

CONFIDENTIAL

**COMMERCE
BANK**

December 1, 2004

FEDERAL EXPRESS

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
Washington, DC 20423

RECORDATION NO. 25330 FILED

DEC 08 '04 2-27 PM



Dear Mr. Williams:

SURFACE TRANSPORTATION BOARD

Enclosed for recordation is an original and one counterpart of the document described below, to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code.

This document is a Memorandum of Lease, a "primary document" dated May 28, 2004.

The names and addresses of the parties to the document are as follows:

Lessor: **COMMERCE BANK**
7650 Edinborough Way, Suite 150
Edina, Minnesota 55435

Lessee: **PROGRESSIVE RAIL INCORPORATED**
21778 Highview Avenue
Lakeville, Minnesota 55044.

A description of the equipment covered by the document follows:

Fifty-nine (59) boxcars bearing PGR reporting marks with road mark numbers contained within the Series 2669-2749.

A complete listing of the boxcar numbers is attached hereto as Exhibit A-1.

A short summary of the enclosed "primary document" to appear in the index follows:

Memorandum of Lease

A fee of \$32 is enclosed. Please return the original and any extra copies not needed by the Board for recordation to the undersigned at the above address for the Lessor.

Very truly yours,

James E. Senske
President

Centennial Lakes Office

7650 Edinborough Way
Suite 150 ■ Edina, MN 55435 *JES:nt*
Enclosures

OFFICE: 952/841-9750
FAX: 952/841-9755

www.commercebankmn.com

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF LEASE

Pursuant to that certain Master Equipment Lease dated May 28, 2004 ("Lease") by and between **COMMERCE BANK**, as lessor, and **PROGRESSIVE RAIL INCORPORATED**, as Lessee, Lessor has leased to Lessee the boxcars identified in Exhibit A-1 attached hereto and entitled "Description of Boxcars."

The addresses of the parties are as follows:

Lessor: Commerce Bank
7650 Edinborough Way, Suite 150
Edina, MN 55435

Lessee: Progressive Rail Incorporated
21778 Highview Avenue
Lakeville, MN 55044

The term of the lease of each item of Equipment shall commence on the Commencement Date specified in the Supplement pertaining to such Equipment and, unless earlier terminated pursuant to the provisions thereof, shall continue for the term specified in such Supplement or for such extended term pursuant to the terms of the Lease.

The terms and provisions of the Lease are more particularly set for in the Master Equipment Lease.

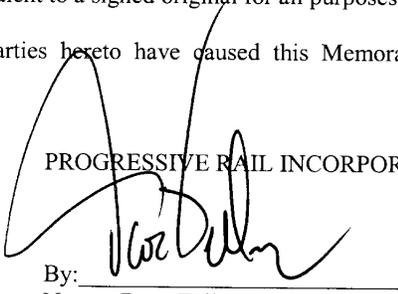
This Memorandum may be signed in counterpart or duplicate copies, and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed as of November 29, 2004.

COMMERCE BANK

PROGRESSIVE RAIL INCORPORATED

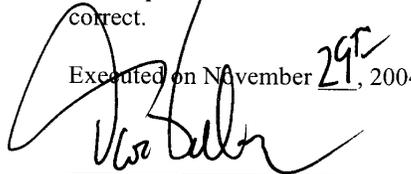
By: 
Name: James E. Senske
Title: President

By: 
Name: Dave Fellon
Title: President

CORPORATE FORM OF ACKNOWLEDGEMENT

I, **David Fellon**, certify that I am President of Progressive Rail Incorporated, that the seal affixed to the forgoing instrument is the corporate seal of said corporation, that the instrument was signed and sealed on behalf of the corporation 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 corporation. I further declare under penalty of perjury that the foregoing is true and correct.

Executed on November 29th, 2004.



Signature

State of Minnesota
County of Hennepin ss:

On this 29th day of November, 2004 before me personally appeared **David Fellon**, to me personally known, who being by me duly sworn, says that he is the **President of Progressive Rail Incorporated**, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

No Seal

Signature of Notary Public Nance D. Torrence

My commission expires January 31, 2008

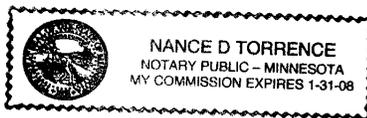


Exhibit A-1

Description of Boxcars

Fifty-nine (59) Reconditioned R610 60' 100-Ton Insulated Boxcars

	Count	Old Car #	New Car #		Count	Old Car #	New Car #	
Supplement #1	1	TPIX002723	PGR 2723	Supplement #5	31	TPIX002670	PGR 2670	
	2	TPIX002726	PGR 2726		32	TPIX002688	PGR 2688	
	3	TPIX002682	PGR 2682		33	TPIX002724	PGR 2724	
	4	TPIX002731	PGR 2731		34	TPIX002728	PGR 2728	
	5	TPIX002717	PGR 2717		35	TPIX002710	PGR 2710	
	6	TPIX002702	PGR 2702		36	TPIX002747	PGR 2747	
Supplement #2	7	TPIX002741	PGR 2741	Supplement #6	37	TPIX002713	PGR 2713	
	8	TPIX002676	PGR 2676		38	TPIX002715	PGR 2715	
	9	TPIX002678	PGR 2678		39	TPIX002735	PGR 2735	
	10	TPIX002686	PGR 2686		40	TPIX002718	PGR 2718	
	11	TPIX002690	PGR 2690		41	TPIX002749	PGR 2749	
	12	TPIX002699	PGR 2699		42	TPIX002692	PGR 2692	
	13	TPIX002719	PGR 2719		43	TPIX002680	PGR 2680	
	14	TPIX002720	PGR 2720		44	TPIX002697	PGR 2697	
	15	TPIX002739	PGR 2739		45	TPIX002745	PGR 2745	
	16	TPIX002740	PGR 2740		Supplement #7	46	TPIX002684	PGR 2684
	17	TPIX002748	PGR 2748			47	TPIX002696	PGR 2696
Supplement #3	18	TPIX002701	PGR 2701	48		TPIX002685	PGR 2685	
	19	TPIX002746	PGR 2746	49	TPIX002711	PGR 2711		
	20	TPIX002669	PGR 2669	Supplement #8	50	TPIX002703	PGR 2703	
	21	TPIX002693	PGR 2693		51	TPIX002673	PGR 2673	
	22	TPIX002700	PGR 2700		52	TPIX002691	PGR 2691	
	23	TPIX002712	PGR 2712		53	TPIX002729	PGR 2729	
Supplement #4	24	TPIX002742	PGR 2742		54	TPIX002736	PGR 2736	
	25	TPIX002733	PGR 2733		Supplement #9	55	TPIX002681	PGR 2681
	26	TPIX002674	PGR 2674	56		TPIX002744	PGR 2744	
	27	TPIX002679	PGR 2679	57		TPIX002694	PGR 2694	
	28	TPIX002705	PGR 2705	58		TPIX002730	PGR 2730	
	29	TPIX002709	PGR 2709	59		TPIX002738	PGR 2738	
	30	TPIX002725	PGR 2725					