

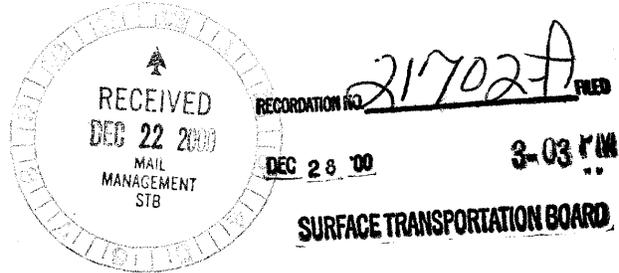


First Union Rail Corporation  
 One O'Hare Center  
 6250 River Road, Suite 5000  
 Rosemont, IL 60018-4214  
 Tel 847 318-7575  
 Fax 847 318-7588

VIA UPS NEXT DAY AIR

December 21, 2000

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



Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are one (1) original and three (3) copies of a Memorandum of Lease Agreement, dated August 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 which was duly filed with the Commission under Recordation number 21702.

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: Norfolk Southern Railway Company          110 Franklin Road SE          Roanoke, VA 24042-0072</p>
---	---

A description of the railroad equipment covered by the enclosed document is six hundred (600) 5150 and 5250 cubic foot covered hopper cars, with car numbers NS 840014 - 850895, non-inclusive.

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

Memorandum of Lease between First Union Rail Corporation, Lessor and Norfolk Southern Railway Company, Lessee, covering 600 5150 and 5250 cubic foot covered hopper cars, with car numbers NS 840014 - 850895, non-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

(NS029)

RECORDATION FILE 21702-A FILED

DEC 28 '00

3-03 PM

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 17<sup>th</sup> day of August, 2000 by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Norfolk Southern Railway Company, a Virginia corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of August 30, 1996, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 18 to the Lease (the "Rider") as described in more particular on Exhibit A attached hereto, effective as of September 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: Richard F. Seymour  
Name: RICHARD F. SEYMOUR  
Title: Vice President Sales & Marketing

By: J. Morrison  
Name: J. MORRISON  
Title: Ag. of Documentation Executed on this 17<sup>th</sup> day of August, 2000

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, K.A. Dombrowski, 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 17<sup>th</sup> day of August, 2000.  
OFFICIAL SEAL  
K. A. DOMBROWSKI  
NOTARY PUBLIC, STATE OF ILLINOIS  
MY COMMISSION EXPIRES 10-7-2001

K. A. Dombrowski  
Notary Public

My Commission Expires:

10-7-2001  
(Notary Public)

LESSEE:

NORFOLK SOUTHERN RAILWAY COMPANY

ATTEST:

By: LA Brooks  
Name: Asst Mgr Serv. Contracts  
Title: LA Brooks

By: S M Reynolds  
Name: S. M. REYNOLDS  
Title: MANAGER - PURCHASING

Executed on this 30<sup>th</sup> day of August, 2000.

[CORPORATE SEAL]

STATE OF VIRGINIA

COUNTY OF ROANOKE

I, E. L. BARNETT, a Notary Public of the County and State aforesaid, certify that S. M. REYNOLDS 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 30 day of AUGUST, 2000.

E. L. Barnett  
Notary Public

My Commission Expires:

JAN. 31, 2003  
(Notary Public)

**EXHIBIT A**  
**to**  
**MEMORANDUM OF LEASE**

NUMBER OF CARS: Six hundred (600)

