

First Union Rail Corporation

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

RECORDATION NO. **22464** FILED

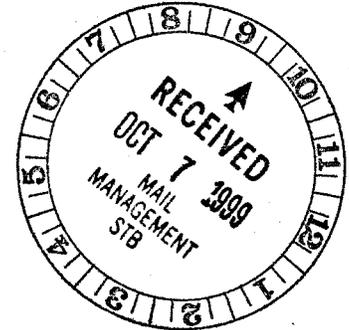
VIA UPS NEXT DAY AIR

OCT 18 '99

9-30AM

October 6, 1999

**FIRST
UNION**



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

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals and one (1) copy of a Memorandum of Lease Agreement, dated August 17, 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: Western Railroad Equipment Company
821 Marquette Suite 811
Minneapolis, MN 55402

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

(WREC002)

#012173

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EXHIBIT A
to
RIDER NO. 2

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 17th day of August, 1999, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Western Railroad Equipment Company (WREC)("Lessee"), a Minnesota corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of June 15, 1999, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 2 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of June 29, 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: Richard F. Seymour
Name: RICHARD F. SEYMOUR
Title: Vice President Sales & Marketing

By: K.A. Dombrowski
Name: K.A. DOMBROWSKI

Title: DIRECTOR OF DOCUMENTATION Executed on this 17th day of Aug, 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 17th day of August, 1999

Susan Grokulskey
Notary Public

My Commission Expires:

(Notary Public)



LESSEE: WESTERN RAILROAD EQUIPMENT COMPANY.

By: [Signature]

Name: Kent Shoemaker

Title: Chairman

ATTEST:

By: [Signature]

Name: Richard McQuine

Title: Gen. Mgr.

Executed on this 4 day of August, 1999.

[CORPORATE SEAL]

STATE OF Minnesota

COUNTY OF Hennepin

I, Kathryn A Hedman, a Notary Public of the County and State aforesaid, certify that Kent R. Shoemaker 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 4 day of August, 1999.

[Signature]
Notary Public

Commission Expires:

Jan 31, 2000
(Notary Public)

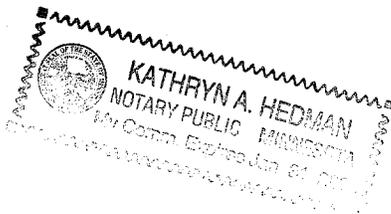


EXHIBIT A
to
MEMORANDUM OF LEASE

Six (6) 5000 cubic foot Uniflo covered hoppers, built in 1974

WREX 1070
WREX 1071
WREX 1072

WREX 1073
WREX 1074
WREX 1075