



# Southern Illinois Railcar Company

Executive Park Two  
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Troy, Illinois 62294

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RECORDATION NO. 11724 FILED

OCT 20 '98

1-12PM

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SURFACE TRANSPORTATION  
BOARD

October 12, 1998

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
1925 K Street  
Washington, DC 20423-0001

VIA: Airborne Express

Dear Mr. Williams:

I have enclosed herein two (2) originals of Memorandum of Exercise of Purchase Option to be filed with the Surface Transportation Board in the file containing the company name of Laurinburg and Southern Railroad Company. I have also enclosed our check in the amount of \$24.00 to cover the filing fee. Please forward to my attention one of the recorded original documents once they have been filed. Thank you for your prompt attention regarding this matter.

Sincerely,

Gary J. Goodman  
VP & CFO

Enclosures

OCT 20 '98

1-12 PM

## MEMORANDUM OF EXERCISE OF PURCHASE OPTION

THIS MEMORANDUM OF EXERCISE OF PURCHASE OPTION dated October 9TH, 1998 is made by Southern Illinois Railcar Company ("SIRC") in order to provide notice that it has exercised its option to purchase certain railcars as provided herein and that such railcars remain subject to the rights of SIRC.

SIRC, as Lessor, and Laurinburg and Southern Railroad Company ("LSR"), as Lessor, executed that certain Car Leasing Agreement dated October 30, 1990; as amended by Rider No. 1 to Car Leasing Agreement; as amended by Rider No. 2 to Car Leasing Agreement dated July 15, 1992; and as amended by First Amendment to Rider 2 to Car Leasing Agreement dated October 6, 1993 (collectively, the "Lease"). LSR granted to SIRC pursuant to Section 2 of the First Amendment to Rider 2 to Car Leasing Agreement an option to purchase the railcars more particularly described on Exhibit A attached hereto (the "Railcars"), to be exercised by SIRC by giving notice to LSR pursuant to the terms of the Amendment.

SIRC provided LSR with notice of its exercise of the purchase option and tendered payment for the Railcars on June 25, 1998 pursuant to the terms of the Lease. LSR has not recognized SIRC's exercise of the option to purchase. SIRC hereby provides notice of its interest in the Railcars pursuant to the terms of the purchase option.

SOUTHERN ILLINOIS RAILCAR COMPANY

By: Print Name: GARY J. GOODMANTitle: VICE PRESIDENT

STATE OF ILLINOIS )  
 )  
COUNTY of MADISON )

On this 9<sup>th</sup> day of October 1998, before me appeared Gary J. Goodman, to me personally known, who, being by me duly sworn (or affirmed), did say that he is the Vice President of Southern Illinois Railcar Company, a corporation of the State of Illinois, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation, by authority of its Board of Directors, and said Vice President acknowledged said instrument to be the free act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.



Janice A. Tweedy  
Notary Public

My commission expires:  
February 23, 2000

EXHIBIT A

Car Number	Original Car No.
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ERCX004516	LRS 001071
ERCX004523	LRS 001072
ERCX004524	LRS 001073
ERCX004525	LRS 001074
ERCX004526	LRS 001077
ERCX004528	LRS 001081
ERCX004529	LRS 001090
SIRX001075	LRS 001075
SIRX001076	LRS 001076
SIRX001078	LRS 001078
SIRX001079	LRS 001079
SIRX001082	LRS 001082
SIRX001080	LRS 001080
SIRX001083	LRS 001083
SIRX001084	LRS 001084
SIRX001085	LRS 001085
SIRX001086	LRS 001086
SIRX001087	LRS 001087
SIRX001088	LRS 001088
SIRX001089	LRS 001089