yes, describe the environmental defect:

10. Is the facility currently operating under a variance granted by the commissioner of the Indiana Department of Environmental Management?

Yes ☐ No ☒

11. Has the transferor ever conducted an activity on the site without obtaining a permit from the U.S. Environmental Protection Agency, the commissioner of the Department of Environmental Management, or another administrative agency or authority with

responsibility for the protection of the environment,
when such a permit was required by law?

Yes ☒ No ☐

If the answer is Yes, describe the activity:

In 1998, near Beehunter, IN, a pile of cross ties on CPR property caught on fire from a grass fire that started off CPR property. CPR was fined \$2,000 in violation of Indiana Air Pollution Rule 326 IAC 4-1, which prohibits the open burning of wastes, and signed an Agreed Order.

12. Is there any explanation needed for clarification of any of the above answers or responses?

None

B. Site Information Under Other Ownership or Operation

1. Provide the following information about the previous owner or about any entity or person to whom the transferor leased the property or with whom the transferor contracted for the management of the property:

See attached Exhibit C.

2. If the transferor has knowledge, indicate whether the following existed under prior ownerships, leaseholds granted by the transferor, or other contracts for management or use of the property:

	Yes	No
Landfill	☐	☐
Surface Impoundment	☐	☐
Land Application	☐	☐
Waste Pile [coal piles and stockpiles of formerly used rail ties]	☒	☐
Incinerator	☐	☐
Storage Tank (Above Ground)	☒	☐
Storage Tank (Underground)	☒	☐
Container Storage Area	☒	☐
Injection Wells	☐	☐
Wastewater Treatment Units [oil/water separator at Latta Yard]	☒	☐
Septic Tanks	☒	☐
Transfer Stations	☐	☐
Waste Recycling Operations	☐	☐
Waste Treatment Detoxification	☐	☐
Other Land Disposal Area	☐	☐

IV. CERTIFICATION

- A. Based on my inquiry of those persons directly responsible for gathering the information, I certify that the information submitted is, to the best of my knowledge and belief, true and accurate.

Soo Line Railroad Company, d/b/a Canadian
Pacific Railway

By: James M. Ramm

Its: Environmental Engineer

- B. This form was delivered to me with all elements completed on 11/1, 2005.

The Indiana Rail Road Company

By: [Signature]
(Signature)

Steven Meyer
(Printed Name)

Its: Vice President + CFO
(Title)

STATE OF MINNESOTA)
) SS:
COUNTY OF HENNEPIN)

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared Thomas M. Parsons as Environmental Engineer of Soo Line Railroad Company, doing business as Canadian Pacific Railway, who having been duly sworn upon his/her oath acknowledged the execution of the foregoing Environmental Disclosure Document for Transfer of Real Property for and on behalf of said corporation.

Witness my hand and Notarial Seal this 31st day of October, 2005.



Barbara M. Young
(Signature)
Barbara M. Young

Notary Public
(Printed Name)
residing in Hennepin County, Minnesota

My Commission Expires:

January 31, 2010

STATE OF INDIANA)
COUNTY OF Marion) SS:

Before me, the undersigned, a Notary Public in and for said County and State, personally appeared Steven Meyer as Vice President + CFO of The Indiana Rail Road Company, who having been duly sworn upon his/her oath acknowledged the execution of the foregoing Environmental Disclosure Document for Transfer of Real Property for and on behalf of said corporation.

Witness my hand and Notarial Seal this 1st day of November, 2005.

Gina L. Stone
(Signature)

Gina L. Stone

Notary Public
(Printed Name)

residing in Marion County, Indiana

My Commission Expires:

July 11, 2013

This instrument prepared by Leonard, Street and Deinard (PKK/RFD)
150 South Fifth Street, Suite 2300
Minneapolis, Minnesota 55402

EXHIBIT A

Legal Description

See following 6 pages.

Vigo County, Indiana

BETWEEN FAYETTE, INDIANA, & BELT JCT., INDIANA
VALUATION SECTIONS INDIANA 1-A & 1-A-1

Between Fayette and Belt Jct., State of Indiana, County of Vigo, more particularly described as follows:

Commencing at the west line of the E 1/2 SW 1/4 SW 1/4, Section 20, Township 13 North, Range 9 West, approximately at Milepost 170.00, also known as Railroad Engineer's Survey Station 158+34, and extending in a southerly direction a distance of approximately 12.03 miles in and through the County of Vigo and terminating at a point approximately 83 feet northerly of (as measured along the centerline of the main track) the south line of the SE 1/4 SE 1/4, Section 3, Township 11 North, Range 9 West, also known as Milepost 181.96, and additionally known as Railroad Engineer's Survey Station 208+80, all of which is more particularly described on right-of-way and track maps designated V.IND.1-A/1 and V.IND.1-A-1/1, 2, and 3, all of which are made a part hereof by reference.

