



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

May 10, 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 three (3) originals and one (1) copy of a Memorandum of Lease Agreement, dated February 20, 2001, 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 21824.

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: Dakota Minnesota & Eastern Railroad Corp.  
 337 22<sup>nd</sup> Avenue South  
 Brookings, SD 57006

A description of the railroad equipment covered by the enclosed document is ten (10) 73 foot centerbeam flatcars, with car numbers NOKL 732940-732949, inclusive.

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

Memorandum of Lease between First Union Rail Corporation, Lessor and Dakota Minnesota and Eastern Railroad Corporation, Lessee, covering 10 73 foot, centerbeam flatcars with car numbers NOKL 732940-732949, inclusive.

Also enclosed is a check in the amount of \$28.00 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

(DME007)



VIA UPS NEXT DAY AIR

RECORDATION NO. 21824-A FILED

MAY 17 '01 2-50 PM  
 TS  
 SURFACE TRANSPORTATION BOARD

RECORDATION NO. 21824-A FILED

ASSGN. NO.: DME007

MAY 17 '01 2:50 PM

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 20<sup>th</sup> day of February, 2001 by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Dakota, Minnesota, and Eastern Railroad Corporation ("Lessee"), a ~~South Dakota~~ Delaware Corporation. 2/1/01 gss

RFs **WITNESSETH:**

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of June 23, 1998, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 7 to the Lease (the "Rider") as described in more particular on Exhibit A attached hereto, effective as of October 24, 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 20<sup>th</sup> day of February, 2001.

[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 20<sup>th</sup> day of February, 2001.

Susan Grokulskey  
Notary Public

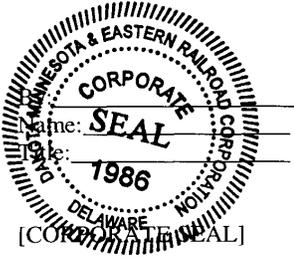
My Commission Expires:  
8-14-2004  
(Notary Public)



**LESSEE:**

DAKOTA, MINNESOTA, AND EASTERN  
RAILROAD CORPORATION

ATTEST:



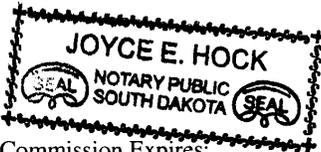
By: John B. Gabel  
Name: JOHN B GABEL  
Title: GEN MGR RAIL CAR FLEET

Executed on this 9<sup>th</sup> day of Feb, 2001.

STATE OF South Dakota  
COUNTY OF Brookings

I, Joyce E. Hock, a Notary Public of the County and State  
aforesaid, certify that John B. Gabel personally appeared before me this day  
and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 9<sup>th</sup> day of February, 2001.



Joyce E. Hock  
Notary Public

My Commission Expires:  
5-5-02  
(Notary Public)

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

NUMBER OF CARS: Ten (10)

DESCRIPTION OF CARS: Centerbeam Flatcars, 73', 1998 National Steel built  
286,000 lb. capacity

CAR NUMBERS: NOKL 732940 - NOKL 732949, inclusive.