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May 13, 2014

Cynthia T. Brown
Chief of the Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, D. C. 20423

Dear Ms. Brown:

I have enclosed for efileing the document described below, to be recorded pursuant to 49 U.S.C. § 11301.

The document is a Memorandum of Lease Agreement, a primary document, dated as of May 12, 2014. We request that this document be given the next available recordation number.

The names and addresses of the parties to the Memorandum of Lease Agreement are:

Lessor:

GATX Rail Locomotive Group, L.L.C.
222 W. Adams Street
Chicago, IL 60606

Lessee:

East Penn Railroad, L.L.C.
505 S. Broad Street
Kennett Square, PA 19348

A description of the equipment covered by the Memorandum of Lease Agreement consists of two GP38-3 locomotives numbered GMTX 2800 and 2801.

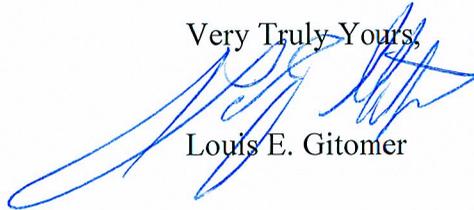
Ms. Cynthia T. Brown
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A fee of \$44.00 is enclosed. Please return one copy by email to:

Louis E. Gitomer
600 Baltimore Avenue, Suite 301
Towson, MD 21204
Lou@lgraillaw.com

A short summary of the document to appear in the index follows: a Memorandum of Lease Agreement between GATX Rail Locomotive Group, L.L.C., 222 W. Adams Street, Chicago, IL 60606, and East Penn Railroad, L.L.C., 505 S. Broad Street, Kennett Square, PA 19348, covering two GP38-3 locomotives numbered GMTX 2800 and 2801.

Very Truly Yours,



Louis E. Gitomer

Enclosure

MEMORANDUM OF LEASE AGREEMENT

dated as of May 12, 2014

between

GATX RAIL LOCOMOTIVE GROUP, L.L.C.,

as Lessor,

and

EAST PENN RAILROAD, L.L.C.

as Lessee,

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of May 12, 2014, between GATX RAIL LOCOMOTIVE GROUP, L.L.C. ("Lessor"), 222 W. Adams Street, Chicago, IL 60606, and EAST PENN RAILROAD, L.L.C. ("Lessee"), 505 S. Broad St., Kennett Square, PA 19348, with reference to the following:

1. Pursuant to that certain Locomotive Lease Agreement dated May 12, 2014, between Lessor and Lessee (the "Lease Agreement"), Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor, two GP38-3 locomotives with road number GMTX 2800 and 2801 (the "Units").
2. In consideration for the rights granted to Lessee under the Lease Agreement, the sufficiency of which Lessee hereby acknowledges, Lessee hereby confirms and grants Lessor a first priority security interest in the Units.
3. This Memorandum of Lease Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Lease Agreement to be executed as of the date first above written.

GATX RAIL LOCOMOTIVE GROUP, L.L.C.,
as Lessor

By: Eileen Raphael
Name: Eileen Raphael
Title: Vice President, Business Operations

EAST PENN RAILROAD, LLC
as Lessee

By: Robert C. Parker
Name: ROBERT C. PARKER
Title: PRESIDENT AND CEO

STATE OF CALIFORNIA)
)
COUNTY OF SAN FRANCISCO)

On May 13, 2014 before me, Nicholette Maris, Notary Public, personally appeared Eileen Raphael, who proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

Witness my hand and official seal.

Nicholette Maris
Notary Public
My Commission expires: May 17, 2015

