

ALVORD AND ALVORD
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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)
ROBERT W. ALVORD (2011)

August 1, 2014

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

Dear Section Chief,

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease, dated July 31, 2014, 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 documents are:

Lessor:	Caterpillar Financial Services Corporation 2120 West End Avenue Nashville, Tennessee 37203
Lessee:	Mag Pellet LLC 102 NE 3rd Street, Suite120 Grand Rapids, Minnesota 55744

Section Chief
August 1, 2014
Page 2

A description of the railroad equipment covered by the enclosed document is:

120 railcars: MGPX 341 – MGPX 460.

A short summary of the document to appear in the index is:

Memorandum of Lease.

Also enclosed is a check in the amount of \$44.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

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

Very truly yours,



Edward M. Luria

EML/sem
Enclosures

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of the 31st day of July, 2014, by and between Caterpillar Financial Services Corporation (the "Lessor") and Mag Pellet LLC ("Lessee").

WITNESSETH

The undersigned Lessor and Lessee have entered into Lease Schedule No. 3 to Master Tax Lease for Railcars, dated as of March 14, 2014, which incorporates by reference the Master Tax Lease for Railcars between Lessor and Lessee (the "Lease"), and whereby Lessor has agreed to lease to Lessee certain railcars as more particularly described on Exhibit A attached hereto, subject to the terms, conditions and provisions of the Lease. This filing is made for informational purposes only.

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:

CATERPILLAR FINANCIAL SERVICES CORPORATION

By: *R. L. Spear*

STATE OF TENNESSEE

COUNTY OF DAVIDSON

I, L. Lynann Freshour, a Notary Public of the County and State aforesaid, certify that Robert Sloan, as Doc Services Manager of Caterpillar Financial Services Corporation 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 31st day of July, 2014.

Lynann
Notary Public
My commission expires: 10/18/16



LESSEE:

MAG PELLET LLC

By: Joe Broking
Name: Joe Broking
Its: CFO

STATE OF Minnesota

COUNTY OF Blasca

I, Jannifer Lynn Johnson, a Notary Public of the County and State aforesaid, certify that Joe Broking, as CFO of Magnetation 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 30th day of July, 2014.

Jannifer Lynn Johnson
Notary Public
My commission expires: January 31, 2019

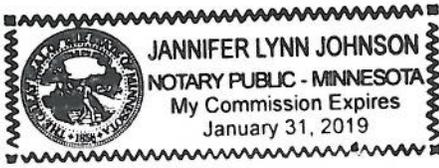


EXHIBIT A
TO
MEMORANDUM OF LEASE

Car Initials	Car Numbers	Car Weights (Est)	Car Initials	Car Numbers	Car Weights (Est)
MGPX	341	58800	MGPX	401	58800
MGPX	342	58800	MGPX	402	58800
MGPX	343	58800	MGPX	403	58800
MGPX	344	58800	MGPX	404	58800
MGPX	345	58800	MGPX	405	58800
MGPX	346	58800	MGPX	406	58800
MGPX	347	58800	MGPX	407	58800
MGPX	348	58800	MGPX	408	58800
MGPX	349	58800	MGPX	409	58800
MGPX	350	58800	MGPX	410	58800
MGPX	351	58800	MGPX	411	58800
MGPX	352	58800	MGPX	412	58800
MGPX	353	58800	MGPX	413	58800
MGPX	354	58800	MGPX	414	58800
MGPX	355	58800	MGPX	415	58800
MGPX	356	58800	MGPX	416	58800
MGPX	357	58800	MGPX	417	58800
MGPX	358	58800	MGPX	418	58800
MGPX	359	58800	MGPX	419	58800
MGPX	360	58800	MGPX	420	58800
MGPX	361	58800	MGPX	421	58800
MGPX	362	58800	MGPX	422	58800
MGPX	363	58800	MGPX	423	58800
MGPX	364	58800	MGPX	424	58800
MGPX	365	58800	MGPX	425	58800
MGPX	366	58800	MGPX	426	58800
MGPX	367	58800	MGPX	427	58800
MGPX	368	58800	MGPX	428	58800
MGPX	369	58800	MGPX	429	58800
MGPX	370	58800	MGPX	430	58800
MGPX	371	58800	MGPX	431	58800
MGPX	372	58800	MGPX	432	58800
MGPX	373	58800	MGPX	433	58800
MGPX	374	58800	MGPX	434	58800
MGPX	375	58800	MGPX	435	58800
MGPX	376	58800	MGPX	436	58800
MGPX	377	58800	MGPX	437	58800
MGPX	378	58800	MGPX	438	58800

MGPX	379	58800	MGPX	439	58800
MGPX	380	58800	MGPX	440	58800
MGPX	381	58800	MGPX	441	58800
MGPX	382	58800	MGPX	442	58800
MGPX	383	58800	MGPX	443	58800
MGPX	384	58800	MGPX	444	58800
MGPX	385	58800	MGPX	445	58800
MGPX	386	58800	MGPX	446	58800
MGPX	387	58800	MGPX	447	58800
MGPX	388	58800	MGPX	448	58800
MGPX	389	58800	MGPX	449	58800
MGPX	390	58800	MGPX	450	58800
MGPX	391	58800	MGPX	451	58800
MGPX	392	58800	MGPX	452	58800
MGPX	393	58800	MGPX	453	58800
MGPX	394	58800	MGPX	454	58800
MGPX	395	58800	MGPX	455	58800
MGPX	396	58800	MGPX	456	58800
MGPX	397	58800	MGPX	457	58800
MGPX	398	58800	MGPX	458	58800
MGPX	399	58800	MGPX	459	58800
MGPX	400	58800	MGPX	460	58800

CERTIFICATION

I, Edward M. Luria, an attorney licensed to practice in the District of Columbia, the State of Delaware and the Commonwealth of Pennsylvania, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: August 1, 2014

Edward M. Luria

Edward M. Luria