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ELLSWORTH C. ALVORD (1964)

20006-2973

OF COUNSEL
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April 1, 1999

RECORDATION NO. 22034-A FILED

W. Williams
Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

APR 2 '99 9-00AM

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Memorandum of Partial Assignment and Assumption Agreement, dated as of April 1, 1999, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to Schedule No. 3 to the Lease Agreement previously filed with the Board under Recordation Number 22034.

The names and addresses of the parties to the enclosed document are:

Assignor: Greenbrier Leasing Corporation
One Centerpointe Drive, Suite 200
Lake Oswego, Oregon 97035

Assignee: NorRail, Inc.
6900 Wedgewood Road
Maple Grove, Minnesota 55311

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

eighty-five (85) railcars bearing reporting marks and road numbers CSXT 487700 through CSXT 487784

Mr. Vernon A. Williams
April 1, 1999
Page 2

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 stamped copy of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/bg
Enclosures

Surface Transportation Board
Washington, D.C. 20423-0001

OFFICE OF THE SECRETARY

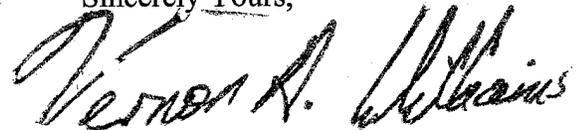
April 2, 1999

Robert W. Alvord
Alvord & Alvord
918 16th Street NW
Washington DC 20006-2973

Dear Mr. Alvord:

The enclosed document(s) was recorded pursuant to the provisions of 49 U.S.C. 11301 and 49 CFR 1177.3 (c), on April 2, 1999 at 9:00 AM, and assigned recordation number(s) 22034-A.

Sincerely Yours,



Vernon A. Williams
Secretary

Enclosure(s)

\$ 26.00 (charged to account) The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid. In the event of an error or any questions concerning this fee, you will receive a notification after the Surface Transportation Board has an opportunity to examine your document.

Signature: _____



REC'D MAR 31 1999

RECORDATION NO. 22034-A FILED

APR 2 '99

9-00AM

MEMORANDUM OF PARTIAL ASSIGNMENT AND ASSUMPTION AGREEMENT

BETWEEN

GREENBRIER LEASING CORPORATION

AND

NORRAIL, INC.

April 1, 1999

Memorandum of Partial Assignment and Assumption Agreement made and entered into as of April 1, 1999, by and between Greenbrier Leasing Corporation, a Delaware corporation, ("Assignor") and Norrail, Inc., a Minnesota corporation ("Assignee").

WITNESSETH:

1. Assignor, as Lessor, leased to CSX Transportation, Inc. ("Lessee") three hundred (300) 52-foot, 100-ton (286,000 lbs. GRL), mill gondola railcars, marked and numbered CSXT 487700 through CSXT 487999 inclusive, pursuant to that certain Lease Agreement dated January 16, 1995 and Schedule No. 3 thereto dated as of December 10, 1998 (the "Lease").
2. Assignor has agreed to assign to Assignee and Assignee has agreed to accept from Assignor all of Assignor's right, title and interest in certain of the leased railcars, more completely described in Exhibit A hereto (the "Cars"), as well as Assignor's right, title and interest under the Lease to the extent it relates to the Cars.
3. This Memorandum of Assignment Agreement may be executed by the parties hereto in any number of counterparts, and all counterparts taken together shall be deemed to constitute one instrument.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

GREENBRIER LEASING CORPORATION

By: Worris M. Webb
Title: Executive Vice President

NORRAIL, INC.

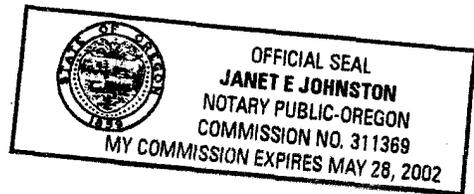
By: Bradley C. Gunstad
Title: Vice President & General Counsel

STATE OF OREGON)
) ss.
COUNTY OF CLACKAMAS)

On this 30th day of March, 1999, before me personally appeared Norriss M. Webb, to me personally known, who being by me duly sworn, says that he is the Executive Vice President of Greenbrier Leasing Corporation that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

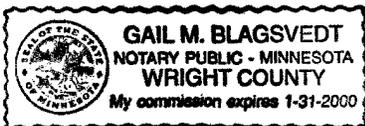
Janet E Johnston
NOTARY PUBLIC

My commission expires: 5/28/2002



STATE OF)
) ss.
COUNTY OF)

On this 31 day of March, 1999, before me personally appeared Bradley C. Hanstad, to me personally known, who being by me duly sworn, says that he is the V.P. & General Counsel of Norrail, Inc., that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.



Gail M. Blagsvedt
NOTARY PUBLIC

My commission expires: 1-31-2000

**EXHIBIT A to
Memorandum of Partial Assignment
First Assets**

DESCRIPTION OF CARS

Eighty-five (85) 52-foot, 100-ton (286,000 lbs. GRL), mill gondola railcars.

Marks and numbers: CSXT 487700 through CSXT 487784, inclusive.