



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



VIA UPS NEXT DAY AIR

RECORDED 23490 FILED

MAY 14 '01 4-10 PM
 TS
 SURFACE TRANSPORTATION BOARD

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and two (2) copies of a Memorandum of Lease Agreement, dated March 21, 2001, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. 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: Finger Lakes Railway Corp. 12 West Road Merrimac, NH 03054
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A description of the railroad equipment covered by the enclosed document is three (3) 1350 cubic foot 100 ton side air dump cars with car numbers NOKL 099911, NOKL 099914 and NOKL 099915.

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

Memorandum of Lease between First Union Rail Corporation, Lessor and Finger Lakes Railway Corp., covering 3 1350 cubic foot 100 ton side air dump cars with car numbers NOKL 099911, NOKL 099914, and NOKL 099915.

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
 Tiffany Chase-Morrison
 Manager of Documentation

Enclosures

(FGLK002)

ASSGN. NO. FGLK002

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 21st day of March, 2001, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Finger Lakes Railway Corp. ("Lessee"), a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of March 21, 2001, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 2 the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of January 3, 2001 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: Richard F. Seymour

Name: RICHARD F. SEYMOUR
Vice President Sales & Marketing

Title: _____

By: [Signature]

Name: [Signature]

Title: Mgr. of Documents Executed on this 28th day of March, 2001.

[CORPORATE SEAL]

STATE OF ILLINOIS

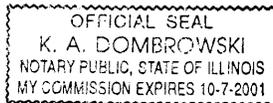
COUNTY OF COOK

I, K. A. Dombrowski, 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 28th day of March, 2001

K. A. Dombrowski
Notary Public

My Commission Expires:
10-7-2001
(Notary Public)



RECORDATION NO. 23490 FILED

MAY 14 '01 4:10 PM

SURFACE TRANSPORTATION BOARD

LESSEE:

FINGER LAKES RAILWAY CORP.

By: [Signature]

Name: MICHAEL V. SMITH

Title: PRESIDENT

ATTEST:

By: _____

Name: _____

Title: _____

Executed on this 21st day of MARCH, 2001.

[CORPORATE SEAL]

STATE OF New York

COUNTY OF Wayne

I, Kathleen S Fisk, a Notary Public of the County and State aforesaid, certify that Michael V. Smith 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 21 day of March, 2001.

[Signature]
Notary Public

Commission Expires:

11/28/02
(Notary Public)

KATHLEEN S. FISK
Notary Public, County of Wayne
New York State #01 F15036488
My Commission Expires November 28, 18 2002

**EXHIBIT A
TO
MEMORANDUM OF LEASE**

DESCRIPTION OF CARS: Three (3) 1350 cubic foot 100 ton side air dump cars

CAR NUMBERS: NOKL 099911, NOKL 099914, NOKL 099915