DESCRIPTION OF CARS: 5150cfc and 5250cfc covered hopper cars,  
286,000 GRL

CAR NUMBERS: See below

NS	840014	NS	840164	NS	840429	NS	840702
NS	840017	NS	840166	NS	840430	NS	840707
NS	840018	NS	840167	NS	840432	NS	840712
NS	840019	NS	840168	NS	840433	NS	840716
NS	840020	NS	840169	NS	840434	NS	840719
NS	840025	NS	840171	NS	840435	NS	840723
NS	840030	NS	840368	NS	840436	NS	840735
NS	840039	NS	840370	NS	840437	NS	840736
NS	840059	NS	840371	NS	840438	NS	840744
NS	840067	NS	840373	NS	840439	NS	840748
NS	840068	NS	840375	NS	840440	NS	840755
NS	840085	NS	840376	NS	840441	NS	840762
NS	840108	NS	840377	NS	840442	NS	840763
NS	840113	NS	840378	NS	840443	NS	840766
NS	840124	NS	840379	NS	840605	NS	840780
NS	840125	NS	840380	NS	840610	NS	840781
NS	840126	NS	840382	NS	840617	NS	840782
NS	840127	NS	840383	NS	840622	NS	840783
NS	840128	NS	840384	NS	840631	NS	840784
NS	840129	NS	840385	NS	840638	NS	840785
NS	840130	NS	840386	NS	840645	NS	840786
NS	840131	NS	840387	NS	840647	NS	840789
NS	840134	NS	840389	NS	840650	NS	840790
NS	840135	NS	840391	NS	840655	NS	840791
NS	840137	NS	840393	NS	840658	NS	840792
NS	840139	NS	840394	NS	840667	NS	840793
NS	840140	NS	840398	NS	840669	NS	840794
NS	840141	NS	840399	NS	840670	NS	840795
NS	840143	NS	840403	NS	840672	NS	840796
NS	840151	NS	840404	NS	840682	NS	840797
NS	840152	NS	840405	NS	840694	NS	840798
NS	840153	NS	840425	NS	840697	NS	840799
NS	840155	NS	840426	NS	840698	NS	840800
NS	840159	NS	840427	NS	840699	NS	840802
NS	840163	NS	840428	NS	840700	NS	840803

NS	840804	NS	840857	NS	840907	NS	850130
NS	840805	NS	840858	NS	850000	NS	850135
NS	840807	NS	840860	NS	850006	NS	850137
NS	840808	NS	840861	NS	850007	NS	850138
NS	840809	NS	840862	NS	850008	NS	850139
NS	840810	NS	840863	NS	850012	NS	850140
NS	840811	NS	840864	NS	850014	NS	850143
NS	840812	NS	840865	NS	850018	NS	850144
NS	840813	NS	840866	NS	850019	NS	850145
NS	840814	NS	840867	NS	850023	NS	850149
NS	840815	NS	840868	NS	850025	NS	850152
NS	840816	NS	840869	NS	850027	NS	850154
NS	840817	NS	840870	NS	850029	NS	850155
NS	840818	NS	840871	NS	850031	NS	850156
NS	840820	NS	840872	NS	850034	NS	850160
NS	840821	NS	840873	NS	850035	NS	850162
NS	840822	NS	840874	NS	850037	NS	850166
NS	840823	NS	840875	NS	850039	NS	850168
NS	840824	NS	840876	NS	850042	NS	850169
NS	840825	NS	840877	NS	850049	NS	850170
NS	840826	NS	840878	NS	850050	NS	850171
NS	840827	NS	840879	NS	850053	NS	850172
NS	840828	NS	840880	NS	850056	NS	850175
NS	840829	NS	840881	NS	850057	NS	850177
NS	840830	NS	840882	NS	850061	NS	850180
NS	840831	NS	840883	NS	850064	NS	850182
NS	840832	NS	840884	NS	850068	NS	850184
NS	840833	NS	840885	NS	850072	NS	850185
NS	840834	NS	840886	NS	850073	NS	850187
NS	840835	NS	840887	NS	850075	NS	850190
NS	840836	NS	840888	NS	850076	NS	850191
NS	840837	NS	840889	NS	850085	NS	850192
NS	840838	NS	840890	NS	850086	NS	850195
NS	840839	NS	840891	NS	850089	NS	850196
NS	840840	NS	840892	NS	850091	NS	850197
NS	840841	NS	840893	NS	850097	NS	850199
NS	840842	NS	840894	NS	850099	NS	850200
NS	840843	NS	840895	NS	850104	NS	850202
NS	840844	NS	840896	NS	850107	NS	850203
NS	840845	NS	840897	NS	850112	NS	850204
NS	840847	NS	840898	NS	850113	NS	850205
NS	840848	NS	840899	NS	850114	NS	850206
NS	840849	NS	840900	NS	850117	NS	850214
NS	840850	NS	840901	NS	850120	NS	850215
NS	840851	NS	840902	NS	850123	NS	850216
NS	840853	NS	840903	NS	850125	NS	850217
NS	840854	NS	840904	NS	850127	NS	850222
NS	840855	NS	840905	NS	850128	NS	850224
NS	840856	NS	840906	NS	850129	NS	850225

