

BALL JANIK LLP

A T T O R N E Y S

1455 F STREET, NW, SUITE 225
WASHINGTON, D.C. 20005

TELEPHONE 202-638-3307
FACSIMILE 202-783-6947

RECORDATION NO. 20421 FILED 1495
DEC 24 1996 11 25 AM

LOUIS E. GITOMER
Of COUNSEL
(202) 466-6532

lgitomer@bjllp.com

December 24, 1996

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

Dear Secretary Williams:

I have enclosed two originals of the document described below, to be recorded pursuant to 49 U.S.C. § 11301.

The document is a Memorandum of Lease Agreement, a primary document, dated as of December 23, 1996. Please record this primary document under the next available recordation number.

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

Lessor:

General Electric Capital Corporation
Four Northpark Drive
Fifth Floor
Hunt Valley, MD 21030

Lessee:

Weirton Steel Corporation
400 Three Springs Drive
Weirton, WV 36062

A description of the equipment covered by the document consists of one SW 1000 locomotive numbered WSX 007.

Counterparts

RECEIVED
SURFACE TRANSPORTATION
BOARD

DEC 24 11 20 AM '96

BALL JANIK LLP

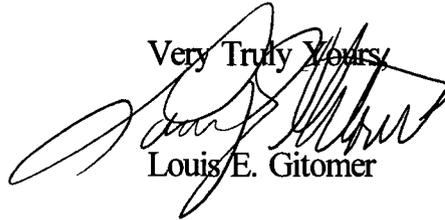
Honorable Vernon A. Williams
December 24, 1996
Page 2

A fee of \$22.00 is enclosed. Please return one original of the document to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
1455 F Street, N.W.
Suite 225
Washington, DC 20005

A short summary of the document to appear in the index follows: a Memorandum of Lease Agreement, between General Electric Capital Corporation, Four Northpark Drive, Fifth Floor, Hunt Valley, MD 21030, and Weirton Steel Corporation, 400 Three Springs Drive, Weirton, WV 36062, covering one locomotive numbered WSX 007.

Very Truly Yours,



Louis E. Gitomer

Enclosure

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

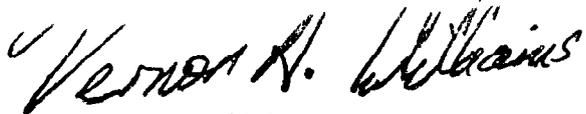
12/24/96

Louis E. Gitomer
Of Counsel
Ball Janik LLP
1455 F Street, NW, Ste 225
Washington, DC., 20005

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 12/24/96 at 11:25AM , and assigned recordation number(s).20421.

Sincerely yours,

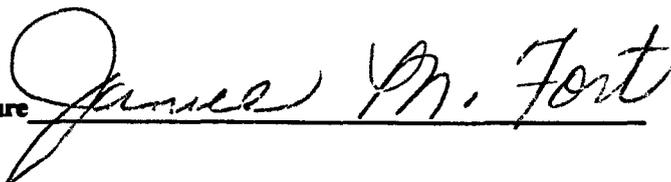


Vernon A. Williams
Secretary

Enclosure(s)

\$ 22.00 . 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



DEC 2nd 1996 - 11 25 AM

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of the 23rd day of December, 1996, by and between GENERAL ELECTRIC CAPITAL CORPORATION ("Lessor") and WEIRTON STEEL CORPORATION ("Lessee").

WITNESSETH:

1. The undersigned have entered into that certain Equipment Schedule No. 006 dated as of December 23rd, 1996, pursuant to and incorporating by reference that certain Master Lease Agreement dated as of September 1, 1993 (the "Lease Agreement"), whereby Lessor has agreed to lease to Lessee and Lessee has agreed to lease from Lessor a certain locomotive bearing the reporting mark as listed on Annex A attached hereto (the "Equipment") effective as of December 23rd 1996.

2. Lessor hereby leases the Equipment to Lessee on the terms and conditions contained in the Lease Agreement and Lessor is hereby entitled to all of the rights reserved or granted to Lessor in the Lease Agreement.

3. The term of the Lease Agreement commences on December 23rd 1996, and, subject to the terms of the Lease Agreement, terminates on December 23rd 2003.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum of Lease Agreement to be duly executed by their officers duly authorized as of the day and year first above written.

GENERAL ELECTRIC CAPITAL CORPORATION

By: [Signature]
Name: Shobhit R. Bhal
Title: Senior Credit Analyst

Executed on this 23 day of December, 1996

WEIRTON STEEL CORPORATION

By: [Signature]
Name: Narendra M. Pathipati
Title: VP-Corporate Development & Strategy

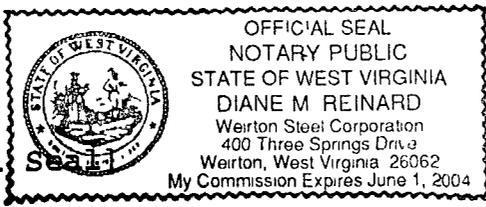
Executed on this 19 day of December, 1996

STATE OF WEST VIRGINIA)
)
COUNTY OF Brooke)

ss.:

On this 19th day of December, 1996, before me personally appeared Narendra M. Pathipati, to me personally known, who, being by me duly sworn, says that he/she is a Vice President of Weirton Steel Corporation, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Diane M. Reinard
Notary Public



[Notarial Seal]

My Commission Expires _____, 199_

STATE OF MARYLAND)
)
COUNTY OF BALTIMORE)

ss.:

On this 23rd day of December, 1996, before me personally appeared Robert Blee, to me personally known, who, being by me duly sworn, says that he/she is a Sp. Cr. Analyst of GENERAL ELECTRIC CAPITAL CORPORATION, and that said instrument was signed on behalf of said corporation by authority of its Board of Directors and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Tracy E. Peggiam
Notary Public

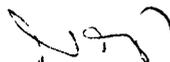
[Notarial Seal]

My Commission Expires 8-20, 1998

ANNEX A
TO
EQUIPMENT SCHEDULE NO. 006
TO MASTER LEASE AGREEMENT
DATED AS OF September 1, 1993

DESCRIPTION OF EQUIPMENT

<u>Vendor</u>	<u>Qty</u>	<u>Description</u>	<u>Cost</u>
Equipment Location:		400 Three Springs Drive Weirton, WV 36062	
Motive Power, Inc P O Box 243 Northville, MI 48167-0243			
Invoice #1048	1	Reconditioned SW1000 Locomotive S/N 32587 Running Number: WSX007	\$ 341,190 37
Invoice #1050			
Invoice #1033			
Cattron Incorporated 58 West Shenango Street Sharpsville, PA 16150-1198			
Invoice #333873		Diagnostic Laptop Observer	49,336 00
		Freight	187 66
		Invoice Total	49,523 66
Invoice #334377		Datalog Download for Printer	840 00
		Freight	8 90
		Invoice Total	848 90
		ANNEX A - TOTAL:	\$391,562.93

Lessee's initials 
Lessor's initials 