



SURFACE TRANSPORTATION BOARD

[Docket No. FD 36957]

Macquarie Infrastructure Partners V GP, LLC, et al.—Control Exemption— Kankakee, Beaverville and Southern Railroad Company

Macquarie Infrastructure Partners V GP, LLC (MIP GP), a noncarrier, filed for the benefit of the MIP Infrastructure Partners V fund vehicle (MIP V), MIP V Rail, LP (MIP Rail), Pinsly Holdco, LLC, and Pinsly Railroad Company, LLC (Pinsly),¹ a verified notice of exemption under 49 C.F.R. § 1180.2(d)(2) to acquire control of Kankakee, Beaverville and Southern Railroad Company (KBSR),² a Class III common carrier freight railroad. KBSR is currently controlled by Vicki L. Stroo Living Trust, Vicki L. Stroo, Tyler A. Stroo, and Neil A. Stroo (collectively, the Stroo Family).

The verified notice states that, pursuant to a Purchase Agreement dated September 16, 2026,³ Pinsly has agreed to acquire 100% of the equity interests of KBSR from the Stroo Family. Currently, Pinsly directly controls, and MIP GP, MIP V, and MIP Rail indirectly control, nine rail carriers: Grenada Railroad, LLC; Florida Gulf & Atlantic Railroad, LLC; Camp Chase Rail, LLC; Chesapeake and Indiana Railroad, LLC; Vermilion Valley Railroad Company LLC; Pioneer Valley Railroad Company, LLC;

¹ The verified notice states that Pinsly is wholly owned by Pinsly Holdco, LLC, which is wholly owned by MIP Rail, which in turn is wholly owned (indirectly) by MIP V. MIP V is controlled by MIP GP.

² KBSR operates approximately 159.7 miles of track in Illinois and Indiana comprised of: (1) the Lafayette Subdivision consisting of 74.6± miles between Kankakee, Ill., and Lafayette, Ind.; (2) the Danville Subdivision consisting of 57.4± miles between Hooper and Danville, Ill.; (3) the Boswell Subdivision consisting of 20.7± miles between Cheneyville, Ill. and Templeton, Ind.; and (4) a 7.0± mile spur between Sheff and Free, Ind. KBSR also operates as a contract carrier over approximately 9.5 miles owned by the Bee Line Railroad Company between Handy and Stewart, Ind.

³ Public and confidential versions of the Purchase Agreement were filed with the verified notice. The confidential version was submitted under seal concurrently with a motion for protective order, which is addressed in a separate decision.

Hondo Railway LLC; North Florida Industrial Railroad, LLC; and Georgiana & Andalusia Railroad, LLC.

MIP GP states that: (1) KBSR does not connect with any of the railroads that would be in the same corporate family following the transaction; (2) the proposed transaction is not part of a series of anticipated transactions that would connect KBSR with any railroad in its corporate family; and (3) the transaction does not involve a Class I rail carrier. Therefore, the proposed transaction is exempt from the prior approval requirements of 49 U.S.C. § 11323. See 49 C.F.R. § 1180.2(d)(2).

The earliest this transaction may be consummated is October 17, 2026, the effective date of the exemption (30 days after the verified notice was filed).

Under 49 U.S.C. § 10502(g), the Board may not use its exemption authority to relieve a rail carrier of its statutory obligation to protect the interests of its employees. However, 49 U.S.C. § 11326(c) does not provide for labor protection for transactions under 49 U.S.C. §§ 11324 and 11325 that involve only Class III rail carriers. Because this transaction involves Class III rail carriers only, the Board, under the statute, may not impose labor protective conditions for this transaction.

If the verified notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. § 10502(d) may be filed at any time. The filing of a petition to revoke will not automatically stay the effectiveness of the exemption. Petitions to stay must be filed no later than October 9, 2026 (at least seven days before the exemption becomes effective).

All pleadings, referring to Docket No. FD 36957, should be filed with the Surface Transportation Board via e-filing on the Board's website or in writing addressed to 395 E Street, S.W., Washington, DC 20423-0001. In addition, a copy of each pleading must be served on MIP GP's representative, Terence M. Hynes, Sidley Austin LLP, 1501 K Street, N.W., Washington, DC 20005.

According to MIP GP, this action is categorically excluded from environmental review under 49 C.F.R. § 1105.6(c) and from historic preservation reporting requirements under 49 C.F.R. § 1105.8(b).

Board decisions and notices are available at www.stb.gov.

Decided:

By the Board, Anika S. Cooper, Chief Counsel, Office of Chief Counsel.

Regena Smith-Bernard,

Clearance Clerk.

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