



**BOMBARDIER
CAPITAL**

Bombardier Capital Rail Inc.
6900 Wedgwood Road, Suite 120
Maple Grove, MN 55311 United States
Telephone 1 (612) 420-8000
Fax 1 (612) 420-8003
<http://www.capital.bombardier.com>

August 23, 1999

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

RECORDATION NO.

22389
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 February 8, 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:

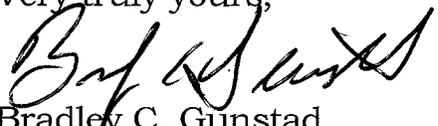
Lessor: Bombardier Capital Rail Inc.
(formerly called NorRail, Inc.)
6900 Wedgwood Road, Suite 120
Maple Grove, MN 55311
Phone: 612-416-7205

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 five (5) 5650 Cu. Ft. Covered Hopper Railcars bearing reporting marks and numbers NRLX056262 through NRLX056266, inclusive.

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 C. Gunstad
Vice President & General Counsel
Enclosures

RECORDATION NO. 22389 FILED

REC'D FEB - 8 1999

SEP 7 '99 2-30 PM

MEMORANDUM OF RAILCAR LEASE AGREEMENT

THIS MEMORANDUM OF RAILCAR LEASE AGREEMENT is made and entered into as of February 8, 1999 by and between 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. 2 to the Lease, Lessor has agreed to lease to Lessee and Lessee has agreed to lease from Lessor the ~~five (5)~~^{2/2/99} 5650 covered hopper railcars bearing the reporting marks and road numbers NRLX056262 through NRLX056266, inclusive, 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.

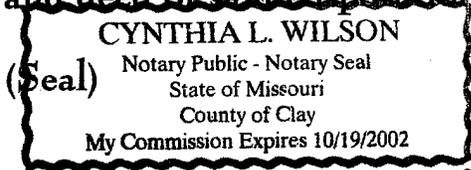
IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Railcar Lease Agreement to be executed as of the date first above written.

Lessor: NORRAIL, INC.
 By: [Signature]
 Its: L. Lee Struble
Vice President Sales
 By: [Signature]
 Its: Bradley C. Gunstad
Vice President & General Counsel

Lessee: FARMLAND INDUSTRIES INC.
 By: [Signature]
 Its: Lynn S. Beecher
Director, Rail Transportation
 By: [Signature]
 Its: MANAGER, RAIL FLEET

STATE OF KANSAS, COUNTY OF CLAY TO WIT:

On this 2nd day of February, 1999 before me personally appeared, Lynn Beecher, to me personally known, who being by me duly sworn, stated that he is the Director, RAZA 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.



Cynthia L. Wilson
Notary Public

My commission expires: 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 8th day of February, 1999 before me personally appeared, L. Lee Stueble and Bradley C. Dunst, to me personally known, who being by me duly sworn, says that they are the V.P. Sales and V.P. General Counsel, respectively of 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.



Gail M. Blagsvedt
Notary Public

My commission expires: 1-31-2000