Vigo County, Indiana

**TERRE HAUTE, INDIANA
VALUATION SECTION INDIANA 1-B**

The Grantor's West Belt spur track in Terre Haute, Vigo County, Indiana, commencing at the point of switch on the Grantor's main line track approximately 410.9 feet northerly of (as measured along the centerline of the Grantor's main line track) the south line of Section 34, Township 12 North, Range 9 West, also known as Railroad Engineer's Survey Station 152+29=0+00, and extending in a westerly direction a distance of approximately 1.77 miles in and through the City of Terre Haute, Vigo County, Indiana, and terminating at the Southeast Street line of Vicennes Road, said point being approximately Railroad Engineer's Survey Station 93+78, all of which is more particularly described on the right of way and track map designated V.IND.1-B/2a, which map is made a part hereof by reference.

PROPERTY EXCEPTED

EXCEPTING, HOWEVER, all that part of the Grantor's real property in the NE¼ SW¼, Section 34, Township 12 North, Range 9 West in the City of Terre Haute, Indiana lying northerly of a line parallel with and distant 25 feet northerly of the center line of Grantor's West Belt Spur track.

Vigo, Sullivan, Clay, Green and Daviess Counties, Indiana

**BETWEEN TERRE HAUTE, INDIANA, & ELNORA, INDIANA
VALUATION SECTION INDIANA 1-B**

Between Terre Haute and Elnora, State of Indiana, Counties of Vigo, Sullivan, Clay, Greene, and Daviess, more particularly described as follows:

Commencing at a point on the centerline of the Grantor's main track (formerly the Chicago, Milwaukee, St. Paul and Pacific Railroad Company main track) where it intersects the North Line of College Avenue approximately 33 feet north of the north line of the NW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 27, Township 12 North, Range 9 West, also known as Milepost 179.4, at approximately Railroad Engineer's Survey Station 74+18, and extending in a southerly direction a distance of approximately 44.61 miles in and through the Counties of Vigo, Sullivan, Clay, Greene, and Daviess, and terminating at the intersection with the centerline of the main track of Indiana Southern Railroad (formerly Consolidated Rail Corporation main track) approximately 640 feet northwesterly of (as measured along the centerline of Grantor's main track) the south line of the NE $\frac{1}{4}$ SW $\frac{1}{4}$, Section 9, Township 5 North, Range 6 West, also known as Milepost 224.01, and additionally known as Railroad Engineer's Survey Station 2429+51.3, all of which is more particularly described on right-of-way and track maps designated V.IND.1-B/1, 2, 2-A, 3 through 8, 8a, and 9 through 12, inclusive, and on station maps V.IND.1-B/S-1a, 1b, S-1c, S-1d, and S-2 (Terre Haute), V.IND.1-B/S-3 (Keller), V.IND.1-B/S-7a (Coalmont), V.IND.1-B/S-7b (Jasonville), V.IND.1-B/S-8 (Latta), and V.IND.1-B/S-10 (Linton), all of which are made a part hereof by reference.

Greene and Sullivan Counties, Indiana

**BETWEEN LATTA & HAWTON, INDIANA
VALUATION SECTION INDIANA 1-C-2 & 1-C-4**

Between Latta and Hawton, State of Indiana, in the Counties of Greene and Sullivan, more particularly described as follows:

Commencing at a point on the centerline of the main track of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company approximately 1013.3 feet south of the north line of the NE¼ SW¼, Section 9, Township 8 North, Range 7 West, also known as MP 0.00, and additionally known as Railroad Engineer's Survey Station 0+00, and extending in a westerly direction a distance of approximately 8.09 miles in and through the Counties of Greene and Sullivan and terminating 555.7 feet west of the east line of the SE¼ SW¼, Section 17, Township 8 North, Range 8 West, also known as MP 8.09, and additionally known as Railroad Engineer's Survey Station 427+25.3, all of which is more particularly described on right-of-way and track maps designated V.IND.1-C-2/1 and V.IND.1-C-4/1 and 2, all of which are made a part hereof by reference.

