

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. 21815 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) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated January 7, 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: Desticon Transportation, Inc. P.O. Box 1270 Sumas, Washington 98295
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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,

Susan Grokulsky
Manager - Documents Administration

Enclosures

(DEST006)

RIDER NO.1

RECORDATION NO. 71815 FILED

MEMORANDUM OF LEASE

DEC 2 '98

2-21 PM

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 7th day of January, 1998, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and DESTICON TRANSPORTATION, INC. ("Lessee"), a Washington State corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of January 7, 1998, whereby Lessor has agreed to lease to Lessee certain railcars being described in more particular on Exhibit A attached hereto, effective as of the date set forth above and subject to the terms, conditions and provisions of said Lease.

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
Vice President Sales & Marketing

By: Sharon Tinsley

Name: SHARON TINSLEY

Title: FLEET MANAGER

Executed on this 18th day of March, 1998.

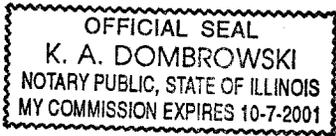
[CORPORATE SEAL]

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 18th day of March.



K. A. Dombrowski
Notary Public

My Commission Expires:
10/7/2001
(Notary Public)

LESSEE:

DESTICON TRANSPORTATION, INC.

ATTEST:

By: [Signature]

Name: JADE STEVENSON

Title: PRESIDENT

By: [Signature]

Name: AMELY MOUS

Title: CONTROLLER

Executed on this 18th day of FEBRUARY 1998.

[CORPORATE SEAL]

~~PROVINCE~~
~~STATE OF~~ BRITISH COLUMBIA

COUNTY OF VAN COUVER

I, TIMOTHY J. NICHOLS, a Notary Public of the County and State aforesaid, certify that JADE STEVENSON 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 18th day of FEBRUARY,
1998.



Notary Public
TIMOTHY J. NICHOLS

My Commission Expires:

N. A.

(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

DESCRIPTION OF RAILCARS TO BE PROVIDED

50 – 73', 286,000 GRL, new, riserless Centrebeam Flatcars

Car Numbers: NOKL 733850 to 733899 inclusive.