

January 14, 2011

VIA E-MAIL AND FIRST CLASS MAIL

Mr. Robert J. Tuccillo
Associate Administrator & CFO
Office of Budget & Policy
Federal Transit Administration
1200 New Jersey Avenue, S.E.
Washington, D.C. 20590

Scott A. Biehl, Esq.
Deputy Chief Counsel
U.S. Department of Transportation, Federal
Transit Administration
East Building, 5th Floor
1200 New Jersey Avenue, SE
Washington, DC 20590

Re: Meeting of January 11, 2011, and FTA Letters of January 13 and 14, 2011

Dear Messrs. Tuccillo and Biehl:

Thank you for your respective letters of January 13 and 14, 2011. We address both letters collectively here.

We confirm our acceptance of the Government's proposal to extend the time to January 25, 2010 for the filing of NJ Transit Corporation's ("NJ Transit") response to the FTA's November 24, 2010 notification of outstanding debt and demand for repayment ("Demand").

While we appreciate that FTA has reconsidered NJ Transit's prior record requests/letters (as indicated in Mr. Tuccillo's letter of January 11, 2011), and that FTA has provided a limited set of additional documents (most of which NJ Transit already had), we strongly disagree with the Government's improperly narrow interpretation of NJ Transit's right to inspect records related to FTA's claim. NJ Transit reserves all rights with respect to this and all issues related to this matter.

Sincerely,



Robert S. Brams
Michael J. Schaengold
Counsel for New Jersey Transit Corporation

Mr. Scott A. Biehl
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cc: Dorval Carter, Esq.
Paul M. Geier, Esq.
John T. Stemplewicz, Esq.
Mr. James Weinstein
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