

RECORDATION NO. 22363 FILED

AUG 26 '99 12: - PM



**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

Dear Sir or Madam,

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) originals of Memorandum of Railcar Lease Agreement dated as of February 26, 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:

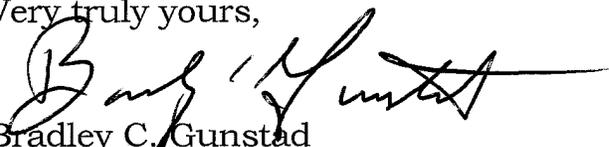
Lessor: Bombardier Capital Rail Inc.  
(formerly called NorRail, Inc.)  
6900 Wedgwood Road, Suite 120  
Maple Grove, MN 55311  
Phone: 612-416-7205

Lessee: The Kansas City Southern Railway Company  
114 West 11<sup>th</sup> Street  
Kansas City, MO 64105-1804  
Phone: 816-468-4828

The enclosed Memorandum of Railcar Lease Agreement covers the two hundred fifty (250) 60' 9" Plate F, 100 Ton Autoparts Boxcars Railcars bearing reporting marks and numbers KCS 759000 through KCS 759249, 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

REC'D MAR 15 1999

REC'D APR 1 1999

**MEMORANDUM OF RAILCAR LEASE AGREEMENT**

Agreement No. 1748, Schedule No. 3

22363

FILED  
12:00 PM  
AUG 26 '99

THIS MEMORANDUM OF RAILCAR LEASE AGREEMENT is made and entered into as of February 26, 1999 by and between NorRail, Inc., a Minnesota Corporation ("Lessor") and The Kansas City Southern Railway Company, a Missouri 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 Net Lease Agreement No. 1748 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 two hundred fifty (250) 60' 9" Plate F, 100 Ton Autoparts Boxcars bearing the reporting marks and road numbers KCS 759000 through KCS 759249, 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.

Lessee: NORRAIL, INC.

Lessor: THE KANSAS CITY SOUTHERN RAILWAY COMPANY

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

By: Steven L. Hepler  
Its: Vice President Transport Services

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

By: [Signature]  
Its: [Signature]

APPROVED AS TO FORM

R.C. By / [Signature]

STATE OF MISSOURI, COUNTY OF Jackson TO WIT:

On this 26<sup>th</sup> day of February, 1999 before me personally appeared, Steven L. Hefley and Vaughn W. Short, to me personally known, who being by me duly sworn, says that they are the VP-Transportation Services and VP-DBU, respectively of The Kansas City Railway Company, a Missouri 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)

Julie A. Robinson  
Notary Public

My commission expires: \_\_\_\_\_

**JULIE A. ROBINSON**  
Notary Public - Notary Seal  
Commissioned in Jackson County  
My Commission Expires July 14, 2002

STATE OF MINNESOTA, COUNTY OF WRIGHT TO WIT:

On this 26<sup>th</sup> day of February, 1999 before me personally appeared, L. Lee Stuble and Bradley C. Dunstad, to me personally known, who being by me duly sworn, says that they are the VP Sales and VP 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.

(Seal)

 **GAIL M. BLAGSVEDT**  
NOTARY PUBLIC - MINNESOTA  
WRIGHT COUNTY  
My commission expires 1-31-2000

Gail M. Blagsvedt  
Notary Public

My commission expires: 1-31-2000