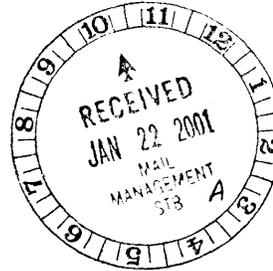




First Union Rail Corporation
 One O'Hare Center
 6250 River Road, Suite 5000
 Rosemont, IL 60018-4214
 Tel 847 318-7575
 Fax 847 318-7588

VIA UPS NEXT DAY AIR

January 18, 2001



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 two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated November 21, 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 22658.

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: Interstate Commodities, Inc. 7 Madison Street Troy, NY 12181</p> |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|

A description of the railroad equipment covered by the enclosed document is eighty (80) 5250 cubic foot covered hopper cars, with car numbers FURX 850016-851051, non-inclusive.

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

Memorandum of Lease between First Union Rail Corporation, Lessor and Interstate Commodities, Inc., Lessee, covering 80 5250 cubic foot covered hopper cars, with car numbers FURX 850016-851051.

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

(INCI008)

RECORDATION NO. 22658-A FILED

JAN 23 '01 12-34 PM

7s
 SURFACE TRANSPORTATION BOARD

ASSIGN. NO.: INCI008

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 21st day of November, 2000 by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Interstate Commodities, Inc. ("Lessee"), a New York corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of May 24, 1999, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 8 to the Lease (the "Rider") as described in more particular on Exhibit A attached hereto, effective as of October 19, 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: K.A. Dombrowski
Name: K. A. Dombrowski
Title: DIRECTOR OF DOCUMENTATION

By: Richard F. Seymour
Name: RICHARD F. SEYMOUR
Title: Vice President Sales & Marketing

Executed on this 21st day of November, 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 21st day of November, 2000.

Susan Grokulska
Notary Public

My Commission Expires:

8-14-2004
(Notary Public)



RECORDATION NO. 22658-A FILED

JAN 23 '01 12-34 PM

SURFACE TRANSPORTATION BOARD

LESSEE:

INTERSTATE COMMODITIES, INC.

[Handwritten signature]

By: _____

Name: MORLEY A. DAEMN JR.

Title: TRANSP. MGR.

ATTEST:

By: Lori E. Alessi
Name: Lori E. Alessi
Title: Secretary/Treasurer

Executed on this 10 day of NOV., 2000.

[CORPORATE SEAL]

STATE OF New York
COUNTY OF Kenyon

I, Victor A. Oberting III, a Notary Public of the County and State aforesaid, certify that Morley A. Daehn Jr. 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 10 day of NOV., 2000.

[Handwritten signature]

Notary Public
VICTOR A. OBERTING, III
Notary Public, State of New York
No. 020B4984261
Qualified In Albany County
Commission Expires July 15, 2001

My Commission Expires:

(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Eighty (80)

DESCRIPTION OF CARS: 5250 cfc. Covered Hopper Cars

CAR NUMBERS: See below

| | | | | | |
|------|--------|------|--------|--------|--------|
| FURX | 850016 | FURX | 850433 | FURX | 850963 |
| FURX | 850022 | FURX | 850445 | FURX | 850964 |
| FURX | 850024 | FURX | 850460 | FURX | 850965 |
| FURX | 850038 | FURX | 850469 | FURX | 850968 |
| FURX | 850051 | FURX | 850477 | FURX | 850969 |
| FURX | 850063 | FURX | 850481 | FURX | 850970 |
| FURX | 850070 | FURX | 850483 | FURX | 850971 |
| FURX | 850071 | FURX | 850486 | FURX | 850972 |
| FURX | 850074 | FURX | 850506 | FURX | 850974 |
| FURX | 850082 | FURX | 850541 | FURX | 850975 |
| FURX | 850103 | FURX | 850550 | FURX | 850977 |
| FURX | 850121 | FURX | 850554 | FURX | 850978 |
| FURX | 850131 | FURX | 850559 | FURX | 850980 |
| FURX | 850174 | FURX | 850575 | FURX | 850981 |
| FURX | 850210 | FURX | 850607 | FURX | 850983 |
| FURX | 850256 | FURX | 850634 | FURX | 850985 |
| FURX | 850270 | FURX | 850637 | FURX | 850986 |
| FURX | 850288 | FURX | 850753 | FURX | 850987 |
| FURX | 850289 | FURX | 850950 | FURX | 850988 |
| FURX | 850298 | FURX | 850951 | FURX | 850990 |
| FURX | 850337 | FURX | 850952 | FURX | 850992 |
| FURX | 850361 | FURX | 850953 | FURX | 850993 |
| FURX | 850362 | FURX | 850954 | FURX | 850997 |
| FURX | 850365 | FURX | 850956 | FURX | 850998 |
| FURX | 850388 | FURX | 850957 | FURX | 850999 |
| FURX | 850395 | FURX | 850958 | FURX | 851051 |
| FURX | 850416 | FURX | 850959 | Count: | 80 |