

Tina Amico
VP, Contracts
CIT Rail



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SURFACE TRANSPORTATION BOARD

November 17, 2015

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

RE:PRGR02005

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 September 23, 2015 to a primary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Lease Agreement.

Lessee: Progressive Rail Incorporated
21778 Highview Ave.
Lakeville, MN 55044

Lessor: The CIT Group/Equipment Financing, Inc.
30 South Wacker Drive, Suite 2900
Chicago, IL 60606

A description of the railroad equipment covered by the enclosed document is: Railcars within the series Car #CEFX 6671 through Car # CITX 6352 as more particularly set forth in the equipment schedule attached to this document.

A short summary of the document to appear in the index is: Memorandum of Railcar Lease.

Kindly return stamped copies of the enclosed document to the undersigned.
If you have any questions or concerns, please contact Krishana Wilkerson at 312.906.5921.

Best regards,

/s

Tina Amico
VP, Contracts
CIT Rail

Enclosures

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

t: 312.906.5907 f: 312.906.5833
Tina.Amico@cit.com

MEMORANDUM OF LOCOMOTIVE USE AGREEMENT

THIS MEMORANDUM OF LOCOMOTIVE USE AGREEMENT dated as of this 23 day of September, 2015, is made by THE CIT GROUP/EQUIPMENT FINANCING, INC., a Delaware corporation, with an address at 30 South Wacker Drive, Suite 2900, Chicago, Illinois 60606 (the "Lessor"), and PROGRESSIVE RAIL INCORPORATED, a Minnesota corporation, with an address at 21778 Highway Avenue, Lakeville, MN (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 "Agreement") dated as of October 11, 2011 covering the equipment listed on Schedule A hereto (the "Equipment"), and

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Agreement, 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 Agreement, 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.

THE CIT GROUP/EQUIPMENT FINANCING, INC.

By: [Signature]
Name: KEA PIERSON
Title: SVP

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.

PROGRESSIVE RAIL INCORPORATED
By: [Signature]
Name: LOW VAN GEMERT
Title: CEO

Schedule A

<u>Quantity</u>	<u>Description</u>
2	GP38-3-2,000hp, 4 axle locomotive

Car Marks and Numbers

CEFX 6671

CITX 6352