

RECORDATION NO. 24353 FILED

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SURFACE TRANSPORTATION BOARD

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

March 11, 2003

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, dated February 3, 2003, 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:	Railcar, Ltd. 1201 Peachtree Street, N.E. 400 Colony Square, Suite 1101 Atlanta, GA 30361
Lessee:	Pickens Railway Company 198 North Main Street Cornelia, GA 30531

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

Twenty-four (24) gondolas within the series SLGG 005305 - SLGG 005478
and GNRR 005528 – GNRR 006747

Mr. Vernon A. Williams
March 11, 2003
Page Two

A short summary of the schedule 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 stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "Alvord", written in a cursive style.

Robert W. Alvord

RWA/anr
Enclosures

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF LEASE

1. Pursuant to that certain Master Lease Agreement dated as of June 6, 2002, and the related Schedule No. 1 dated on even date therewith (collectively, the "Lease Agreement"), between Railcar, Ltd. as Lessor, and Pickens Railway Company, as Lessee, Lessor has leased to Lessee the railroad cars identified on Exhibit A attached hereto and entitled "Description of Railcars" (the "Cars"). Said lease of the Cars is referred to hereinafter as the "Lease".

2. The addresses of the parties are as follows:

Lessor: Railcar, Ltd.
1201 Peachtree Street, N.E.
400 Colony Square, Suite 1101
Atlanta, Georgia 30361

Lessee: Pickens Railway Company
198 North Main Street
Cornelia, GA 30531

3. The term of the Lease is twenty-four (24) months commencing on November 1, 2002, and is scheduled to expire on October 31, 2004, unless otherwise extended or amended by agreement of the parties.

4. The terms and provisions of the Lease are more particularly set forth in the Lease Agreement.

5. This Memorandum of Lease may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same document, which may be evidenced by any such signed counterpart.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed as of February 3, 2003.

RAILCAR, LTD.

By: Jeff Calk
Name: Jeffrey Adelman
Title: Vice President of Finance

[SIGNATURES CONTINUE ON NEXT PAGE]

Deal 664

State of Georgia, County of Cobb

On February 3, 2003, before me personally appeared Jeffrey Edelman, to me personally known, who being by me duly sworn says that he is Vice President of Finance of Railcar, Ltd., and that he executed the foregoing instrument 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.

Gayle A. Higbee
Notary Public: Gayle A. Higbee
My commission expires: May 29, 2003

[NOTARIAL SEAL]

PICKENS RAILWAY COMPANY

By: Chipley H. Johnson
Name: Chipley H. Johnson
Title: President

State of Georgia, County of Habersham

On Feb. 24, 2003, before me personally appeared Donald E. Sims, Jr., to me personally know, who being by me duly sworn says that he is General Manager of Pickens Railway Company and that he executed the foregoing instrument 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.

Janie Simpson
Notary Public:
My commission expires: My Commission Expires: Feb. 27, 2004

[NOTARIAL SEAL]

EXHIBIT A TO MEMORANDUM OF LEASE

DESCRIPTION OF RAILCARS

This is Exhibit A to the Memorandum of Lease dated as of February 3, 2003, between Railcar, Ltd., as Lessor, and Pickens Railway Company, as Lessee.

Quantity of Cars: Twenty-four (24)

Description of Cars: Used 52' 6" 100-ton gondolas with 5' sides

Car Marks and Numbers:

SLGG 005305
SLGG 005391
SLGG 005410
SLGG 005413
SLGG 005417
SLGG 005423
SLGG 005440
SLGG 005460
SLGG 005462
SLGG 005471
SLGG 005478
GNRR 005528
GNRR 005628
GNRR 005636
GNRR 005658
GNRR 006613
GNRR 006616
GNRR 006627
GNRR 006660
GNRR 006679
GNRR 006682
GNRR 006710
GNRR 006734
GNRR 006736
GNRR 006747

Car Owners:

Rail Trust - 1999 (a Delaware statutory trust)
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CK Industries, Inc.
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