



December 30, 2013

Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
Washington, D.C. 20423

RE: LSRC03001L

Dear Secretary:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) is a Memorandum of Lease Agreement dated as of **November 25, 2013**, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessee: Lake State Railway
750 N. Washington Ave.
Saginaw, MI 48607

Lessor: The CIT Group/Equipment Financing, Inc.
30 South Wacker Drive Suite 3000
Chicago, IL 60606

A description of the railroad equipment covered by the enclosed document is: Locomotives within the series **CITX 3065 thru 3095, non-inclusively**, more particularly set forth in the equipment annex attached to this document.

A short summary of the document to appear in the index is: **Memorandum of Locomotive Use Agreement.**

Kindly return stamped copies of the enclosed document to the undersigned.

Best regards,

/s

Tina Amico
VP, Contracts
CIT Rail

Enclosures

RECORDATION NO. 31026
FILED DECEMBER 30, 2013 12:04 PM
SURFACE TRANSPORTATION BOARD
MEMORANDUM OF LOCOMOTIVE USE AGREEMENT

THIS MEMORANDUM OF LOCOMOTIVE USE AGREEMENT dated as of this 25th day of November, 2013, is made by THE CIT GROUP/EQUIPMENT FINANCING, INC., a Delaware corporation, with an address at 30 S. Wacker Drive, Suite 2900, Chicago, IL 60606 (the "Lessor"), and LAKE STATE RAILWAY COMPANY, a Michigan corporation, with an address at 750 North Washington Avenue, Saginaw, MI 48607, the "Lessee" and, together with the Lessor, the "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Lessor and the Lessee are parties to that certain Use Agreement (the "Lease") dated as of November 25, 2013 covering the equipment listed on Annex A hereto (the "Equipment"), and

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Lease, and the respective interests therein of the parties and accordingly the Parties have caused this Memorandum to be executed by their respective duly authorized officers, as of the date first above written,

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Equipment to the Lessee in accordance with the terms and conditions of the Lease, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Lessor by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Lessor. I further declare under penalty of perjury that the foregoing is true and correct.

Lessor:
THE CIT GROUP/EQUIPMENT FINANCING, INC.

By: [Signature]

Name: DAN D. STEFANO

Title: SUP. GEN. LOCOMOTIVE

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Lessee by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Lessee. I further declare under penalty of perjury that the foregoing is true and correct.

Lessee:
LAKE STATE RAILWAY COMPANY

By: [Signature]

Name: Michael A. Stachel

Title: VP-Business Development

Tina Amico
AVP, Contracts
CIT Rail



ANEX A

(4) SD40-2- 3,000HP, 6 axle Locomotives

CITX	3065
CITX	3067
CITX	3074
CITX	3095

CIT RAIL
30 South Wacker Drive
Suite 3000
Chicago, IL 60606

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