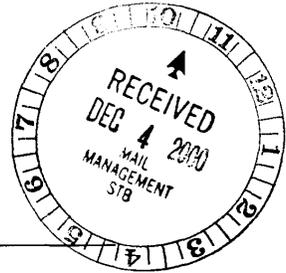


LLX Rail, Inc.
1020 Washington Ave.
Chicago Heights, IL 60411
Ph. 708/754-4100 * Fx. 708/754-4473



April 25, 2000

RECORDATION NO. 23274 FILED

DEC 2 1 '00 4-3 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 October 31, 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

KCBX Terminal Company (LESSEE)
3259 East 100th. Street
Chicago, IL 60817
Attn: Mr. Gary Hosack

The equipment covered by the document is LLX 8130 GP10 and Slug locomotive 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 KCBX Terminal Company, address 3259 East 100th Street, Chicago, IL, 60817, dated October 31, 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, slightly slanted style.

B. K. Forgey III
President

SCHEDULE "A"

Lessor shall lease locomotive GP10 and Slug with the following equipment:

GP10 & Slug
A. Horse Power 1750
B. Weight 125 Ton
C. Clasp Truck Assys
D. 40" Wheels
E. Roller Bearing Wheel Journals
F. WKO Air Compressor
G. 26 NL Air Brakes
H. Chopped

The rental sum for the locomotive and slug is \$3,500 per month.

added

Rental sum shall include unlimited maintenance and hours of use of the locomotive and slug by Lessee and shall be provided by the Lessor. Lessor shall supply all replacement parts, lubricants, filters, including all maintenance inspections and filter changes. *X omission*

Rent commencement date is upon acceptance by Lessee.

RECORDATION NO. 23274 FILED

DEC 21 '00 4-32 PM

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

1. Pursuant to the Master Lease Agreement dated as of October 13, 1999 (collectively, the "Lease Agreement"), between LLX Rail, Inc. ("Lessor"), as lessor, and KCBX Terminals Company ("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

KCBX Terminals Company (Lessee)
3259 East 100th. Street
Chicago, IL 60817
Attn: Gary Hosack
3. The term of the Lease has already commenced and is scheduled to end approximately on October 13, 2004.
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 10-31-00.

LLX Rail, Inc.

BY: BK Forgy

Name: B. Ken Forgey III

Title: President

State of Illinois, County of Cook

On NOVEMBER 13, 2000, before me personally appeared BK FORGEY 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.



Kathleen M. Marek
Notary Public
My commission expires:

[NOTARIAL SEAL]

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

KCBX Terminals Company

BY: Gary Hosack

Name: Gary Hosack

Title: Terminal Manager

State of Ill, County of Coal

On Oct 31, 2000, before me personally appeared Gary Hosack, to me personally known, who being by me duly sworn says that he is Terminal Manager of KCBX Terminals, 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.

Alice V Kelly
Notary Public
My commission expires:

[NOTARIAL SEAL] 8-17-03



SCHEDULE "A"

Lessor shall lease locomotive GP10 and Slug with the following equipment:

GP10 & Slug	
A.	Horse Power 1750
B.	Weight 125 Ton
C.	Clasp Truck Assys
D.	40" Wheels
E.	Roller Bearing Wheel Journals
F.	WXO Air Compressor
G.	26 NL Air Brakes
H.	Chopped

The rental sum for the locomotive and slug is \$3,500 per month.

added

Rental sum shall include unlimited maintenance and hours of use of the locomotive and slug by Lessee and shall be provided by the Lessor. Lessor shall supply all replacement parts, lubricants, filters, including all maintenance inspections and filter changes. *X omission*

Rent commencement date is upon acceptance by Lessee.