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URBAN A. LESTER

September 1, 2000

RECORDATION NO. 23081 FILED

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

SEP 1 '00 10-21 AM
TS
SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) copies of a Memorandum of Lease and Assignment of Lease, dated as of September 1, 2000, a primary document as defined in the Board's Rules for the Recordation of Documents.

Please index this document under the names of the Assignor, Assignee and Lessee identified below.

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

Assignor:	ITG, Inc. 220 Jackson Street Suite 3000 San Francisco, CA 94111
Assignee:	Railcar, Ltd. 1819 Peachtree Road NE Suite 425 Atlanta, GA 30309-1847
[Lessee:	Peoria and Pekin Union Railway]

Mr. Vernon A. Williams
September 1, 2000
Page Two

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

45 gondola within the series PPU 3002 - PPU 3041 and PPU 6000 -PPU
6023

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

Memorandum of Lease between ITG, Inc., Lessor, and Peoria and Pekin Union
Railway, Lessee, and Assignment of Lease from ITG, Inc., Assignor, to Railcar,
Ltd., Assignee, covering 45 gondola within the series PPU 3002 - PPU 3041 and
PPU 6000 -PPU 6023.

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 and cross indexing fee.

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

Very truly yours,



Robert W. Alvord

RWA/anm
Enclosures

MEMORANDUM OF LEASE AND ASSIGNMENT OF LEASE

1. This instrument relates to the Railroad Car Lease Agreement, No. ITG-1643, dated May 13, 1988, between ITG, Inc. and Peoria and Pekin Union Railway, and related Riders Nos. 13 dated January 12, 1999, 16 dated November 1, 1999, 17 dated January 24, 2000, 18 dated May 1, 2000 and 19 dated May 23, 2000 (collectively, the "Lease Agreement"), pursuant to which ITG, Inc. ("ITG") has leased to Peoria Pekin Union Railway ("Lessee") twenty-two (22) gondola railcars (rider 13), one (1) gondola railcar (rider 16), two (2) gondola railcars (rider 17), all bearing the marks and numbers in the attached "Description of Railcars" (the "Cars"). Said lease of the Cars is referred to hereinafter as the "Lease."

2. Pursuant to the Asset Purchase Agreement dated as of September 1, 2000, between ITG and Railcar, Ltd. ("LTD"), ITG has assigned to LTD all of ITG's rights, title, and interest in and to the Lease Agreement and the Cars. In connection with the assignment by ITG to LTD, Lessee executed a Notice & Acknowledgement of Assignment dated as of August 4, 2000, pursuant to which Lessee acknowledged such assignment and agreed to certain amendments to the Lease Agreement.

3. The addresses of the parties are as follows:

ITG, Inc. (Former Lessor / Assignor)
220 Jackson Street, Suite 3000
San Francisco, CA 94111

Railcar, Ltd. (New Lessor / Assignee)
1819 Peachtree Road, N.E., Suite 425
Atlanta, Georgia 30309-1847

Peoria and Pekin Union Railway (Lessee)
301 Wesley Road
Creve Coeur, IL 61611

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4. The term of the Lease has already commenced and is scheduled to end on April 30, 2004 (rider 13), December 31, 2001 (rider 16), March 31, 2005 (rider 17), June 30, 2003 (rider 18) and July 31, 2003 (rider 19), without any option to extend the term.

5. The terms and provisions of the Lease are more particularly set forth in the Lease Agreement and the Notice & Acknowledgement of Assignment. The terms and provisions of the assignment are more particularly set forth in the Asset Purchase Agreement.

6. This Memorandum may be signed in counterpart or duplicate copies, and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

[Execution on next page; remainder of this page intentionally left blank]

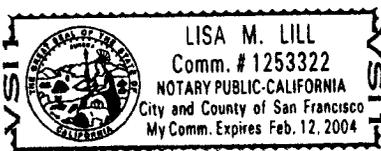
IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed as of 8-25, 2000.

ITG, INC.

By: _____
Name: Alice V. Dill
Title: Secretary

State of California }
County of San Francisco } SS.

On August 25, 2000, before me personally appeared Alice V. Dill, to me personally known, who being by me duly sworn says that she is Secretary of ITG, Inc., and that she executed the foregoing instrument on behalf of said corporation by authority of its board of directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of corporation.



Lisa M. Lill
Notary Public Lisa M. Lill
My commission expires: 02-12-04

[NOTARIAL SEAL]

[Execution continued on next page; remainder of this page intentionally left blank]

RAILCAR, LTD.

By:

Name:

Title:

Paul H. Kennedy
Paul H. Kennedy
Vice President

State of Georgia

County of Gwinnett } SS.

On September, 2000 before me personally appeared Paul H. Kennedy,
to me personally known, who being by me duly sworn says that he/she is Vice President
of Railcar, Ltd., and that he/she executed the foregoing instrument on behalf of said corporation
by authority of its board of directors, and he/she acknowledged that the execution of the
foregoing instrument was the free act and deed of corporation.

[Signature]

Notary Public

My commission expires:

[NOTARIAL SEAL]

Notary Public, Gwinnett County, Georgia
My Commission Expires January 3, 2004

DESCRIPTION OF RAILCARS

Lessor: ITG, Inc.
 Lessee: Peoria and Pekin Union Railway
 Lease #: Railroad Car Lease Agreement dated May 13, 1988 between ITG, Inc., as Lessor and Peoria and Pekin Union Railway, as Lessee and the related Riders No. Thirteen, Sixteen, Seventeen, Eighteen and Nineteen (ITG-1643)

Car Description: Gondola

Number of Cars: 45

Car Mark PPU

Car Numbers:	3002	3042	3006	3007	3010
	3011	3026	3028	3030	3031
	3032	3033	3034	3035	3036
	3037	3038	3039	3040	3041
	6000 - 6023				

1 Car - Scrap - PPU 3005