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RECORDATION NO. 22738-B FILED

AUG - 3 '01 12-83 PM

SURFACE TRANSPORTATION BOARD

August 3, 2001

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease Agreement dated April 10, 2001, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Assignment and Assumption Agreement which was previously filed with the Board under Recordation Number 22738.

Lessor:	Mitsui & Co. (U.S.A.), Inc. 200 Park Avenue New York, NY 11066
Lessee:	MRC Rail Services. LLC One California Street Suite 1500 San Francisco, CA 94111

A description of the railroad equipment covered by the enclosed document is:

Description	Quantity	Numbers
60', 110 ton capacity Plate F Box Cars	300	AOK 19000 – 19299 (inclusive)
3,250 cuft. Covered Hopper Cars	100	MBKX 20001 – 20100 (inclusive)
Two-unit articulated Spine Railcars	50	MHFX 516212 – 516236 (inclusive) JAIX 99500, 99502, 99505, 99506, 99507, 99510, 99512 – 99520 (inclusive), 99523, 99536 – 99541 (inclusive), 99546, 99547 and 99549

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

Memorandum of Lease Agreement.

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 and cross-indexing fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

Robert W. Alvord

RWA/anm
Enclosures

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF LEASE AGREEMENT

BETWEEN

MITSUI & CO. (U.S.A.), INC. ("LESSOR")

AND

MRC RAIL SERVICES, LLC ("LESSEE")

April 10, 2001

Memorandum of a Lease Agreement made and entered into as of **April 10, 2001** by and between Mitsui & Co. (U.S.A.), Inc., a New York corporation, ("Lessor") and MRC Rail Services, LLC, a Delaware limited liability company ("Lessee").

WITNESSETH:

1. Lessor has agreed to furnish to Lessee, and Lessee has agreed to lease from Lessor the following railroad cars bearing marks and numbers as follows:

Description	**Quantity**	**Numbers**
60', 110 ton capacity Plate F Box Cars	300	AOK 19000 – 19299 (inclusive)
3,250 cuft, Covered Hopper Cars	100	MBKX 20001 – 20100 (inclusive)
Two-unit articulated Spine Railcars	50	MHFX 516212 – 516236 (inclusive) JAIX 99500, 99502, 99505, 99506, 99507, 99510, 99512 – 99520 (inclusive), 99523, 99536 – 99541 (inclusive), 99546, 99547 and 99549

2. The Lease Agreement shall be effective as of the date first set forth hereinabove and shall be subject to the lease term, as described in the Equipment Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

Lessor: Mitsui & Co. (U.S.A.), Inc.

By: _____
Title: General Manager, Communications, Transportation & Industrial Project Dept.
Date: 04/10/01

Lessee: MRC Rail Services, LLC

By: _____
Title: President
Date: July 11, 2001

STATE OF CALIFORNIA

CITY AND COUNTY OF SAN FRANCISCO

On this 11th day of July, 2001, before me personally appeared Michihiro Nose, to me personally known, who being by me duly sworn, says that he is the President of MRC Rail Services, LLC that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

SHIRLYN J. S. KIM
Commission # 1256716
Notary Public - California
San Francisco County
My Comm. Expires Mar 25, 2004

NOTARY PUBLIC

My commission expires:

STATE OF New York

COUNTY OF New York

On this 10 day of April, 2001, before me personally appeared Tetsu Ikeda, to me personally known, who being by me duly sworn, says that he is the General Manager, Communications, Transportation & Industrial Project Department of Mitsui & Co. (U.S.A.), Inc. that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC

My commission expires:

STEPHEN M. GOLDSTEIN
NOTARY PUBLIC, State of New York
No. 4916555
Qualified in New York County
Term Expires December 2001