

First Union Rail Corporation

One O'Hare Center
6250 River Road, Suite 5000
Rosemont, Illinois 60018-4214
847 318-7575
Fax 847 318-7588

RECORDATION NO. 22340 FILED

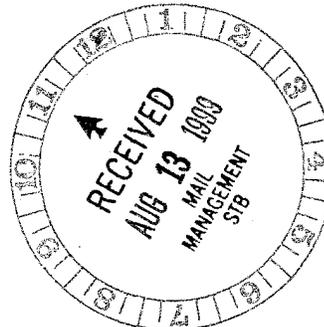
AUG 20 '99

8-15 AM

VIA UPS NEXT DAY AIR



August 12, 1999



Mr. Vernon E. Williams
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

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 May 24, 1999, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: Interstate Commodities, Inc.
7 Madison Street
Troy, NY 12181

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) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,

Tiffany Chase
Manager of Documentation

Enclosures

(INCI001)

INCI001

EXHIBIT A
to
RIDER NO. 1

RECORDATION NO. 22340 FILED
AUG 20 '99 8-15 AM

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 24th day of May, 1999, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Interstate Commodities, Inc. ("Lessee"), a New York corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of May 24, 1999, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 1 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of February 22, 1999 and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

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

By: K.A. Lombrowski

Name: RICHARD F. SEYMOUR

Name: K.A. LOMBROWSKI

Title: Vice President Sales & Marketing

Title: DIRECTOR OF DOCUMENTATION Executed on this 21st day of July, 1999.

[CORPORATE SEAL]

STATE OF ILLINOIS

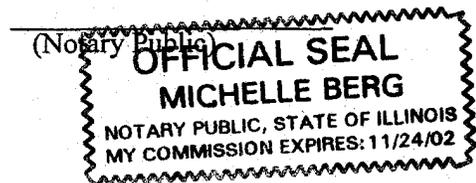
COUNTY OF COOK

I, Michelle Berg, 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.

WITNESS my hand and official stamp or seal, this 21 day of July, 1999.

Michelle Berg
Notary Public

My Commission Expires:



LESSEE:

INTERSTATE COMMODITIES, INC.

By: *Morley A. Daehn Jr.*

Name: MORLEY A. DAEHN JR.

Title: TRANSPORTATION MANAGER

ATTEST:

By: *Gary C. Oberting*

Name: GARY C. OBERTING

Title: Exec V.P.

Executed on this 14 day of JULY, 1999.

[CORPORATE SEAL]

STATE OF New York

COUNTY OF Rensselaer

I, VICTOR A. OBERTING III, a Notary Public of the County and State aforesaid, certify that MORLEY A. DAEHN JR. 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 14 day of JULY, 1999.

[Signature]

Notary Public

Commission Expires:

(Notary Public)

VICTOR A. OBERTING, III
Notary Public, State of New York
No. 020B4984261
Qualified in Albany County
Commission Expires July 15, 2001

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Twenty-five (25)

DESCRIPTION OF CARS: 4750 CU. FT. Covered Hoppers

CAR NUMBERS: NDYX 475182
NDYX 475186
NDYX 475190
NDYX 475192
NDYX 475200
NDYX 475202
NDYX 475208
NDYX 475211
NCYX 475217
NDYX 475230
NDYX 475238
NDYX 475242
NDYX 475243
NDYX 475246
NDYX 475248
NDYX 475249
NDYX 475254
NDYX 475256
NDYX 475258
NDYX 475263
NDYX 475264
NDYX 475265
NDYX 475272
NDYX 475274
NDYX 475279