Daviess, Martin and Lawrence Counties, Indiana

**BETWEEN ELNORA, INDIANA, & BEDFORD, INDIANA
VALUATION SECTIONS INDIANA 1-D & 1-E**

Between Elnora and Bedford, State of Indiana, in the Counties of Daviess, Martin, and Lawrence, more particularly described as follows:

Commencing at a point on the centerline of the Grantor's main track (formerly the main track of the Chicago, Milwaukee, St. Paul and Pacific Railroad Company) at the intersection with the centerline of the main track of Indiana Southern Railroad Company (former Consolidated Rail Corporation main track) approximately +640 feet northwesterly of (as measured along the centerline of the Grantor's main track) the south line of the NE $\frac{1}{4}$ SW $\frac{1}{4}$, Section 9, Township 5 North, Range 6 West, also known as Milepost 224.01, and additionally known as Railroad Engineer's Survey Station 2429+51.3, and extending in an easterly direction a distance of approximately 38.32 miles in and through the Counties of Daviess, Martin, and Lawrence and terminating at the connection with the CSX Railroad (formerly track of the Louisville and Nashville Railroad) at a point approximately 140 feet northwesterly of (as measured along the centerline of the main track of the CSX Railroad) the north line of Twelfth Street in the Town of Bedford, Lawrence County, Indiana, in the SE $\frac{1}{4}$, Section 14, Township 5 North, Range 1 West, also known as Milepost 262.34, and additionally known as Railroad Engineer's Survey Station 8+49.

All of which is more particularly described on right-of-way and track maps designated V.IND.1-D/1 through 10, inclusive, and V.IND.1E/1, and on station maps V.IND.1-D/S-1 (Elnora), and V.IND.1D/S-3 (Crane).

Lawrence County, Indiana

**BEDFORD, INDIANA
VALUATION SECTIONS INDIANA 1-D
more particularly described as follows:**

All the Grantor's real property in:

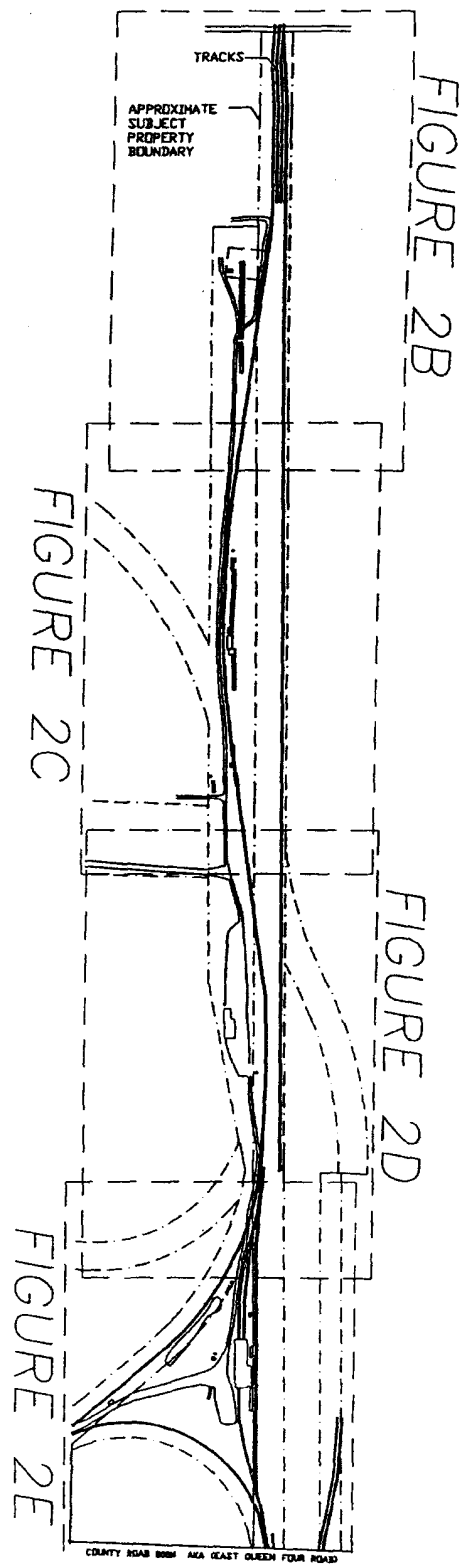
- (a) the N 1/2 SE¼, Section 14,
- (b) the NE¼, Section 14,
- (c) that part of the SE¼, Section 11, lying easterly of the east right of way line of the CSX Railroad (formerly the right of way of the Louisville and Nashville Railroad), and
- (d) that part of the NW¼ SW¼, Section 13, lying westerly of the former west right of way line of the Baltimore and Ohio Railway, now abandoned; all in Township 5 North, Range 1 West, in or near the City of Bedford, Lawrence County, Indiana.

All of which is more particularly described on right-of-way and track maps designated V.IND.1-D/S-10a and S-10b (Bedford), all of which are made a part hereof by reference.

EXHIBIT B

Site Plan

See following 6 pages.



