

CRAVATH, SWAIN & MOORE

FEB 11 1997 12:09 PM

WORLDWIDE PLAZA
825 EIGHTH AVENUE
NEW YORK, NY 10019-7475

TELEPHONE (212) 474-1000
FACSIMILE (212) 474-3700

33 KING WILLIAM STREET LONDON EC4R 9DU ENGLAND
TELEPHONE 44 171 453 1000
FACSIMILE 44 171 860 1150
SUITE 2609, ASIA PACIFIC FINANCE TOWER
3 GARDEN ROAD, CENTRAL HONG KONG
TELEPHONE 852 2509 7200
FACSIMILE 852 2509 7272

WRITER'S DIRECT DIAL NUMBER

(212) 474-1820

B ROBBINS KIESSLING
ROGER D TURNER
PHILIP A GELSTON
RORY O MILLSON
NEIL P WESTREICH
FRANCIS P BARRON
RICHARD W CLARY
WILLIAM P ROGERS, JR
JAMES D COOPER
STEPHEN L GORDON
ROBERT A KINDLER
DANIEL L MOSLEY
GREGORY M SHAW
PETER S WILSON
JAMES C VARDELL, III
ROBERT H BARON
KEVIN J GREHAN
W CLAYTON JOHNSON
STEPHEN S MADSEN
C ALLEN PARKER
MARC S ROSENBERG
WILLIAM B BRANNAN
LEWIS R STEINBERG
SUSAN WEBSTER
WILLIAM H WIDEN
TIMOTHY G MASSAD
DAVID MERCADO
ROWAN D WILSON
JOHN T GAFFNEY
PETER T BARBUR
SANDRA C GOLDSTEIN
PAUL MICHALSKI
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MICHAEL S GOLDMAN
GEORGE W BILICIC, JR
RICHARD HALL

SAMUEL C BUTLER
GEORGE J GILLESPIE, III
THOMAS D BARR
MELVIN L BEDRICK
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RICHARD J HIEGEL
FREDERICK A O SCHWARZ, JR
CHRISTINE BESHAR
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RECEIVED
SURFACE TRANSPORTATION BOARD
FEB 11 12 08 PM '97

February 7, 1997

Dear Mr. Williams:

In accordance with 49 U.S.C. §11301, we submit herewith for recording with the Surface Transportation Board original counterparts of the document described below.

This document is a Memorandum of Lease Agreement, a "primary document", dated as of February 5, 1997.

The names and addresses of the parties to the primary document are as follows:

LESSOR: Leone Lease Ltd.
c/o CitiLease Co., Ltd.
2-3-14 Higashi-shinagawa
Shinagawa-ku
Tokyo 140, Japan

LESSEE: Norfolk Southern Railway Company
Three Commercial Place
Norfolk, VA 23510

The equipment covered by the document is as follows:

<u>Number of Units</u>	<u>General Description</u>	<u>AAR Symbol</u>	<u>Railroad's Road Numbers (both inclusive)</u>
40	6-axle diesel-electric locomotives	C-C	9020-9059

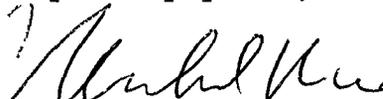
The recordation fee of \$21.00 is enclosed. After recordation, please return the counterparts not needed by the Board, stamped with the Board's recordation data, to the undersigned at the above address.

A short summary of the document for use in the index follows:

Memorandum of Lease Agreement dated as of February 5, 1997, between Leone Lease Ltd., as lessor, and Norfolk Southern Railway Company, as lessee, and covering 40 diesel-electric locomotives (numbered NS 9020-9059).

Please acknowledge receipt on the enclosed copy of this letter.

Very truly yours,


Michael Rice

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
12th and Constitution Avenue, N.W.
Washington, DC 20423

Encl.

**SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20427-0001**

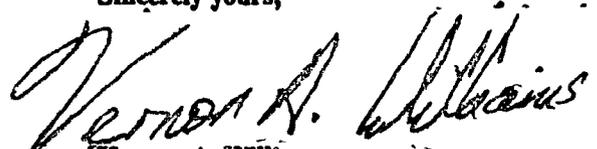
2/11/97

Michael Rice
Cravath, Swaine & Moore
Worldwide Plaza
825 Eighth Avenue
New York, New York 10019-7475

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 2/11/97 at 12:10PM , and assigned recordation number(s). 20543, 20544, 20544-A and 20545.

