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January 2, 1996

VIA OVERNIGHT COURIER

Mr. Vernon A. Williams
Secretary
Interstate Commerce Commission
12th Street and Constitution Avenues
Washington, D.C. 20423

Attention: Janice Fort, Room 2311

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 48 U.S.C. Section 11303(a) are one original executed copy and three photostatic copies of a Memorandum of Lease Agreement, dated as of December 1, 1995, a primary document as defined in the Commissioner's Rules for the Recordation of Documents. The Memorandum of Lease is with respect to that certain Railcar Equipment Lease, dated as of December 1, 1995 and Rider 1 thereto, dated as of December 1, 1995, between Johnstown America Industries, Inc., as lessor, and Illinois Central Railroad Company, as lessee.

The names and addresses of the parties to the enclosed Memorandum of Lease Agreement are:

Lessor: Johnstown America Industries, Inc.
980 North Michigan Avenue
Suite 1000
Chicago, Illinois 60611

Lessee: Illinois Central Railroad Company
17641 South Ashland Avenue
Homewood, Illinois 60430

Mr. Vernon A. Williams
January 2, 1996
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A description of the railroad equipment covered by the enclosed document is set forth in the Memorandum of Lease Agreement.

Also enclosed is a check in the amount of \$21.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return the three stamped photostatic copies of the enclosed document and the stamped photostatic copy of this letter to Mari Y. Regnier at Ross & Hardies, 150 North Michigan Avenue, Suite 3100, Chicago, Illinois 60601.

Following is a short summary of the enclosed document:

Document to be Recorded

Memorandum of Lease Agreement, dated as of December 1, 1995, by and between Johnstown America Industries, Inc., as Lessor, and Illinois Central Railroad Company, as Lessee, with respect to that certain Railcar Equipment Lease, dated as of December 1, 1995 and Rider 1 thereto, dated as of December 1, 1995, covering 70 mill gondola cars.

Very truly yours,


Mari Y. Regnier

w/encl.

cc: Robert W. Kleinman
Susan G. Lichtenfeld



Interstate Commerce Commission
Washington, D.C. 20423-0001

1/3/96

Office Of The Secretary

Mari Y. Regnier
Rosé & Herdies
150 North Michigan Avenue
Chicago, Illinois 60601-7567

Dear

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 1/3/96 at 10:30AM, and assigned recordation number(s). 19867.

Sincerely yours,

Vernon A. Williams
Secretary

Enclosure(s)

\$ 21.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature

19867

MEMORANDUM OF LEASE AGREEMENT

This Memorandum of Lease Agreement, dated as of December 1, 1995, is made and entered into by and between Johnstown America Industries, Inc. (hereinafter referred to as "Lessor"), and Illinois Central Railroad Company (hereinafter referred to as "Lessee"), respecting that certain Railroad Full Service Equipment Lease dated as of December 1, 1995 (the "Lease") between Lessor and Lessee, and Rider 1 thereto ("Rider").

Pursuant to the provisions of the Lease and Rider 1, Lessor and Lessee hereby acknowledge and affirm that:

1. For good and valuable consideration, Lessor leases to lessee and Lessee leases from Lessor the mill gondola cars described on Schedule A hereto (the "Railcars"). The Railcars bear the railroad reporting marks set forth on Schedule A hereto.

2. The term of the Lease for the Railcars shall commence on December 1, 1995 and shall terminate on November 30, 2005, provided that the Lease may be sooner terminated as provided in the Lease and in Rider 1.

3. Lessor and Lessee further acknowledge and affirm that this Memorandum of Lease is not a summary of the Lease or Rider 1, nor a complete recitation of the terms and provisions thereof. Accordingly, Lessor and Lessee hereby agree that this Memorandum of Lease shall not be used in interpreting the Lease provisions or the provisions of Rider 1, and that, in the event of a conflict between this Memorandum of Lease and the provisions of the Lease or Rider 1, the provisions of the Lease or Rider 1, as the case may be, shall control.

4. This Memorandum of Lease may be executed in one or more counterparts, all of which taken together shall constitute one instrument.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Memorandum of Lease to be duly executed in its corporate name by its officers, thereunto duly authorized, as of the date first above written and each of the undersigned signatories hereto declares pursuant to 28 U.S.C. § 1746 under penalty of perjury

under the laws of the United States of America that the foregoing is a true and correct document and was executed and delivered as of the date first above written.

LESSOR:

JOHNSTOWN AMERICA INDUSTRIES, INC.

By: 
Its: V. P. & T. Trueson

LESSEE:

ILLINOIS CENTRAL RAILROAD COMPANY

By: 
Its: _____

STATE OF ILLINOIS)
) SS.:
COUNTY OF COOK)

On this 29th day of December, 1995, before me personally appeared DAVID W. RIESMEYER to me personally known, who, being by me duly sworn, says that he is VP & TREASURER of JOHNSTOWN AMERICA INDUSTRIES, INC. that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Signature]
Notary Public

[Notarial Seal]

My Commission Expires 2/7/98

OFFICIAL SEAL
MICHAEL SZKLEBIK
Notary Public, State of Illinois
My Commission Expires Feb. 7, 1998

STATE OF ILLINOIS)
) SS.:
COUNTY OF COOK)

On this 21st day of December, 1995, before me personally appeared WG GAFFNEY, to me personally known, who, being by me duly sworn, says that he is SUPV. PATROL MGMT of ILLINOIS CENTRAL RAILROAD COMPANY that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

"OFFICIAL SEAL"
Louis W. Krause
Notary Public, State of Illinois
My Commission Expires

[Signature]
Notary Public

[Notarial Seal]

My Commission Expires MAY 11, 1996

SCHEDULE A

<u>No. of Units</u>	<u>Description</u>	<u>Road/Serial Numbers</u>
70	Mill Gondola Cars	IC 294900 - IC 294969 (both inclusive)