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SURFACE TRANSPORTATION BOARD

November 4, 2003

Hon. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423-0001
Attn: Equipment recordations

To Whom It May Concern:

I am enclosing for recordation pursuant to the provisions of 49 U.S.C. 11301 a Locomotive Lease Agreement dated October 8, 2003, a primary document.

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

Lessor: National Railway Equipment Co.
14400 S. Robey Street
P.O. Box 2270
Dixmoor, IL 60426

Lessee: Seapac Incorporated
23 Industrial Park Road
Eddyville, KY 42038

A description of the railroad equipment covered by the enclosed document is:

One EMD model SW-1500 switching locomotive
bearing road number NREX 1405

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

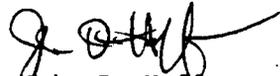
"Locomotive Lease Agreement"

Also enclosed is a check in the amount of \$30 payable to the Surface Transportation Board to cover the required recordation fee.

Hon. Vernon A. Williams
November 4, 2003
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Please date stamp and return to me one copy of the enclosed document.

Sincerely yours,



John D. Heffner

Enclosure

cc: Robert Loewer, Esq.
Joseph L. Voss, Esq.

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of October 8, 2003, by and between NATIONAL RAILWAY EQUIPMENT COMPANY ("Lessor"), and SEAPAC ("Lessee"), with reference to the following:

1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor, Locomotive model(s) described herein.

Each locomotive is fully-described in a certain Lease Agreement dated as of October 8, 2003 (together with all of the riders, schedules and other attachments thereto, collectively, the "Lease"), each between Lessor and Lessee. A Schedule of the equipment is attached hereto.

2. The Lease shall be effective as of the date hereof and shall be subject to the term specified in the Lease, and any extension of such term to the extent provided for in the Lease.

The Memorandum of Lease Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Lease Agreement to be executed as of the date first above written.

LESSEE:

SEAPAC

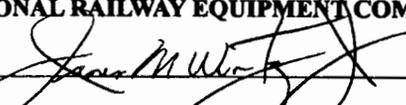
By: 

Name: Mack Kramer

Title: V.P.

LESSOR:

NATIONAL RAILWAY EQUIPMENT COMPANY

By: 

Name: James M. Wurtz, Jr.

Title: Vice President



accordance with the laws of the State of Illinois.

B. Neither this Lease nor any schedule shall be amended, and no provision hereof or of any Schedule shall be waived or varied unless by a writing signed by the parties.

C. No delay or omission by Lessor in exercising any right hereunder shall operate as a waiver of such right or any other right. A waiver by Lessor of any Event of Default by Lessee shall not be construed as a waiver of any future occasion.

D. In case any provision (or portions thereof) in this Lease shall be held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions (or portions thereof) hereby shall not in any way be affected or impaired thereby.

E. This Lease shall be binding upon and inure to the benefit of Lessor and Lessee and their respective successors.

F. All notices permitted or required to be given pursuant to this Lease shall be mailed by Certified or Registered Mail, Return Receipt Requested to the parties at the following addresses or at such other addresses as each party may notify the other.

If to Lessor: National Railway Equipment Company
P.O. Box 2270
Dixmoor, Illinois 61282

If to Lessee: Seapac
23 Industrial Park Road
Eddyville, Kentucky 42038

WITNESS WHEREOF, the parties have executed this Lease the day and year first mentioned above.

LESSOR:

NATIONAL RAILWAY EQUIPMENT CO.

BY:

NAME: James M. Wurtz, Jr.

TITLE: Vice President

ATTEST: Robert E. Loewer, Jr.

BY:

TITLE: Director of Finance

(Corporate Seal)

LESSEE:

SEAPAC

BY:

NAME: Mark Kerner

TITLE: V.P.

ATTEST:

BY:

TITLE:

(Corporate Seal)

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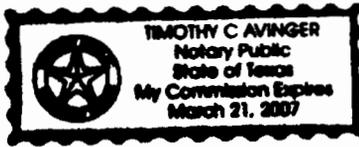
STATE OF TEXAS)
) SS.
COUNTY OF HARRIS)

On this 17th day of October, 2003, before me appeared MARK A. Kramer, the person who signed this instrument who acknowledged that (s) he is the V President of SAAFTC, INC and that, being duly authorized, (s) he signed such instrument as a free act on behalf of said corporation.



Notary Public

[Seal]



My Commission Expires:

March 21, 2007

STATE OF ILLINOIS)
) SS.
COUNTY OF WILL)

On this 22 day of October, 2003, before me appeared Heber, the person who signed this instrument who acknowledged that (s) he is an officer of **NATIONAL RAILWAY EQUIPMENT COMPANY** and that, being duly authorized, (s) he signed such instrument as a free act on behalf of said corporation.



Notary Public

[Seal]



My Commission Expires:

Dec. 30, 2006



