

NATIONAL RAILWAY EQUIPMENT CO.



HOME OFFICE: 14400 S. ROBEY STREET · P. O. BOX 2270 · DIXMOOR, ILLINOIS 60426
TELEPHONE (708) 388-6002 · FAX (708) 388-2487

June 27, 2005

Hon. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423-0001

RECORDATION NO. 25688 FILED

JUL 06 '05

4-08 PM

SURFACE TRANSPORTATION BOARD



Attn: Equipment Recordation

To Whom It May Concern:

I have enclosed for recordation pursuant to the provisions of 49 U.S.C. 11301 a memorandum of lease agreement and a schedule of equipment for a locomotive lease agreement dated May 27, 2005, a primary document under the Board's recordation regulations.

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

Lessor: National Railway Equipment Co.
P.O. Box 2270
Dixmoor, IL 61282

Lessee: Great Western Railway
P.O. Box 69
Shaunovan, Saskatchewan S0N 2M0

A description of the equipment covered by the Lease Agreement is as follows:

One ALCO Model M420R, general purpose locomotive bearing road # NREX
2002

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

"Locomotive Lease Agreement"

Also enclosed is a check in the amount of \$33 payable to the Surface Transportation Board to cover the required recordation fee for the attached agreement.

Please date stamp and return an original copy after recordation to:

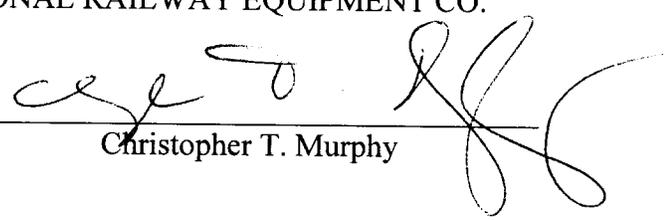
Christopher T. Murphy
National Railway Equipment Co.
14400 South Robey Street
P.O. Box 2270
Dixmoor, IL 60426

Sincerely yours,

NATIONAL RAILWAY EQUIPMENT CO.

By: _____

Christopher T. Murphy

A handwritten signature in black ink, appearing to read 'C. T. Murphy', is written over a horizontal line. The signature is stylized and cursive.

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SURFACE TRANSPORTATION BOARD



MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of May 27, 2005, by and between NATIONAL RAILWAY EQUIPMENT CO. ("Lessor"), and GREAT WESTERN RAILWAY LTD. ("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 May 27, 2005, (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:

GREAT WESTERN RAILWAY LTD.



By: Conrad Johnson
 Name: Conrad Johnson
 Title: Chairman

LESSOR:

NATIONAL RAILWAY EQUIPMENT CO.

By: [Signature]
 1
 0 CD

Name: James M. Wurtz, Jr.

Title: Vice President

STATE OF SASKATCHEWAN)
COUNTY OF CANADA) SS.

CONRAD JOHNSON On this 13 day of JUNE, 2005, before me appeared the person who signed this instrument who acknowledged that (s) he is the CHAIRMAN of GREAT WESTERN RAILWAY LTD and that, being duly authorized, (s) he signed such instrument as a free act on behalf of said corporation.



[Seal]

Keith Hagen

Notary Public

My Commission Expires:

August 31, 2007

STATE OF ILLINOIS)
) SS.
COUNTY OF WILL)

On this 23rd day of June, 2005, before me appeared James M. Wurtz Jr., the person who signed this instrument who acknowledged that (s) he is an officer of NATIONAL RAILWAY EQUIPMENT CO. and that, being duly authorized, (s) he signed such instrument as a free act on behalf of said corporation.



[Seal]

Lisa Fuehrmeyer

Notary Public

My Commission Expires:

SCHEDULE OF EQUIPMENT

Lessor: NATIONAL RAILWAY EQUIPMENT CO.

Lessee: GREAT WESTERN RAILWAY LTD.

Approved by: Conrad Johnson - Chairman GWR
(Lessee to initial each page) *CJ*

Attached to Bill of Sale dated: _____

Equipment Located at:

National Railway Equipment Co.'s
remanufacturing facility in Mt. Vernon, Illinois

Equipment Schedule No.: See Schedule "A"

Manufacturer and/or Vendor
Name & Invoice Number

Equipment
Description

National Railway Equipment Co.

ALCO M420R General Purpose Locomotive