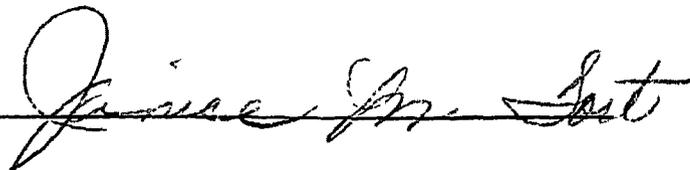
Sincerely yours,


Vernon A. Williams
Secretary

Enclosure(s)

\$ 88.00 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



FEB 11 1997 12:01 PM

MEMORANDUM OF LEASE AGREEMENT dated as of February 5, 1997, between LEONE LEASE LTD., a corporation organized under the laws of Japan (hereinafter called the Lessor), and NORFOLK SOUTHERN RAILWAY COMPANY, a Virginia corporation (hereinafter called the Lessee).

WHEREAS the Lessor and the Lessee are entering into that certain Lease Agreement dated as of the date hereof and supplements thereto, covering the railroad locomotives listed in Schedule A hereto.

IN WITNESS WHEREOF, the parties wish to show for the public record the ownership of the said locomotives by the Lessor, and the leasehold interest in the said locomotives of the Lessee, and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

LEONE LEASE LTD.

by James F. Hagg

NORFOLK SOUTHERN RAILWAY COMPANY

by _____

MEMORANDUM OF LEASE AGREEMENT dated as of February 5, 1997, between LEONE LEASE LTD., a corporation organized under the laws of Japan (hereinafter called the Lessor), and NORFOLK SOUTHERN RAILWAY COMPANY, a Virginia corporation (hereinafter called the Lessee).

WHEREAS the Lessor and the Lessee are entering into that certain Lease Agreement dated as of the date hereof and supplements thereto, covering the railroad locomotives listed in Schedule A hereto.

IN WITNESS WHEREOF, the parties wish to show for the public record the ownership of the said locomotives by the Lessor, and the leasehold interest in the said locomotives of the Lessee, and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

LEONE LEASE LTD.

by _____

NORFOLK SOUTHERN RAILWAY COMPANY

by 

STATE OF NEW YORK)
)
COUNTY OF NEW YORK) SS.:

On this 7th day of February, 1997, before me personally appeared *James F. Bayley*, to me personally known, who, by me being duly sworn, says that he is attorney-in-fact for LEONE LEASE LTD., and 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.

Erica M. Slezak
Notary Public
ERICA M SLEZAK
Notary Public State of New York
No. 02SL5042488
Qualified In Nassau County
Commission Expires April 24, 1997

My commission expires

COMMONWEALTH OF VIRGINIA)
)
CITY OF NORFOLK) SS.:

On this _____ day of February, 1997, before me personally appeared James N. Bayley, to me personally known, who, by me being duly sworn, says that he is an authorized agent of NORFOLK SOUTHERN RAILWAY 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.

.....
Notary Public

My commission expires

STATE OF NEW YORK)
)
COUNTY OF NEW YORK) SS.:

On this day of February, 1997, before me personally appeared , to me personally known, who, by me being duly sworn, says that he is attorney-in-fact for LEONE LEASE LTD., and 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.

.....
Notary Public

My commission expires

COMMONWEALTH OF VIRGINIA)
)
CITY OF NORFOLK) SS.:

On this *5th* day of February, 1997, before me personally appeared James N. Bayley, to me personally known, who, by me being duly sworn, says that he is an authorized agent of NORFOLK SOUTHERN RAILWAY 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.

.....
Edna M. Hobbs
Notary Public

My commission expires

My Commission Expires February 28, 1998



SCHEDULE A

<u>Quantity</u>	<u>Description</u>	Norfolk Southern Railway Company <u>Road Numbers</u>
	General Electric model DASH 9-40CW diesel-electric locomotives	through