



First Union Rail Corporation
 NC5811
 Commercial Leasing Group
 One O'Hare Centre
 6250 River Road, Suite 5000
 Rosemont, IL 60018
 Tel 847 318-7575
 847 318-7588

VIA UPS 2nd DAY AIR

RECORDATION NO. 24003 FILED

June 17, 2002

JUN 20 '02 2-12 PM

Mr. Vernon E. Williams
 Surface Transportation Board
 1925 K Street, N.W., Room 704
 Washington, DC 20423-0001
 Attn: Recordation of Railroad Equipment

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 one (1) original and two (2) copies of a Memorandum of Lease Agreement, dated April, 22, 2002, 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: Genesee Rail-One 6650 rue Durcher Outremont, Quebec H2V 3Z3
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A description of the railroad equipment covered by the enclosed document is forty-nine (49) 73' centerbeam flat cars, with NOKL marks (see Exhibit A for car numbers).

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

Memorandum of Lease between First Union Rail Corporation, Lessor and Genesee Rail-One, Lessee, covering forty-nine (49) 73' centerbeam flat cars, with NOKL marks (see Exhibit A for car numbers).

Also enclosed is a check in the amount of \$30.00 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,


 Amy Carone
 Manager of Documentation

Enclosures

(GERO007)

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ASSIGN. NO. GERO007

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 22nd day of April 2002, by and between FIRST UNION RAIL CORPORATION ("Lessor"), a North Carolina corporation, and GENESEE RAIL-ONE, a Canadian corporation ("Lessee").

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of March 6, 1998, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 7 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of February 8, 2002 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

BY: Richard F. Seymour

NAME: RICHARD F. SEYMOUR
Vice President Sales & Marketing

TITLE: _____

ATTEST:

BY: K.A. Dombrowski

NAME: K.A. DOMBROWSKI

TITLE: DIRECTOR OF DOCUMENTATION

Executed on this 22nd day of April, 2002.

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the State and County aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 22nd day of April, 2002.

Susan Grokulskey
Notary Public



ATTEST:

BY: Elan Neal

NAME: Elan Neal

TITLE: Mgr, Car Acctg

LESSEE:

GENESEE RAIL-ONE

BY: Carl P. Belke

NAME: CARL P. BELKE

TITLE: GM-FLEET

Executed on this 12th day of April, 2002.

[CORPORATE SEAL]

PROVINCE OF State of New York

DISTRICT OF County of Livingston

I, Janet R. Hartman, a Commissioner of Oaths of the Province and District aforesaid, certify that Carl P. Belke personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 12th day of April, 2002.

Janet R. Hartman
Commissioner of Oaths

My Commission Expires:

JANET R. HARTMAN
Notary Public, State of New York
Qualified in Livingston County
My Commission Expires December 31, 2002

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Forty-nine (49).

DESCRIPTION OF CARS: 73' Long, 110-ton, 286,000 GRL, Centerbeam Flat Cars equipped with Risers.

CAR NUMBERS: See list below:

NOKL 733550	NOKL 733604
NOKL 733552	NOKL 733606
NOKL 733553	NOKL 733607
NOKL 733554	NOKL 733609
NOKL 733558	NOKL 733611
NOKL 733559	NOKL 733613
NOKL 733561	NOKL 733614
NOKL 733563	NOKL 733615
NOKL 733567	NOKL 733617
NOKL 733573	NOKL 733620
NOKL 733574	NOKL 733621
NOKL 733575	NOKL 733622
NOKL 733576	NOKL 733623
NOKL 733577	NOKL 733624
NOKL 733578	NOKL 733627
NOKL 733586	NOKL 733628
NOKL 733589	NOKL 733632
NOKL 733590	NOKL 733633
NOKL 733591	NOKL 733634
NOKL 733593	NOKL 733642
NOKL 733595	NOKL 733645
NOKL 733598	NOKL 733646
NOKL 733600	NOKL 733647
NOKL 733602	NOKL 733649
NOKL 733603	Count: 49