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ELIAS C. ALVORD (1942)
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December 2, 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 Agreement, dated as of November 28, 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 document are:

Lessor: Element Fleet Management Inc.
4 Robert Speck Parkway, Suite 900
Mississauga, Ontario L4Z 1S1
Canada

Lessee: Cando Rail Services, Ltd.
740 Rosser Avenue, 4th Floor
Brandon, Manitoba. R7A 0K9

Chief, Section of Administration
December 2, 2014
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A description of the railroad equipment covered by the enclosed document is:

2 locomotives: CCGX 5310 and CCGX 5311 (previously bearing DESX reporting marks.

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

Memorandum of Lease Agreement.

Also enclosed is a check in the amount of \$43.00 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/bhs
Enclosures

MEMORANDUM OF LEASE AGREEMENT

dated as of November 28, 2014

between

CANDO RAIL SERVICES LTD.
as Lessee

and

ELEMENT FLEET MANAGEMENT INC.
as Lessor

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of November 28, 2014 by and between Cando Rail Services Ltd. ("Lessee") and Element Fleet Management Inc. ("Lessor"), with reference to the following:

1. Lessor has agreed to purchase and lease to Lessee, and Lessee has agreed to lease from Lessor, those certain railcars described on Exhibit No. 1 attached hereto (the "Railcars").

All of such railcars are more fully described in that certain Motor Vehicle Lease Agreement dated June 19, 2003 as amended (together with all of the riders, schedules and other attachments thereto, collectively, the "Lease"), each between Lessor and Lessee.

2. The Lease shall be effective as of the date hereof and shall be subject to the term specified in the Lease, and any extension of such term to the extent provided for in the Lease.

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.

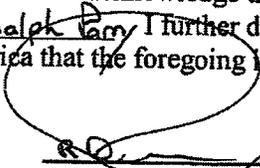
[remainder of page left intentionally blank]

[signature page follows]

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.

ELEMENT FLEET MANAGEMENT INC.

Element Fleet Management I certify that I hold the title set forth below, that this instrument was signed on behalf of *Element Fleet Management* 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 Ralph Parry I further declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Per: 
Name: Ralph Parry
Title: VP, Credit and Risk Management

CANDO RAIL SERVICES LTD.

I certify that I hold the title set forth below, that this instrument was signed on behalf of Cando Rail Services Ltd 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 Terry Carlisle . I further declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

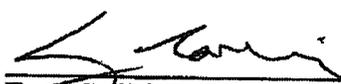
Per: 
Name: Terry Carlisle
Title: Chief Financial Officer

EXHIBIT NO. 1
TO MEMORANDUM OF LEASE AGREEMENT

DESCRIPTION OF RAILCARS

Year	Make	Model	Body Style	VIN	Previous Markings
78	GM	SD40-2W	LOCOMOTIVE	CCGX 5310	DESX5310
78	GM	SD40-2W	LOCOMOTIVE	CCGX 5311	DESX5311

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: 12/2/14

Edward M Luria
Edward M. Luria