Surveyor's Signature: James C. Tibbitt, R.L.S.
 Indiana Registry # LS00910029



Note: Locations of units are from available records and should be considered approximate. Figure modified from Phase I Environmental Site Assessment, Canadian Pacific Railway, Latta Yard, Jasonville, Indiana, dated November 18, 2003

 ARCADIS 1001 EAST OHIO STREET, SUITE 800 INDIANAPOLIS, INDIANA 46204 Tel: 317/231-6500 Fax: 317/231-6514	CANADIAN PACIFIC RAILWAY LATTA YARD JASONVILLE, INDIANA	NO SCALE	FIGURE 2A
--	---	----------	--------------

REC #1 IS LOCATED
APPROX. 0.5 MILES
NORTH AT MAIN STREET

RESIDENTIAL

SHANKLIN STREET

COUNTY ROAD 900H

James C. Thayer, R.L.S.
Indiana Registry # L188910029



APPROXIMATE
SUBJECT
PROPERTY
BOUNDARY

LEGEND

- APPROXIMATE SUBJECT PROPERTY BOUNDARY
- == TRACKS
- ESTIMATED TRACKS (NOT SURVEYED)
- APPROXIMATE FORMER LEASEHOLD BOUNDARY
- U UTILITY POLE



HEATH STREET

VACATED

Former Above Ground Storage Tanks
(Standard Oil Bulk Storage Facility)

APPROXIMATE LOCATION
& EXTENT OF FORMER
STANDARD OIL COMPANY
LEASEHOLD (LEASE NO.
32653) & REC #2

CONCRETE
+/- 20' X 8.8'

APPROXIMATE LOCATION
& EXTENT OF FORMER
ELDONADO CHEMICAL
COMPANY LEASEHOLD
(LEASE NO. 27893)

GRASS

SWITCH

SWITCH

AGRICULTURAL

RESIDENTIAL

TWO TRAIN CARS
ON OLD TRACK
SECTION TRACK
DOES NOT
CONTINUE

SWITCH

CPR MAIN LINE

TREE LINE

Note: Locations of units are from available records and should be considered approximate. Figure modified from Phase I Environmental Site Assessment, Canadian Pacific Railway, Latta Yard, Jasonville, Indiana, dated November 18, 2003



ARCADIS

151 OHIO STREET, SUITE 800
INDIANAPOLIS, INDIANA 46204
Tel: 317/231-6500 Fax: 317/231-6514

CANADIAN PACIFIC RAILWAY
LATTA YARD
JASONVILLE, INDIANA

Scale 1" = 100'
0' 100' 200'

FIGURE

2B



RESIDENTIAL

APPROXIMATE
SUBJECT
PROPERTY
BOUNDARY

VB 40H
1" DN

100'

SITE BOUNDARY

SWITCH

CONCRETE
SLAB

LOADING
DOCK

FLAMMABLE
SAFETY
STORAGE

STRUCTURE

SHALLOW VET

FLAMMABLE
SAFETY
STORAGE

EXISTING CAR
REPAIR BUILDING
(REC #3)

ROCK

STORM

Container Storage Areas

LEGEND

- APPROXIMATE SUBJECT PROPERTY BOUNDARY
- == TRACKS
- ESTIMATED TRACKS NOT SURVEYED
- - - - - APPROXIMATE FORMER LEASEHOLD BOUNDARY
- + UTILITY POLE

STORM DRAIN

SQUARE
COVER
2.8'x2.8'

SCALE HOUSE
(STRUCTURE ON SLAB)

SCALES

STRUCTURE

STRUCTURE

WOOD
POST

GRAVEL

SIGN

CONCRETE

APPROXIMATE LOCATION &
EXTENT OF FORMER UP
TRAC, INC. LEASEHOLD
(LEASE NO. 24261)

APPROXIMATE SIZE AND
LOCATION OF FORMER CAR
REPAIR HOUSE & ASSOCIATED
STRUCTURES (REC #4)

Note: Locations of units are from available records and should be considered approximate. Figure modified from Phase I Environmental Site Assessment, Canadian Pacific Railway, Latta Yard, Jasonville, Indiana, dated November 18, 2003

