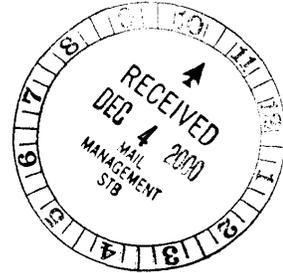


LLX Rail, Inc.
1020 Washington Ave.
Chicago Heights, IL 60411
Ph. 708/754-4100 * Fx. 708/754-4473



April 25, 2000

RECORDATION NO. 23271 FILED
DEC 21 '00 4-9 2 PM
TS
SURFACE TRANSPORTATION BOARD

Secretary's Office
Surface Transportation Board
1925 K Street, N.W., Suite 700
Washington, D.C. 20423-0001
Attention: Recordation Unit- Ms. Taledia Stokes

RE: LLX Rail, Inc.

Dear Ms. Stokes:

On behalf of LLX Rail, Inc. I am enclosing for recording an original and two counterparts of a primary document, not previously recorded entitled: "Memorandum of Lease" dated as of March 17, 2000. Also enclosed is a check for \$26 payable to the "Surface Transportation Board."

The names and addresses of the parties is as follows:

LLX Rail, Inc. (LESSOR)
1020 Washington Ave.
Chicago Heights, IL 60411
Attn: Mr. B. Ken Forgey III

Philips Services/Luria Brothers (LESSEE)
20521 Chagrin Boulevard
Cleveland, OH 44122
Attn: Mr. John C. Heenan

The equipment covered by the document is LLX 150 and LLX 151 (2) SW1200 locomotives bearing the reporting marks as described in the attached schedule.

A short summary of the document to appear in the index is as follows: "Lease Agreement between LLX Rail, Inc. 1020 Washington, Chicago Heights, Illinois 60411, as Lessor, and Phillips Services/Luria Brothers, address 20521 Chagrin Boulevard, Cleveland, OH, 44123, dated March 17, 2000, and covering locomotives bearing the reporting marks as filed with the STB."

Once the document has been recorded, please return to me (at the address on the letterhead above) the stamped original and any extra counterparts not needed by the STB.

Sincerely,

A handwritten signature in black ink, appearing to read "B. K. Forgey III". The signature is written in a cursive style with some loops and flourishes.

B. K. Forgey III
President

SCHEDULE "A"

essor shall lease locomotives LLX 150 and LLX 151 with the following equipment:

LLX 150	LLX 151
A. SW1200	A. SW1200
B. 1200 Horsepower 125 Ton	B. 1200 Horsepower 125 Ton
C. 12 cylinder 567BC engine	C. 12 cylinder 567C engine
D. 10 KW auxiliary generator	D. 10 KW auxiliary generator
E. 6BL brake equipment	E. 26L brake equipment
F. D77 traction motor	F. D77 traction motor
G. AAR style truck assembly	G. AAR style truck assembly
H. Roller bearing wheel journal	H. Roller bearing wheel journal

The rental sum is Eight thousand Two hundred fifty dollars (\$8,250.00) for each month for both locomotives.

RECORDATION NO. 23271 FILED

DEC 21 '00 4-32 PM

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

1. Pursuant to the Master Lease Agreement dated as of August 1, 1999 (collectively, the "Lease Agreement"), between LLX Rail, Inc. ("Lessor"), as lessor, and Philips Services/Luria Brothers ("Lessee"), as lessee, Lessor has leased to Lessee the locomotive equipment identified on the exhibit attached hereto and entitled "Description of Locomotive" (the "Locomotives"). Said lease of the Locomotive is referred to hereinafter as the "Lease."
2. The addresses of the parties are as follows:

LLX Rail, Inc. (Lessor)
1020 Washington Ave.
Chicago Heights, IL 60411

Philips Services/Luria Brothers (Lessee)
20521 Chagrin Boulevard
Cleveland, OH 44122
3. The term of the Lease has already commenced and is scheduled to end approximately on August 1, 2002.
4. The terms and provisions of the Lease are more particularly set forth in the Lease Agreement.
5. 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]

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed as of 3-17-00.

LLX Rail, Inc.

BY: BK Forgy III

Name: B. Ken Forgy III

Title: President

State of Illinois, County of Cook

On 3-17-00, 2000, before me personally appeared B Ken Forgy III, to me personally known, who being by me duly sworn says that he is President of LLX Rail, Inc., and that he executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Margaret Palm

Notary Public

My commission expires:

[NOTARIAL SEAL]

"OFFICIAL SEAL"

Margaret Palm
Notary Public, State of Illinois
My Commission Expires June 12, 2002

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

Philips Services/Luria Brothers

BY: *Douglas M. McSorley*

Name: ~~John C. Heenan~~
Douglas M. McSorley

Title: Vice President of Finance

State of Ohio, County of Cuyahoga

On August 3, 2000, before me personally appeared *Douglas M. McSorley*, to me personally known, who being by me duly sworn says that he is *Vice President, Finance* of *Philips Services/Luria Bros.*, and that he executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Kathleen W. Jeffries
Notary Public

My commission expires:

KATHLEEN W. JEFFRIES
NOTARY PUBLIC, STATE OF OHIO
Recorded in Cuyahoga County
My Comm. Expires May 20, 2002

[NOTARIAL SEAL]

SCHEDULE "A"

Lessors shall lease locomotives LLX 150 and LLX 151 with the following equipment:

LLX 150	LLX 151
A. SW1200	A. SW1200
B. 1200 Horsepower 125 Ton	B. 1200 Horsepower 125 Ton
C. 12 cylinder 567BC engine	C. 12 cylinder 567C engine
D. 10 KW auxiliary generator	D. 10 KW auxiliary generator
E. 6BL brake equipment	E. 26L brake equipment
F. D77 traction motor	F. D77 traction motor
G. AAR style truck assembly	G. AAR style truck assembly
H. Roller bearing wheel journal	H. Roller bearing wheel journal

The rental sum is Eight thousand Two hundred fifty dollars (\$8,250.00) for each month for both locomotives.