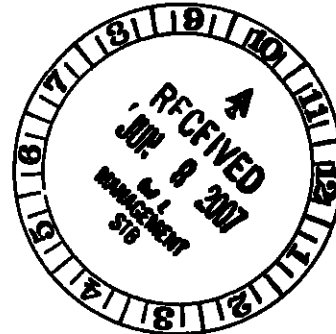


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7 June 2007



Hon. Vernon Williams
Secretary
Surface Transportation Board
395 E Street S.W.
Washington, D.C. 20024

Re: Chillicothe-Brunswick Rail Maintenance Authority--
Discontinuance Exemption -- in Livingston, Linn and
Chariton Counties, MO, STB docket AB 1001X

Reply to Vandalia Railroad motion to withdraw

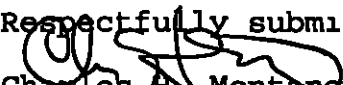
Dear Mr. Williams:

By pleading dated June 5, Vandalia Railroad Company ("VR") has moved to withdraw its "offer of financial assistance" ("OFA") in this proceeding. The OFA was never properly (timely) filed, and was an improper purchase OFA. It is a legal nullity. If VR's motion to withdraw is the fastest way to conclude the OFA matter, then Chillicothe-Brunswick Rail Maintenance Authority (CBRMA) has no objection to VR's motion.

Unfortunately, the bulk of VR's "motion" is irrelevant to VR's motion, and instead is simply more illegitimate reply to reply, coupled with yet more aspersions on CBRMA's counsel. The aspersions are regrettable and denied, and insofar as VR ventures legal opinions on Pioneer Railcorp's settlement with CBRMA's parent and City of Chillicothe's predecessor, CBRMA and City view VR as wrong. But that is not the issue before this Board, and given VR's withdrawal, further discussion is simply beating a dead horse.

As to VR's Exhibit B (an internet article ostensibly dated May 24, 2007, about an alleged TRO, which VR continues to propound), VR ought to look a bit beyond the internet before it leaps. The formal dismissal order (May 11) is attached. There is no TRO; there is no relief for the plaintiff; there is a judgment for the City.

Respectfully submitted,

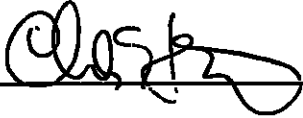

Charles H. Montange
for CBRMA

Att.

ENTERED
Office of Proceedings
JUN 3 - 2007
Part of
Public Record

Certificate of Service

I certify service by express service, next business day deliver, this 7th day of June 2007 upon Mr. LaKemper (Vandalia), 1318 S. Johanson Road, Peoria, IL 61607 and Mr. Kahn (Rupp, et al.), 1920 N Street, N.W , 8th Fl., Washington, D.C. 20036-1601.



IN THE CIRCUIT COURT OF LIVINGSTON COUNTY, MISSOURI

JOHN RUPP, JR

Plaintiff

vs.

CITY OF CHILLICOTHE, MISSOURI

Defendant

Case No 07LV-CV00041

JUDGMENT ENTRY

On April 24, 2007, came the Plaintiff in person and by his attorney, and the Defendant by its Mayor and by its attorney, and also Amicus Curiae Montoff Transportation, LLC, by its attorney, and the parties announced ready for trial. The Court heard the evidence and proof adduced, and took the case under advisement.

Now on this 7th day of May, 2007, the Court having fully considered the evidence, finds the issues in favor of the Defendant and against the Plaintiff, and makes other findings consistent with the following Orders.

IT IS ORDERED, ADJUDGED, AND DECREED that:

- 1 The Temporary Injunction is dissolved
- 2 The Plaintiff's requests for relief, including a request for permanent injunction, are denied
- 3 Judgment is awarded in favor of the Defendant and against the Plaintiff.
- 4 Costs are taxed to the Plaintiff

SO ORDERED


Honorable Stephen K. Griffin
Circuit Judge

FILED
MAY 11 2007
BRENDA WRIGHT, CIRCUIT CLERK
LIVINGSTON CO., MO.