16

SWITCH
7



EAST OHIO STREET, SUITE 800
JANAPOLIS, INDIANA 46204
Tel: 317/231-8500 Fax: 317/231-6514

CANADIAN PACIFIC RAILWAY
LATTA YARD
JASONVILLE, INDIANA

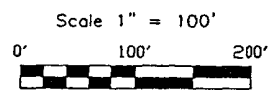
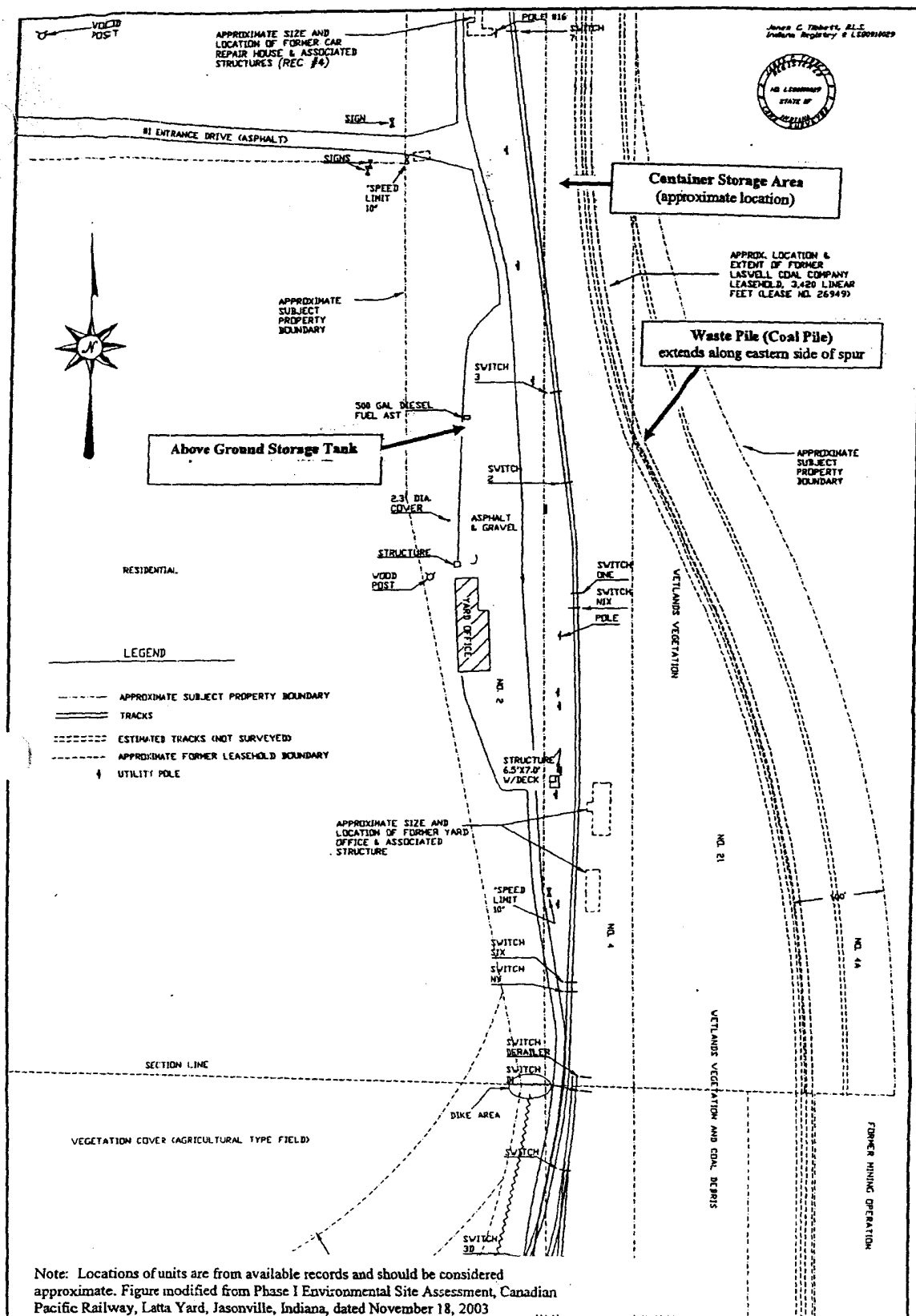


FIGURE
2C



ARCADIS
 EAST OHIO STREET, SUITE 400
 ANAPOLIS, INDIANA 46204
 Tel: 317/231-6500 Fax: 317/231-6514

CANADIAN PACIFIC RAILWAY
 LATTA YARD
 JASONVILLE, INDIANA

Scale 1" = 100'
 0' 100' 200'

FIGURE
 2D

EXHIBIT C

Previous Owner:

Name	Property Usage
Chicago, Milwaukee, St. Paul and Pacific Railroad Company	Railroad

Current Lessees:

Name	Property Usage
Indiana Steel & Engineering Corp.	Storage, warehouse, and fencing
Mullis Petroleum Products	Bulk oil distribution
Cropmate Co.	Car unloading, fertilizer
Elnora Oil Company	Bulk oil distribution
Jerry W. Cowden	Cottage encroachment
Victor Ray Plano & Diane Plano	Shed encroachment
Leonard Gallagher	Cottage
William D. McCracken	Driveway and part of warehouse
Jane Schollaert	Reservoir encroachment
Toney Petroleum, Inc.	Bulk oil distribution
Odon Feed & Grain, Inc.	Feed mill & adjuncts
Amos Swartzentruber	Roadway
Davco East Loading Corporation	Building encroachment
L&K Contracting Co.	Contractors equipment storage
Graham Feed Company, Inc.	Elevator & adjuncts
Englewood Cut Stone Company	Roadway

