

RECORDATION NO. 21952 FILED

JAN 13 '99

1-50PM

ALVORD AND ALVORD
ATTORNEYS AT LAW
918 SIXTEENTH STREET, N.W.
SUITE 200
WASHINGTON, D.C.

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

20006-2973
(202) 393-2266
FAX (202) 393-2156

OF COUNSEL
URBAN A. LESTER

RECORDATION NO. 21952-A, B, C, D FILED

JAN 13 '99

1-50PM

JAN 13 1 50 PM '99

RECEIVED
SURFACE TRANSPORTATION
BOARD

January 13, 1999

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Re: NorRail (1999A-1)

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are five (5) copies of a Memorandum of Lease (1999A-1), dated as of January 14, 1999, a primary document as defined in the Board's Rules for the Recordation of Documents; and five (5) copies of each of the following secondary documents related thereto: a Memorandum Lease Supplement (1999A-1) No. 1, dated January 14, 1999, Trust Indenture and Security Agreement (1999A-1), dated as of January 14, 1999, Indenture Supplement (1999A-1) No. 1, dated January 14, 1999 and Lease Assignment (1999A-1), dated as of January 14, 1999.

The names and addresses of the parties to the enclosed documents are:

Lease Agreement
Lease Supplement No. 1

Owner Trustee/Lessor: First Omni Bank, National Association
499 Mitchell Street
Millsboro, Delaware 19966

Lessee: NorRail, Inc.
308 12th Avenue South
Buffalo, Minnesota 55313

Counterparts - 9/2/99

Mr. Vernon A. Williams
January 13, 1999
Page 2

Indenture and Security Agreement
Indenture Supplement No. 1
and Lease Assignment

Owner Trustee/
Assignor: First Omni Bank, National Association
499 Mitchell Street
Millsboro, Delaware 19966

Indenture Trustee/
Assignee Wilmington Trust Company
Rodney Square North
1100 North Market Street
Wilmington, Delaware 19890

A description of the railroad equipment covered by the enclosed documents is set forth on Exhibit A attached hereto.

Also enclosed is a check in the amount of \$130.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed documents to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/bg
Enclosures

Exhibit A

Number of Cars	Car Type	Car Numbers	Builder
250	52' 6" Mill Gondolas	CR 585700 thru CR 585949	Trinity
250	52' 6" Mill Gondolas	NS 195335 thru NS 195424 NS 195426 thru NS 195437 NS 195439 thru NS 195442 NS 195444, NS 195446 NS 195448, NS 195450 NS 195452 thru NS 195460 NS 195462 thru NS 195465 NS 195467 thru NS 195468 NS 195470 thru NS 195474 NS 195477 thru NS 195478 NS 195480 thru NS 195496 NS 195498 thru NS 195518 NS 195520 thru NS 195532 NS 195534 thru NS 195553 NS 195555 thru NS 195557 NS 195559 NS 195561 thru NS 195567 NS 195570 thru NS 195571 NS 195573 thru NS 195574 NS 195576 thru NS 195582 NS 195588 thru NS 195593 NS 195595 NS 195604 thru NS 195605 NS 195607 thru NS 195608 NS 195614 thru NS 195618 NS 195620 thru NS 195622 NS 195625 thru NS 195626 NS 195628 NS 195636 thru NS 195638	Trinity
25	73' Center Beam Bulkhead Flatcar	DR 007050 thru DR 007074	National
150	73' Center Beam Bulkhead Flatcar	SSAM 038600 thru SSAM 038749	National
50	73' Center Beam Bulkhead Flatcar	TR 165500 thru TR 165549	National
80	73' Center Beam Bulkhead Flatcar	CHTT 273320 thru CHTT 273399	National
50	73' Center Beam Bulkhead Flatcar	TR 165555 thru TR 165604	National
100	3250 Cubic Foot capacity Covered. Hoppers	NRLX 032606 thru NRLX 032705	Thrall
120	5161 Cubic Foot capacity Covered. Hoppers	NRLX 005900 thru NRLX 006019	Trinity
85	5400 Cubic Foot capacity Covered. Hoppers	NRLX 054115 thru NRLX 054199	Thrall
50	5851 Cubic Foot capacity Covered. Hoppers	NRLX 058000 thru NRLX 058005 NRLX 058007 thru NRLX 058018 NRLX 058020, 058021, 058026, 058044, 058049, 058055, 058060, 058063, 058064 NRLX 058068 thru NRLX 058084 NRLX 058086, 058088, 058089, 058090, 058097, 058099	Trinity
54	5650 Cubic Foot Capacity Pressure Discharge Covered Hoppers	FMLX 066001 thru FMLX 066054	Trinity
21	5650 Cubic Foot Capacity Pressure Discharge Covered Hoppers	NRLX 056055 thru NRLX 056059 NRLX 056134 thru NRLX 056149	Trinity
20	3260 Cubic Foot capacity Covered. Hoppers	NRLX 032706 thru NRLX 032725	Trinity
1305			

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20423-0001

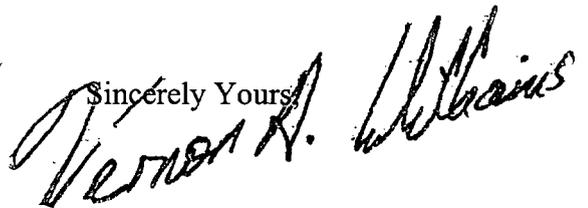
OFFICE OF THE SECRETARY

Robert W. Alvord
Alvord and Alvord
918 Sixteenth Street, NW., Ste. 200
Washington, DC., 20006-2973

Dear Sir:

The enclosed documents (s) was recorded pursuant to the provisions of 49 U.S.C.
11301 and CFR 1177.3 (c), on 1/13/99 at 1:50PM, and
assigned recordation numbers (s): 21952, 21952-A, 21952-B, 21952-C, 21952-D
and 18373-A.

