

**First Union Rail Corporation**

One O'Hare Center  
6250 River Road, Suite 5000  
Rosemont, Illinois 60018-4214  
847 318-7575  
Fax 847 318-7588

VIA FEDERAL EXPRESS



December 1, 1998

RECORDATION NO. 21814 FILED

DEC 2 '98 2-21 PM

Surface Transportation Board  
Attn: Jan Fort  
1925 K Street, N.W., Room 704  
Washington, DC 20423-0001

**Re: Memorandum of Lease Agreement**

Dear Ms. Fort:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) is one (1) original and three (3) copies of a Memorandum of Lease Agreement, dated January 5, 1998, 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: First Union Rail Corporation  
One O'Hare Centre  
6250 River Road, Suite 5000  
Rosemont, IL 60018

Lessee: International Reload Systems Ltd.  
18 Park Road  
Christina Lake, B.C. V0H 1E0

A description of the railroad equipment covered by the enclosed document is set forth on Exhibit A, as attached to such Memorandum.

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5355. Thank you for your cooperation in this matter.

Very truly yours,

A handwritten signature in cursive script that reads "Susan Grokulskey".

Susan Grokulskey  
Manager - Documents Administration

Enclosures

(INRE004)

**RIDER NO. 1**  
MEMORANDUM OF LEASE

RECORDATION NO. 21814 FILED

DEC 2 '98 2-21 PM

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 5<sup>th</sup> day of January, 1998, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and International Reload Systems Ltd. ("Lessee"), a British Columbia corporation.

**WITNESSETH:**

The undersigned Lessor and Lessee have entered into that certain Master Lease Agreement (the "Lease"), dated as of December 18, 1997, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 1 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of January 5, 1998 and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

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:**

FIRST UNION RAIL CORPORATION

ATTEST:

By: Richard F. Seymour

Name: Richard F. Seymour

Title: Vice President, Sales & Marketing

By: K.A. Dombrowski

Name: K.A. DOMBROWSKI

Title: MANAGER - DOCUMENTATION

Executed on this 13<sup>th</sup> day of April, 1998.

[CORPORATE SEAL]

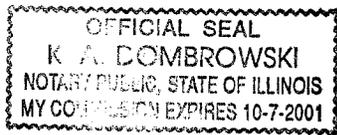
RIDER NO. 1

STATE OF ILLINOIS

COUNTY OF COOK

I, K. A. DOMBROWSKI, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

1998 WITNESS my hand and official stamp or seal, this 13<sup>th</sup> day of April,



K. A. Dombrowski  
Notary Public

My Commission Expires:

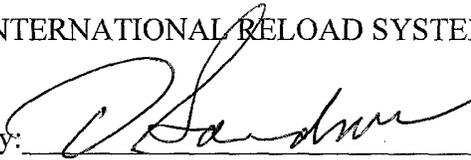
10-7-2001  
(Notary Public)

RIDER NO. 1

**LESSEE:**

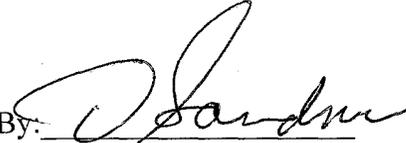
INTERNATIONAL RELOAD SYSTEMS LTD.

ATTEST:

By: 

Name: Douglas Sandner

Title: President

By:   
Name: D. SANDNER

Title: PRES

Executed on this 31<sup>st</sup> day of March, 1998.

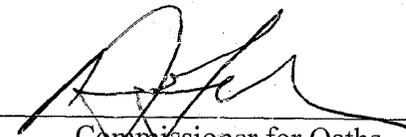
[CORPORATE SEAL]

PROVINCE OF British Columbia

~~DISTRICT OF~~ Canada

I, ANGELA GIBSON, a Commissioner for Oaths of the District and Province aforesaid, certify that Douglas Sandner 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 31<sup>st</sup> day of March, 1998.

  
Commissioner for Oaths

My Commission Expires:  
NON-Expiring  
(Commissioner for Oaths)

**ANGELA GIBSON**  
Barrister & Solicitor  
P.O. Box 1030  
Grand Forks, B.C.  
V0H 1H0

**RIDER NO. 1**

**EXHIBIT A  
to  
MEMORANDUM OF LEASE**

23, 50'6", 10' sliding door, Plate C Boxcars.

Bearing the Car numbers: NOKL 532000, and  
NOKL 532002 to NOKL 532023 inclusive.