Exhibit No. 15

OPERATING PLAN - MINOR

Exhibit No. 15
(Operating Plan - Minor)

INRD's proposed operating plan for the combined system is based on current traffic levels and traffic flows. It consists of a "hub and spoke" operation for manifest trains, local switching arrangements, and an overlay of unit trains carrying primarily coal, but also petroleum coke, scrubber stone, and potash. This narrative description of the operating plan shows what services will be provided, their frequency and timing if scheduled, and how the different operations fit together.

NARRATIVE DESCRIPTION OF THE OPERATING PLAN

Hub and Spoke Operation-Merchandise Traffic

The hub and spoke operation for manifest trains is most easily described with the aid of a diagram. Listed below each "end point" is a specification of the manifest train serving that location. In each case the manifest train operates between the end point and Latta Yard.

Terre Haute

LATHT (out) 1300 --> 1400

LATHT (in) 1600 --> 2100

Indianapolis (Senate Ave)

SALA 0900 --> 1900

LASA 1200 --> 2000

Latta

Palestine

LAPAT (out) 0000 --> 0300

LAPAT (in) 0600 --> 0900

Bedford

LABFT (out) 0100 --> 0530

LABFT (in) 0730 --> 1130

Louisville

LALV 0100 --> 1200

LVLA 0000 --> 1130

The foregoing diagram clearly shows the hub and spoke nature of over-the-road manifest train operations.

(i) Train names indicate their starting and ending points.¹ Thus, Train SALA originates at Senate Avenue, INRD's Indianapolis terminal, and runs to Latta Yard. LASA starts at Latta Yard and runs to Senate Avenue in Indianapolis.

¹ These are not necessarily the crew starting and end points as will be discussed below.

INRD-1 SOO-1

(ii) Trains ending in "T" will operate in "turn" service, meaning that they originate at the designated origin point, run to their destination, turn, return to the origin point and terminate there. In the case of turn trains, the first two letters indicate the starting point and the second two the intermediate destination. Thus, Train LAPAT is a turn train that originates at Latta Yard and runs to Palestine, drops its cars, picks up cars for Latta Yard, and returns to Latta Yard. In the diagram above, the outbound train from the originating location is indicated by "(out)", the inbound train returning to the originating location is indicated by "(in)".

(iii) Turn train runs have been designed so that their trip times will, under normal circumstances, permit the completion of the round trip movement in one shift and within the on-duty limits of the Hours of Service Act. Manifest train runs have been designed so that it is possible to recrew the train at a suitable intermediate point so that the originating crew can return to its on duty point in train service within the limits of the Hours of Service Act.

(iv) On days when service is provided to Louisville, Bedford, IN will be served by Trains LALV and LVLA instead of turn Train LABFT. Both LABFT and LALA/LVLA will serve the Crane Naval Surface Warfare Center at Crane, IN, an intermediate point on the Latta Subdivision between Latta Yard and Bedford, IN.

(v) All crews for the manifest trains will report for duty at Latta Yard except for the Train SALA crew, which will go on duty at Senate Avenue (Indianapolis).²

Switching and Local Train Service

The same diagram can be used to illustrate the switching and local transfer operations that are contemplated.

Terre Haute (Van Yard)
0500 Switch 7 days
1400 Switch 5 days

Indianapolis (Senate Avenue)
0500 Switch 6 days
1400 Switch 5 days
1400 Transfer 6 days
1930 Transfer 6 days

Latta Yard
0800 Switch 6 days
1600 Switch 6 days

² Trains SALA and LASA will change crews at Switz City, IN. The SALA crew which goes on duty at Senate Avenue, Indianapolis, will leave the train at Switz City, pick up LASA and take it to Indianapolis. The crew that takes Train LASA from Latta Yard to Switz City will leave the train at Switz City and return to Latta Yard as the crew of Train SALA from Switz City to Latta Yard.

INRD-1 SOO-1

Palestine
0300 Switch 5 days

0700 PAROT (now "ROB-1") 7 days
1900 PANET (now ROB-2) 6 days

Bedford
(Switching at Bedford performed
by the road train)

Louisville
(Switching at Louisville performed
by the road train or by Norfolk
Southern ("NS"))

The diagram shows that at Terre Haute there will be two switch jobs, one working seven days per week, the other five in contrast to one switch job working today.

