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

July 30, 2002

RECORDATION NO. 21702-C FILED
AUG 1 '02 4-38 PM
SURFACE TRANSPORTATION BOARD

RECEIVED
AUG 1 2002
MAIL MANAGEMENT STB

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

Re: Memorandum of Lease Agreement

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) is one (1) original and three (3) copies of a Memorandum of Lease Agreement, dated June 10, 2002, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Lease Agreement which was duly filed with the Commission under Recordation Number 21702.

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: Norfolk Southern Railway Company
110 Franklin Road, S.E.
Roanoke, VA 24042

A description of the railroad equipment covered by the enclosed document is six hundred (600) 5150 and 5250 cubic foot capacity covered hopper cars, with NS marks (see Exhibit A for car numbers).

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

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

(NS043)

RECORDATION NO. 31702-C FILED

NS043

AUG 1 '02 4-38PM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 10th day of June, 2002 by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Norfolk Southern Railway Company, a Virginia corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of August 30, 1996, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 26 to the Lease (the "Rider") as described in more particular on Exhibit A attached hereto, effective as of September 1, 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
Title: Vice President Sales & Marketing

Executed on this 10th day of June, 2002

ATTEST:

By: Amy Carone
Name: AMY CARONE
Title: MANAGER OF DOCUMENTATION

[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 10th day of June, 2002.

K. A. Dombrowski
Notary Public

My Commission Expires:
10-7-2005
(Notary Public)

OFFICIAL SEAL
K. A. DOMBROWSKI
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 10-7-2005

LESSEE:

NORFOLK SOUTHERN RAILWAY COMPANY

ATTEST:

By: J. D. Hilger
Name: MANAGER J.D. Hilger
Title: Manager Purchasing - CAR

By: LA Brooks
Name: LA Brooks
Title: Mgr Fleet

Executed on this 8 day of July, 2002.

[CORPORATE SEAL]

STATE OF VIRGINIA

COUNTY OF ROANOKE

I, E. L. BARNETT, a Notary Public of the County and State aforesaid, certify that J. D. HILGER 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 8 day of JULY, 2002.

E. L. Barnett
Notary Public

My Commission Expires:

JANUARY 31, 2003
(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Six hundred (600)

DESCRIPTION OF CARS: 5150cfc and 5250cfc covered hopper cars, 286,000 GRL

CAR NUMBERS: See below

NS	840014	NS	840164	NS	840428	NS	840699
NS	840017	NS	840166	NS	840429	NS	840700
NS	840018	NS	840167	NS	840430	NS	840702
NS	840019	NS	840168	NS	840432	NS	840707
NS	840020	NS	840169	NS	840433	NS	840712
NS	840025	NS	840171	NS	840434	NS	840716
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