

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ALVORD AND ALVORD
ATTORNEYS AT LAW
1600 K STREET, NW
SUITE 200
WASHINGTON, D.C.
20006-2973
—
(202) 393-2266
FAX (202) 393-2156

23572

JUL 25 '01 2:47 PM

SURFACE TRANSPORTATION BOARD
OF COUNSEL
URBAN A. LESTER

July 25, 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 as of July 24, 2001, a primary document as defined in the Board's Rules for the Recordation of Documents.

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

Lessor: Transamerica Equipment
Financial Services Corporation
10975 Benson Drive
Overland Park, KS 66210

Lessees: Kasgro Rail Corp.
Kasgro Leasing, LLC
320 East Cherry Street
New Castle, PA 16102

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

34 railcars bearing KRL reporting marks and road numbers attached hereto

Mr. Vernon A. Williams
July 25, 2001
Page Two

A short summary of the schedule 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.

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

Very truly yours,



Robert W. Alvord

RWA/anm
Enclosures

EXHIBIT A
Railcar Listing under Memorandum of Lease Agreement date July ____, 2001
Between Kasgro Leasing, LLC and Kasgro Rail Corp.
(jointly and severally, “Lessee”) and
Transamerica Equipment Financial Services Corporations (“Lessor”)

Reporting Mark	Car Number
KRL	70905
KRL	70904
KRL	70901
KRL	70899
KRL	70893
KRL	70883
KRL	70876
KRL	70875
KRL	300303
KRL	300304
KRL	340325
KRL	340326
KRL	701211
KRL	701212
KRL	701213
KRL	701214
KRL	701215
KRL	701216
KRL	701217
KRL	701218
KRL	701219
KRL	701220
KRL	127000
KRL	127001
KRL	89119
KRL	89120
KRL	89121
KRL	89122
KRL	89123
KRL	89124
KRL	89125
KRL	89126
KRL	89127
KRL	89128

MEMORANDUM OF LEASE AGREEMENT

Memorandum of Lease Agreement made and entered into as of July 24, 2001 by and between Transamerica Equipment Financial Services Corporation, a Delaware corporation ("Lessor"), and Kasgro Rail Corp. ("KRC") and Kasgro Leasing, LLC (KL), jointly and severally (KRC and KL are hereinafter referred to as "Lessee").

WITNESSETH:

Pursuant to the provisions of the Lease, Lessor and Lessee hereby acknowledge and affirm that:

* The undersigned have entered into that certain Lease Agreement dated as of July 24, 2001, whereby for good and valuable consideration, Lessor is leasing to Lessee and Lessee is leasing from Lessor certain railroad equipment bearing reporting marks and road numbers as listed on Exhibit A attached hereto (the "Railcars") effective as of the date hereof and subject to the terms defined in the Lease.

* Lessor and Lessee further acknowledge and affirm that this Memorandum of Lease Agreement is not a summary of either the Lease nor a complete recitation of the terms and provisions thereof. Accordingly, Lessor and Lessee hereby agree that in the event of a conflict between this Memorandum of Lease Agreement and the provisions of the Lease or the Schedule No. 1, the provisions of the Lease or the Schedule No. 1, as the case may be, shall control.

RECORDATION NO. 23572 FILED

JUL 25 '01 2:47 PM

SURFACE TRANSPORTATION BOARD

IN WITNESS WHEREOF, the undersigned have each caused this Memorandum to be duly executed as of the date and year first above written.

TRANSAMERICA EQUIPMENT FINANCIAL SERVICES CORPORATION

By
Name: RECH
Title: VP Region Credit Mng.

Executed on this 24th day of July, 2001

KASGRO RAIL CORP.

By
Name: John M. Silseth
Title: Vice President

Executed on this 24th day of July, 2001

KASGRO LEASING, LLC

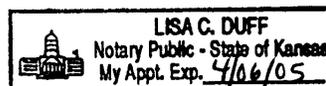
By
Name: John M. Silseth
Title: Vice President

Executed on this 24th day of July, 2001

State of Kansas)
) ss:
County of Johnson)

On this 24th day of July, 2001, before me personally appeared Ron E. Linn, to me personally known, who being duly sworn, stated that he is VP Region Credit Mgr. of Transamerica Equipment Financial Services Corporation, that said instrument was signed 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.

My Commission expires: 04/06/05 *Lisa C Duff*



State of Wisconsin)
) ss:
County of Milwaukee)

On this 24th day of July, 2001, before me personally appeared John M. Silseel, to me personally known, who being duly sworn, stated that he is Vice President of Kasgro Rail Corp., that said instrument was signed 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.

My Commission expires: 01/30/05 *Wicki L. Zepherin*

State of Wisconsin)
) ss:
County of Milwaukee)

On this 24th day of July, 2001, before me personally appeared John M. Silseel, to me personally known, who being duly sworn, stated that he is Vice President of Kasgro Leasing, LLC, that said instrument was signed on behalf of said limited liability company by authority of its managers, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said limited liability company.

My Commission expires: 01/30/05 *Wicki L. Zepherin*

EXHIBIT A
Railcar Listing under Memorandum of Lease Agreement date July 24, 2001
Between Kasgro Leasing, LLC and Kasgro Rail Corp.
(jointly and severally, "Lessee") and
Transamerica Equipment Financial Services Corporations ("Lessor")

Reporting Mark	Car Number
KRL	70905
KRL	70904
KRL	70901
KRL	70899
KRL	70893
KRL	70883
KRL	70876
KRL	70875
KRL	300303
KRL	300304
KRL	340325
KRL	340326
KRL	701211
KRL	701212
KRL	701213
KRL	701214
KRL	701215
KRL	701216
KRL	701217
KRL	701218
KRL	701219
KRL	701220
KRL	127000
KRL	127001
KRL	89119
KRL	89120
KRL	89121
KRL	89122
KRL	89123
KRL	89124
KRL	89125
KRL	89126
KRL	89127
KRL	89128