At Indianapolis there will be two switch jobs and two transfer trains. One of the transfer trains will go to CSXT's Avon Yard where INRD interchanges with CSXT. The second transfer train will first service ExxonMobil's Regional Distribution Center at State Street Yard, then will go to Hawthorne Yard where INRD interchanges with NS, and then will proceed to IP&L's Harding Street power plant where it will pull empty coal cars. This operation is similar to that in place today.

At Latta there will be two switch jobs, each working six days per week, while at Palestine there will be one switch job working five days per week, and two turn trains, one running between Palestine Yard and Robinson Yard where it will serve Marathon Petroleum and other local industries, the other running between Palestine Yard and INRD's interchange with CN at Newton, IL.

In Bedford, switching will be performed by the road train, and in Louisville, either by the road train or by NS pursuant to the terms of the Louisville Terminal Agreement.

Unit Train Service

There are nine unit train movements to be accommodated:³

1. Farmersburg ==> Cinergy (Fayette) --> Farmersburg (coal)
2. Farmersburg ==> Linton ==> INRD ==> IP&L (Indianapolis) --> Farmersburg (coal)
3. Farmersburg ==> ISRR ==> IP&L (Eagle Valley) --> INRD --> Farmersburg (coal)
4. CSXT/Terre Haute ==> Ameren (Lis) --> CSXT/Terre Haute (coal)
5. CSXT/Terre Haute ==> INRD ==> Elnora ==> ISRR ==> IP&L and Alcoa --> INRD --> CSXT/Terre Haute (coal)
6. Bloomington ==> Hoosier Energy (Merrom) --> Bloomington (scrubber stone)
7. CSXT/Terre Haute ==> Gasification Plant (Fayette) --> CSXT/Terre Haute (pet coke)
8. Soo/Chicago ==> (CSXT Haulage) ==> Terre Haute ==> Jeffersonville (potash)

³ ==> indicates a loaded movement, ---> indicates an empty movement.

INRD-1 SOO-1

9. Triad Mine (Switz City) ==> IP&L (Harding Street) --> Triad Mine⁴ (**JRickoff Check**)

The operating plan for the unit trains is similar to the hub and spoke operation for merchandise trains.

1. The Farmersburg/Cinergy (Fayette) train will shuttle between Farmersburg and the Cinergy plant at Fayette, normally five days per week as is the case today.
- 2 & 3 The Farmersburg ==> IP&L (Indianapolis) and the Farmersburg ==> ISRR (IP&L/Eagle Valley) trains will bring empties to Latta Yard from the power plants. The empties will be moved from Latta Yard to Farmersburg, loaded, the loads will be returned to Latta Yard where the over-the-road trains will start destined for IP&L in Indianapolis, and for interchange with ISRR at Beehunter, IN for delivery to IP&L at Eagle Valley. Each of these trains will operate with the same frequency as today. The trains will be crewed from the Latta pool.
4. The CSXT/Terre Haute ==> Ameren (Lis) train originates in the Powder River Basin. Today, CSXT gets the train in Chicago from Union Pacific, and delivers it to INRD at Sullivan, IN where INRD interchanges with CSXT. The train is then moved by INRD over its line to Ameren at Lis, IL. This train normally operates seven days per week. Some time after the acquisition of the Latta Subdivision, this train will be changed to a routing via St. Louis. When that change occurs, CSXT will receive the train at St. Louis and deliver it to INRD at Terre Haute. These trains will be crewed by INRD from the Palestine pool until their routing is changed from Chicago/Sullivan to St. Louis/Terre Haute, at which time the trains will be crewed from the Terre Haute pool.
5. The CSXT/Terre Haute ==> INRD ==> Elnora ==> ISRR ==> IP&L and Alcoa trains originate at Peabody's Vermillion Grove coal mine on CSXT's line near Danville, IL. CSXT will deliver these trains to INRD at Van Yard in Terre Haute. INRD will then move them to the interchange with ISRR at Elnora, IN. ISRR will deliver the trains to the Alcoa plant at Newburgh, IN.
6. The Bloomington ==> Hoosier Energy (Merrom) train originates at the Rogers Quarry on INRD's Ellettsville Branch near Bloomington, IN. The train carries scrubber stone to the Hoosier Energy generating station at Merrom, IN, also on INRD's present line. The train currently operates six days per week and this operation will continue after INRD acquires the Line. This train will be crewed on an assigned basis from Latta and will operate as it does today.

⁴ There are also occasional trains originating at coal mines on ISRR's line destined for the Hoosier Energy power plant at Merrom, IN. These trains will be accommodated on the same as needed basis as is the case today.

