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January 6, 2011

VIA E-MAIL AND FIRST CLASS MAIL

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

Re: FTA's November 24, 2010 Payment Demand; NJ Transit's Records Request Related To Same; Extension of Due Date To Respond to Nov. 24 Payment Demand

Dear Scott:

Thank you for your call today inviting us to a meeting at FTA to discuss our prior document request and FOIA request on behalf of New Jersey Transit Corporation (NJ Transit). This email will confirm our agreement as follows: (a) that we will plan to meet with you on Tuesday, January 10, 2011 to discuss FTA's response to NJ Transit's document/FOIA requests; (b) that FTA has granted NJ Transit an extension of time until at least Tuesday, January 18, 2011 to file its response to the FTA's November 24, 2010 notification of outstanding debt and demand for payment ("Demand"); (c) that if an understanding can be reached regarding the production of documents, NJ Transit's time to file its response to FTA's Demand will be further extended for a reasonable period of time as mutually agreed (we had discussed a two week extension depending on when the documents could be made available); and (d) that FTA would assert no claim for interest and penalties until it has taken final agency action on NJ Transit's response to FTA's Demand.¹

Brams

Counsel for New Jersey Transit Corporation

¹ With respect to the statement in (d), above, that statement is made without prejudice to NJ Transit's position that the FTA does not have any right to recover interest or penalties from NJ Transit.

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cc: Mr. Robert J. Tuccillo Dorval Carter, Esq. Mr. James Weinstein Robert Hanna, Esq. Marc-Philip Ferzan, Esq. Terrence Brody, Esq.