Sincerely Yours,



Vernon A. Williams

Enclosure(s)
156.00

\$_____ 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. In the event of an error or any questions concerning this fee, you will receive a notification after the Surface Transportation Board has an opportunity to examine your document.

Signature _____



MEMORANDUM OF LEASE (1999A-1) JAN 13 '99 1-50 PM

MEMORANDUM OF LEASE (1999A-1), made and entered into as of January 14, 1999 by and between FIRST OMNI BANK, NATIONAL ASSOCIATION, a national banking association, not in its individual capacity, but solely as Owner Trustee under the Trust Agreement (1999A-1) dated as of January 14, 1999, as Lessor (the "Lessor") and NORRAIL, INC., a Minnesota corporation, as Lessee (the "Lessee").

WITNESSETH:

The undersigned have entered into the certain Lease Agreement (1999A-1), dated as of January 14, 1999 (the "Lease"), whereby the Lessor has agreed to lease to the Lessee and the Lessee has agreed to lease from the Lessor certain railroad rolling stock bearing road numbers as listed on Exhibit A attached hereto, subject to the term defined in said Lease.

IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

FIRST OMNI BANK, NATIONAL ASSOCIATION, not in its individual capacity, but solely as Owner Trustee under the Trust Agreement (1999A-1) dated as of January 14, 1999.

By: Robert D. Brown
Name: Robert D. Brown
Title: Vice President

NORRAIL, INC.

By: _____
Name:
Title:

By: _____
Name:
Title:

MEMORANDUM OF LEASE (1999A-1)

MEMORANDUM OF LEASE (1999A-1), made and entered into as of January 14, 1999 by and between FIRST OMNI BANK, NATIONAL ASSOCIATION, a national banking association, not in its individual capacity, but solely as Owner Trustee under the Trust Agreement (1999A-1) dated as of January 14, 1999, as Lessor (the "Lessor") and NORRAIL, INC., a Minnesota corporation, as Lessee (the "Lessee").

WITNESSETH:

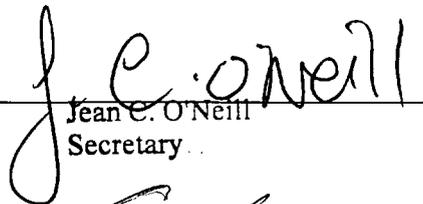
The undersigned have entered into the certain Lease Agreement (1999A-1), dated as of January 14, 1999 (the "Lease"), whereby the Lessor has agreed to lease to the Lessee and the Lessee has agreed to lease from the Lessor certain railroad rolling stock bearing road numbers as listed on Exhibit A attached hereto, subject to the term defined in said Lease.

IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

FIRST OMNI BANK, NATIONAL ASSOCIATION, not in its individual capacity, but solely as Owner Trustee under the Trust Agreement (1999A-1) dated as of January 14, 1999.

By: _____
Name:
Title:

NORRAIL, INC.

By: 
Name: Jean C. O'Neill
Title: Secretary

By: 
Name: ANDREW BARANOWSKY
Title: TREASURER

STATE OF MD)
City of Baltimore) SS.:
COUNTY OF)

On this, the __ day of January, 1999, before me, a Notary Public in and for said County and State, personally appeared Robert D. Brown who being by me duly sworn, says that (s)he is the Vice President of FIRST OMNI BANK, NATIONAL ASSOCIATION, not in its individual capacity, but solely as Owner Trustee under the Trust Agreement (1999A-1) dated as of January 14, 1999, that said instrument was signed on January __, 1999 on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation, as Owner Trustee.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.



Richard K. Bailey

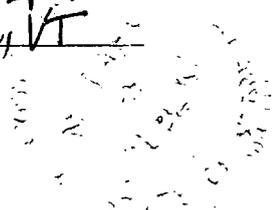
Name: Richard K. Bailey
Notary Public **MY COMMISSION EXPIRES 4/13/02**
My Commission Expires:
Residing in Baltimore

STATE OF Vermont
) SS.:
COUNTY OF Chittenden

On this, the 12th day of January, 1999, before me, a Notary Public in and for said County and State, personally appeared Sean O'Neil, who being by me duly sworn, says that (s)he is the Secretary of NORRAIL, INC., that said instrument was signed on January 12 1999 on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Lynn V. Denton
Name: Lynn V. Denton
Notary Public
My Commission Expires: 2/10/99
Residing in Georgia, VT



STATE OF Vermont
) SS.:
COUNTY OF Chittenden

On this, the 12th day of January, 1999, before me, a Notary Public in and for said County and State, personally appeared Andrew Baranowski who being by me duly sworn, says that (s)he is the Treasurer of NORRAIL, INC., that said instrument was signed on January 12 1999 on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Lynn V. Denton
Name: Lynn V. Denton
Notary Public
My Commission Expires: 2/10/99
Residing in Georgia, VT



Exhibit A

Number of Cars	Car Type	Car Numbers	Builder
250	52' 6" Mill Gondolas	CR 585700 thru CR 585949	Trinity
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