INRD-1 SOO-1

7. The petroleum coke train originates at Rosemount, MN and ends at the Wabash River gasification plant at Fayette, IN. One operational change that will be made after INRD acquires the Latta Subdivision is that the train will be powered by INRD locomotives. This will balance the potash train (discussed below) which will be powered by CPRC locomotives. The "coke train" will be delivered to INRD at Chicago and will move to a suitable holding location (likely the Keller Siding) where it will be held and INRD will move blocks of cars into the gasification plant as that plant is able to accommodate them. The empty train will be delivered to CSXT at Spring Hill. This train will operate one or two days per week.
8. The potash trains are seasonal with the season beginning in November and ending in April. The potash business has comprised approximately 3000 cars per season in recent years. These trains originate on CPRC in Saskatchewan and will be moved by CPRC crews to Chicago where they will be interchanged with INRD for movement to Louisville. CSXT will haul the trains from Chicago to the Spring Hill interchange with the Latta Subdivision south of Terre Haute where INRD crews will take over and move them to Louisville and then back to Jeffersonville, IN. These trains will be crewed from the T&E pool at Terre Haute.
9. The Triad Mine train is a unit train that operates once a week from the Triad Mine at Switz City, IN to IP&L's Harding Street power plant in Indianapolis. It will operate on the same basis after the Transaction.

These unit train movements have been scheduled to fit them into the flow of manifest traffic, to avoid congestion at the power plants and/or load outs, and to minimize trains interfering with each other on the lines.

Potential Chicago - Terre Haute Haulage Arrangement

The current volume of manifest traffic moving between Chicago and Terre Haute is small. Soo currently operates trains three times per week between those points. INRD believes a five times per week service frequency is essential to build traffic in this corridor. Accordingly, INRD plans to pursue the possibility of entering into a haulage agreement with CSXT, under which CSXT would haul cars for INRD from its interchange point at Clearing Yard in Chicago to Terre Haute. This would make it economical for INRD to offer merchandise service between Chicago and Terre Haute on a much more frequent basis than would be feasible if INRD provided the service itself based on the present limited volume of traffic.

If INRD reaches such a haulage arrangement with CSXT, the operation of manifest trains is expected to be very similar to the interchange arrangements planned between CSXT and INRD in Terre Haute. Specifically, CSXT would deliver haulage cars to INRD at its Baker Yard in Terre Haute. INRD will collect both haulage cars and cars interchanged with CSXT, and move them to Van Yard on the Latta Subdivision. Cars destined to points south of Terre Haute would be moved to Latta Yard. Traffic to and from destinations in the Terre Haute

INRD-1 SOO-1

area would move via Van Yard in Terre Haute, not via Latta Yard as is the case today. This change will, in INRD's estimation, save approximately 24 hours on each move to or from or through Chicago.

Potential New Business

INRD has identified a number of potential new business opportunities. None of them is sufficiently certain of coming to fruition that the operating plan can incorporate them with specificity. Nevertheless, the present operating plan is sufficiently flexible to accommodate new business to the extent that it develops.

If INRD is able to develop a rail move of coal from the Solar mine at Lewis, IN through the Lewis Dock load-out on the Latta Subdivision to Hoosier Energy's Merrom power plant, it most likely would move the traffic in a unit train over the Latta Subdivision to the connection with INRD's present line and then over INRD's line west to the Merrom power station. The size and frequency of the train would depend on Hoosier Energy's requirements, Solar's capacity, and INRD's ability to develop an attractive price and service package. Such a train would be crewed from the Latta pool.

If INRD is able to develop a rail move of coal from the Cannelsburg mine to the Ohio River at Jeffersonville/Louisville, it most likely would try to do so through the DAVCO load-out near Crane, IN. How new traffic through the DAVCO load-out would be handled will depend on the volumes that can be developed. One option would be to move the cars in existing trains moving to Louisville. If volume could be developed sufficiently, a unit train might make more sense.

The development of a move of scrubber stone from the Rogers Quarry in Bloomington to Cinergy's Cayuga power plant would likely require a move similar to the one currently operating from Rogers Quarry to Hoosier Energy's power plant at Merrom, IN. In this case, the traffic would go north on the Latta Subdivision to Terre Haute where it would be interchanged with CSXT for delivery to the Cinergy facility at Cayuga, IN. Such a train would be crewed from Latta Yard. Its frequency of operation would depend on customer requirements and the extent to which INRD could put together a rate and service package superior to other alternatives available to Cinergy at Cayuga.⁵

Presently foreseeable new merchandise business, including additional traffic from Crane Naval Surface Warfare Center and additional grain traffic from the Terre Haute area, could be accommodated in existing merchandise trains, unless, in the case of the grain traffic, the development is very large. INRD has no basis for believing that any potential new traffic would exceed the capacity of existing trains.

⁵ The development of potential scrubber stone moves to the Ohio River or points south is too speculative at this time to make any estimates of how the traffic would be handled.