



First Union Rail Corporation
 NC5811
 One O'Hare Center
 6250 River Road, Suite 5000
 Rosemont, IL 60018-4214
 Tel 847 318-7575
 Fax 847 318-7588

RECORDATION NO. 21342-A FILED

VIA UPS NEXT DAY AIR

October 4, 2000

OCT 06 '00 19-88 AM

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

SURFACE TRANSPORTATION BOARD



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 April 17, 2000, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement that was duly filed with the Commission under Recordation number 21342 on December 19, 1997.

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

Lessor: First Union Rail Corporation
 One O'Hare Center
 6250 River Road, Suite 5000
 Rosemont, IL 60018

Lessee: Elgin, Joliet & Eastern Railway Co.
 135 Jamison Lane
 Monroeville, PA 15146

A description of the railroad equipment covered by the enclosed document is two hundred (200) 110 ton covered coil cars equipped with single insulated covers and six (6) coil stops, with car numbers EJE 7500 - 7699, inclusive.

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

Memorandum of Lease between First Union Rail Corporation, Lessor and Elgin, Joliet & Eastern Railway Company, Lessee, covering 200 110 ton covered coil cars equipped with single insulated covers and six (6) coil stops with car numbers EJE 7500 - 7699.

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.

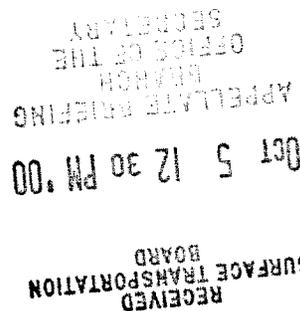
Very truly yours,

Tiffany Chase-Morrison

Tiffany Chase-Morrison
 Manager of Documentation

Enclosures

(EJE007)



LS

ASSGN. NO. EJE007

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 17th day of April, 2000, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and ELGIN, JOLIET AND EASTERN RAILWAY COMPANY ("Lessee"), a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Master Lease Agreement (the "Lease"), dated as of December 19, 1997, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 2 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of April 1, 2000, and subject to the terms, conditions and provisions of the above-mentioned Lease and Rider.

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]
Name: RICHARD E SEYMOUR
Title: Vice President Sales & Marketing
Name: K.A. Dombrowski
Title: DIRECTOR OF DOCUMENTATION
Executed on this 17th day of April, 2000.

[CORPORATE SEAL]

STATE OF ILLINOIS
COUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD E. 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 17th day of APRIL, 2000.

[Signature]
Notary Public

My Commission Expires:

8-14-2000
(Notary Public)



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SURFACE TRANSPORTATION BOARD

LESSEE:

ELGIN, JOLIET AND EASTERN RAILWAY
COMPANY

ATTEST:

By: David M. Seitz
Name: DAVID M SEITZ
Title: SENIOR ATTORNEY
& ASST. SECY

By: JOHN C. PRANATIS
Name: John C. Pranis
Title: VP MARKETING

Executed on this 3rd day of April, 2000.

[CORPORATE SEAL]

STATE OF PENNSYLVANIA
COUNTY OF ALLEGHENY

I, NANCY A. TITOV, a Notary Public of the County and State
aforesaid, certify that JOHN C. PRANATIS 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 3rd day of April, 2000.

Nancy A. Titov
Notary Public

My Commission Expires:

10-17-02
(Notary Public)

Notarial Seal
Nancy A. Titov, Notary Public
Monroeville Boro, Allegheny County
My Commission Expires Oct. 17, 2002

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Two hundred (200)

DESCRIPTION OF CARS: 110 ton Covered Coil cars equipped with single insulated covers (with 28" bale) and six (6) coil stops.

CAR NUMBERS: EJE 7500 - 7699