NS	850228	NS	850339	NS	850464	NS	850561
NS	850230	NS	850340	NS	850467	NS	850562
NS	850232	NS	850343	NS	850468	NS	850563
NS	850233	NS	850345	NS	850473	NS	850564
NS	850236	NS	850346	NS	850474	NS	850566
NS	850237	NS	850347	NS	850475	NS	850567
NS	850241	NS	850348	NS	850479	NS	850569
NS	850243	NS	850349	NS	850482	NS	850570
NS	850244	NS	850350	NS	850488	NS	850571
NS	850245	NS	850354	NS	850492	NS	850576
NS	850248	NS	850355	NS	850493	NS	850577
NS	850249	NS	850364	NS	850494	NS	850579
NS	850250	NS	850366	NS	850495	NS	850580
NS	850259	NS	850369	NS	850501	NS	850581
NS	850260	NS	850373	NS	850503	NS	850583
NS	850263	NS	850374	NS	850504	NS	850584
NS	850264	NS	850378	NS	850507	NS	850586
NS	850265	NS	850380	NS	850508	NS	850588
NS	850266	NS	850381	NS	850510	NS	850589
NS	850271	NS	850387	NS	850512	NS	850591
NS	850272	NS	850389	NS	850513	NS	850592
NS	850275	NS	850392	NS	850514	NS	850596
NS	850277	NS	850393	NS	850515	NS	850597
NS	850278	NS	850397	NS	850518	NS	850601
NS	850281	NS	850400	NS	850520	NS	850606
NS	850283	NS	850403	NS	850521	NS	850609
NS	850284	NS	850405	NS	850522	NS	850610
NS	850285	NS	850407	NS	850523	NS	850611
NS	850286	NS	850408	NS	850524	NS	850613
NS	850291	NS	850409	NS	850525	NS	850614
NS	850292	NS	850412	NS	850528	NS	850615
NS	850294	NS	850413	NS	850529	NS	850616
NS	850296	NS	850418	NS	850530	NS	850617
NS	850300	NS	850419	NS	850531	NS	850619
NS	850301	NS	850420	NS	850532	NS	850620
NS	850302	NS	850427	NS	850533	NS	850621
NS	850305	NS	850429	NS	850535	NS	850622
NS	850306	NS	850432	NS	850536	NS	850623
NS	850307	NS	850435	NS	850537	NS	850624
NS	850308	NS	850438	NS	850539	NS	850627
NS	850309	NS	850439	NS	850543	NS	850628
NS	850316	NS	850441	NS	850545	NS	850636
NS	850318	NS	850442	NS	850546	NS	850638
NS	850323	NS	850443	NS	850547	NS	850639
NS	850324	NS	850451	NS	850548	NS	850641
NS	850328	NS	850452	NS	850552	NS	850645
NS	850329	NS	850454	NS	850553	NS	850648
NS	850331	NS	850456	NS	850555	NS	
NS	850338	NS	850462	NS	850556	NS	
				NS	850560	NS	

NS	850657	NS	850695	NS	850761	NS	850835
NS	850665	NS	850698	NS	850769	NS	850836
NS	850666	NS	850699	NS	850770	NS	850840
NS	850670	NS	850700	NS	850771	NS	850842
NS	850671	NS	850701	NS	850776	NS	850845
NS	850672	NS	850702	NS	850778	NS	850846
NS	850673	NS	850703	NS	850780	NS	850853
NS	850674	NS	850704	NS	850781	NS	850856
NS	850676	NS	850705	NS	850782	NS	850870
NS	850678	NS	850706	NS	850786	NS	850871
NS	850679	NS	850707	NS	850795	NS	850872
NS	850681	NS	850708	NS	850796	NS	850880
NS	850686	NS	850709	NS	850805	NS	850881
NS	850687	NS	850710	NS	850807	NS	850882
NS	850689	NS	850750	NS	850813	NS	850885
NS	850691	NS	850751	NS	850819	NS	850895
NS	850693	NS	850752	NS	850825	NS	850700

Count: 600