



**BOMBARDIER
CAPITAL**

Bombardier Capital Rail Inc.
6900 Wedgwood Road, Suite 120
Maple Grove, MN 55311 United States
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Fax 1 (612) 420-8003
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August 23, 1999

Surface Transportation Board,
Recording Department
1925 K. Street NW, Suite 700
Washington, D.C. 20423

RECORDATION NO. 22387 FILED

SEP 7 '99 2-30 PM

Dear Sir or Madam,

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals of Memorandum of Railcar Lease Agreement dated as of April 29, 1999, a primary document as defined in the Board's Rules for Recordation of Documents.

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

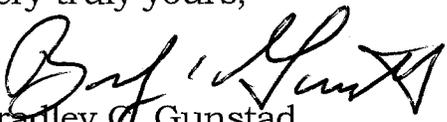
Lessor: Bombardier Capital Rail Inc.
(formerly called NorRail, Inc.)
6900 Wedgwood Road, Suite 120
Maple Grove, MN 55311
Phone: 612-416-7205

Lessee: Farmland Industries, Inc.
3315 North Oak Sreet
Kansas City, MO 64116
Phone: 816-459-6585

The enclosed Memorandum of Railcar Lease Agreement covers the three (3) 5650 Cu. Ft. Covered Hopper Railcars bearing reporting marks and numbers NRLX056394, NRLX056395, and NRLX056396.

Enclosed is our 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 copy of the enclosed document to the undersigned. If you have any questions or require any further information in connection with this filing, please contact the undersigned at 612-416-7205.

Very truly yours,


Bradley G. Gunstad
Vice President & General Counsel
Enclosures

SEP 7 '99 2-30 PM

MEMORANDUM OF RAILCAR LEASE AGREEMENT

THIS MEMORANDUM OF RAILCAR LEASE AGREEMENT is made and entered into as of April 29, 1999 by and between Bombardier Capital Rail, Inc., formerly called NorRail, Inc., a Minnesota Corporation ("Lessor") and Farmland Industries Inc., a Kansas Corporation ("Lessee"), with reference to the following:

1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor various railcars pursuant to one or more Schedules to the Lease to be entered into by Lessor and Lessee from time to time, all as more particularly described in that certain Railcar Service and Lease Agreement No. 1750 dated September 30, 1997 between Lessor and Lessee (hereinafter referred to as the "Lease").
2. Pursuant to Schedule No. 3 to the Lease, Lessor has agreed to lease to Lessee and Lessee has agreed to lease from Lessor the three (3) 5650 cu. ft. covered hopper railcars bearing the reporting marks and road numbers NRLX056394, NRLX056395 and NRLX056396, all as more particularly described in the Lease.
3. The Lease shall be effective as of the execution date thereof and shall be subject to the term of the Lease, as provided therein.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Railcar Lease Agreement to be executed as of the date first above written.

Lessor: Bombardier Capital Rail Inc.

By: *L. Lee Struble*
L. Lee Struble
Vice President-Sales

Its: _____
By: *Bradley C. Gunstad*
Bradley C. Gunstad
Its: Vice President & General Counsel

Lessee: Farmland Industries Inc.

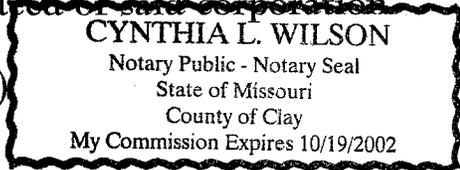
By: *Lynn S. Beecher*
Lynn S. Beecher
Director, Rail Transportation

Its: _____
By: _____
Its: _____

STATE OF KANSAS, COUNTY OF CLAY TO WIT:

On this 23 day of April, 1999 before me personally appeared, Lyons S. Backer, to me personally known, who being by me duly sworn, stated that he is the Director, Rail Transportation, of Farmland Industries Inc., a Kansas Corporation, that he signed the foregoing Memorandum of Lease Agreement on behalf of said corporation and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Seal)



Cynthia L. Wilson
Notary Public

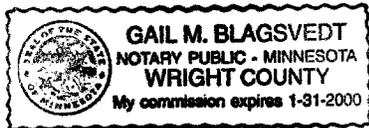
My commission expires:

~~Notary Public - Notary Seal~~
CYNTHIA L. WILSON
Notary Public - Notary Seal
State of Missouri
County of Clay
My Commission Expires 10/19/2002

STATE OF MINNESOTA, COUNTY OF WRIGHT TO WIT:

On this 29th day of April, 1999 before me personally appeared, Lee Stueble and Bradley C. Dunsted, to me personally known, who being by me duly sworn, says that they are the V.P. Sales and VP & General Counsel, respectively of Bombardier Capital Rail Inc. (formerly called NorRail, Inc.) a Minnesota Corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(Seal)



Gail M. Blagsvedt
Notary Public

My commission expires: 1-31-2000