



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

RECORDATION NO. 24262-D FILED

VIA UPS 2nd DAY AIR

DEC 27 '02 2:42 PM

December 20, 2002

SURFACE TRANSPORTATION BOARD



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) are three (3) originals and one (1) copy of a Memorandum of Lease Agreement, dated November 13, 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 on this date with the Commission under Recordation Number 24262.

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

<p>Lessor: First Union Rail Corporation One O'Hare Center 6250 River Road, Suite 5000 Rosemont, IL 60018</p>	<p>Lessee: Point Comfort and Northern Railway Company 201 Isabella Street 4th Floor Pittsburgh, PA 15212</p>
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A description of the railroad equipment covered by the enclosed document is sixty-five (65) 4750 cubic foot capacity covered hopper cars, with PCN and NOKL marks (See Exhibit A for 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

(PCN022)

ASSMT. NO. PCN022

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 13th day of November, 2002, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, as assignee of United States Rail Services, Inc., and Point Comfort & Northern Railway Company ("Lessee"), a TEXAS corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of October 1, 1984, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Schedule No. 17 of the Lease (the "Schedule"), 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 Schedule.

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: [Signature]
Name: K. A. Dombrowski
Title: DIRECTOR OF DOCUMENTATION

By: [Signature]
Name: [Signature]
Title: Vice President Sales & Marketing

Executed on this 13th day of Nov., 2002.

[CORPORATE SEAL]

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SURFACE TRANSPORTATION BOARD

STATE OF ILLINOIS
COUNTY OF COOK

I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SCYMOUR 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 13th day of November, 2002

[Signature]
Notary Public

My Commission Expires:
8-14-2004
(Notary Public)



EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Sixty-five (65)

DESCRIPTION OF CARS: 4,750 cu. ft. Covered Hoppers

CAR NUMBERS:

NOKL	822499	PCN	5143
NOKL	822509	PCN	5147
NOKL	822513	PCN	5148
NOKL	822514	PCN	5150
NOKL	822517	PCN	5151
NOKL	822521	PCN	5152
NOKL	822522	PCN	5154
NOKL	822523	PCN	5155
NOKL	822763	PCN	5156
NOKL	822788	PCN	5158
NOKL	822801	PCN	5159
NOKL	822817	PCN	5160
NOKL	822835	PCN	5171
NOKL	822951	PCN	5172
NOKL	822952	PCN	5176
NOKL	827152	PCN	5178
NOKL	827281	PCN	5179
NOKL	827310	PCN	5181
NOKL	827321	PCN	5183
NOKL	827333	PCN	5185
NOKL	827370	PCN	5186
NOKL	827373	PCN	5187
NOKL	827377	PCN	5188
NOKL	827380	PCN	5189
NOKL	827389	PCN	5190
NOKL	827958	PCN	5191
NOKL	827966	PCN	5193
		PCN	5194
		PCN	5195
		PCN	5197
		PCN	5198
		PCN	5201
		PCN	5218
		PCN	5234
		PCN	5235
		PCN	5236
		PCN	5237
		PCN	5238