

**First Union Rail Corporation**

One O'Hare Center  
6250 River Road, Suite 5000  
Rosemont, Illinois 60018-4214  
847 318-7575  
Fax 847 318-7588

VIA UPS NEXT DAY AIR

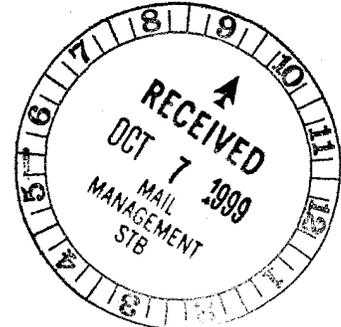


October 6, 1999

Mr. Vernon E. Williams  
Surface Transportation Board  
1925 K Street, N.W., Room 704  
Washington, DC 20423-0001  
Attn: Recordation of Railroad Equipment

RECORDATION NO. 22477 FILED

OCT 19 '99 10-00 AM



**Re: Memorandum of Lease Agreement**

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated July 15, 1999, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation  
One O'Hare Center  
6250 River Road, Suite 5000  
Rosemont, IL 60018

Lessee: Lignotech, U.S.A., Inc.  
100 Highway 51 South  
Rothschild, WI 54474-1196

A description of the railroad equipment covered by the enclosed document is set forth on Exhibit A, as attached to such Memorandum.

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,

Tiffany Chase  
Manager of Documentation

Enclosures

(LIGN003)

EXHIBIT A  
to  
RIDER NO. 1

RECORDATION NO. 22477 FILED  
OCT 19 '99 10-00 AM

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 15<sup>th</sup> day of July, 1999, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Lignotech U.S.A., Incorporated (Lessee").

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of August 17, 1999, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 1 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of August 17, 1999 and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed under seal by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: K. A. Dombrowski  
Name: K. A. DOMBROWSKI  
Title: DIRECTOR OF DOCUMENTATION

By: Richard F. Seymour  
Name: RICHARD F. SEYMOUR  
Title: Vice President Sales & Marketing

Executed on this 17<sup>th</sup> day of August, 1999.

[CORPORATE SEAL]

STATE OF ILLINOIS  
COUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 17<sup>th</sup> day of August, 1999.

Susan Grokulsky  
Notary Public

My Commission Expires:  
8-14-2000  
(Notary Public)



LESSEE:

LIGNOTECH U.S.A., INCORPORATED

By: [Signature]  
Name: PAUL J. LAVANNA  
Title: V.P., OPERATIONS

ATTEST:

By: [Signature]  
Name: TIMOTHY J. SHEEHAN  
Title: SECRETARY

Executed on this \_\_\_\_\_ day of \_\_\_\_\_, 199\_\_.

[CORPORATE SEAL]

STATE OF Wisconsin  
COUNTY OF Marathon

I, Julie M. Stephany, a Notary Public of the County and State aforesaid, certify that Paul J. Lavanna personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 28th day of July, 1999.

Julie M. Stephany  
Notary Public

Commission Expires:  
November 5, 2000  
(Notary Public)



**EXHIBIT A  
TO  
MEMORANDUM OF LEASE**

DESCRIPTION OF CARS: One (1) 5800 cubic foot Covered Hopper Car

CAR NUMBERS: TGOX 580009