



First Union Rail Corporation
 One O'Hare Center
 6250 River Road, Suite 5000
 Rosemont, IL 60018-4214
 Tel 847 318-7575
 Fax 847 318-7588
<http://www.firstunion.com/rail>

VIA UPS NEXT DAY AIR

August 18, 2000

RECORDATION NO. 23054 FILED

Mr. Vernon E. Williams
 Surface Transportation Board
 1925 K Street, N.W., Room 704
 Washington, DC 20423-0001
 Attn: Recordation of Railroad Equipment

AUG 17 '00 3-19 PM
 TS
 SURFACE TRANSPORTATION BOARD

RECEIVED
 AUG 21 2000
 MAIL
 MANAGEMENT
 STB

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated March 9, 2000, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board.

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

| | |
|---|---|
| <p>Lessor: First Union Rail Corporation One O'Hare Center 6250 River Road, Suite 5000 Rosemont, IL 60018</p> | <p>Lessee: CSX Transportation, Inc. 500 Water Street Jacksonville, FL 32202</p> |
|---|---|

A description of the railroad equipment covered by the enclosed document is 50 locomotives, with car numbers FURX 3000-3049, inclusive.

A short summary of the document to appear in the index follows:

Memorandum of Lease between First Union Rail Corporation, Lessor and CSX Transportation, Inc., Lessee, covering fifty locomotives, car numbers FURX 3000-3049, inclusive.

Also enclosed is a 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 original of the enclosed document to the undersigned along with the additional copies.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5342. Thank you for your cooperation in this matter.

Very truly yours,

Tiffany Chase-Morrison
 Manager of Documentation

Enclosures

(CSXT031)

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 9th day of March, 2000, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and CSX Transportation, Inc. ("Lessee"), a Virginia corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Locomotive Lease Agreement (the "Lease"), dated as of February 11, 2000, whereby Lessor has agreed to lease to Lessee certain locomotives pursuant to Schedule No. 1 to the Lease (the "Schedule"), as described in more particular on Exhibit A attached hereto, effective as of March 9, 2000 and subject to the terms, conditions and provisions of the above-mentioned Lease and Schedule.

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

LESSOR:

FIRST UNION RAIL CORPORATION

ATTEST:

By: [Signature]

By: Richard F. Seymour

Name: K. A. SOMBROWSKI

Name: RICHARD F. SEYMOUR
Vice President Sales & Marketing

Title: DIRECTOR OF DOCUMENTATION
Executed on this 9th day of March, 2000.

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 9th day of MARCH, 2000.

Susan Grokulsky
Notary Public

My Commission Expires:

8-14-2000
(Notary Public)



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SURFACE TRANSPORTATION BOARD

LESSEE:

CSX TRANSPORTATION, INC.

By: *John W. Basso*

Name: JOHN W. BASSO

Title: VICE PRESIDENT

ATTEST:

By: *Elaine A. Mosley*

Name: Elaine A. Mosley

Title: Procurement Mgt Services Executed on this 2nd day of March, 2000.

[CORPORATE SEAL]

STATE OF FLORIDA

COUNTY OF DUVAL

I, *Sam R. Raley*, a Notary Public of the County and State aforesaid, certify that *John W. Basso* personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 2nd day of March, 2000.

Sam R. Raley
Notary Public

Commission Expires:
9-26-2003
(Notary Public)

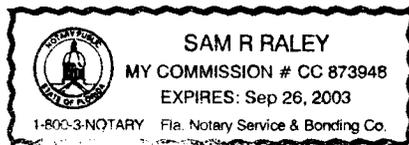


EXHIBIT A
to
MEMORANDUM OF LEASE

| | |
|-----------------------------|------------------|
| NUMBER OF LOCOMOTIVES: | Fifty (50) |
| DESCRIPTION OF LOCOMOTIVES: | SD40-2 |
| LOCOMOTIVE NUMBERS: | FURX 3000 - 3049 |