

RECORDATION NO. 22145-D FILED

JUN 27 '03

1-17 PM

FIRST UNION RAIL

SURFACE TRANSPORTATION BOARD

VIA UPS 2nd DAY AIR

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Tel 847.318.7575
Fax 847.318.7588

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

June 25, 2003



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 May 19, 2003, 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 22145.

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: Southwest Rail Industries, Inc.
601 South East Street
Weimar, TX 78962

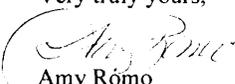
A description of the railroad equipment covered by the enclosed document is one hundred (100) 5750-5851 cubic foot capacity plastic pellet covered hopper cars, with FURX marks (See Exhibit A for numbers).

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 Römo
Manager of Documentation

Enclosures

(SRII013)

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ASSGN. NO. SRJ1013

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 19th day of May, 2003, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Southwest Rail Industries, Inc. ("Lessee"), a Texas corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Master Lease Agreement (the "Lease"), dated as of June 1, 1993 as amended July 1, 1997 as assigned thereto, 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 14, 2003 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

ATTEST:

By: Richard F. Seymour

By: K.A. Dombrowski

Name: RICHARD F. SEYMOUR
Vice President Sales & Marketing

Name: K.A. DOMBROWSKI

Title: _____

Title: DIRECTOR OF DOCUMENTATION Executed on this 19th day of May, 2003.

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, SUSAN GROKULSKY, 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 19th day of May, 2003.

Susan Grokulska
Notary Public

My Commission Expires:

8-14-2004
(Notary Public)



LESSEE:

SOUTHWEST RAIL INDUSTRIES, INC.

By: Ray A. Wohl

Name: Ray A Wohl

Title: VP

ATTEST:

By: _____

Name: _____

Title: _____

Executed on this _____ day of _____, 2003.

[CORPORATE SEAL]

STATE OF Texas

COUNTY OF Colorado

I, Nancy Bittner, a Notary Public of the County and State aforesaid, certify that Ray A Wohl 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 8th day of May, 2003.

Nancy Bittner
Notary Public

Commission Expires:

4-26-06
(Notary Public)

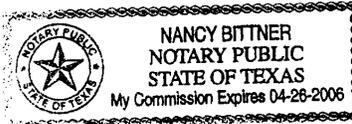


EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: One hundred (100)

DESCRIPTION OF CARS: 5750-5851 cubic foot capacity plastic pellet covered hopper cars,
equipped with pneumatic gates and hatch covers.

CAR NUMBERS:

FURX 870019	FURX 870563	FURX 877067
FURX 870118	FURX 870579	FURX 877068
FURX 870146	FURX 870586	FURX 877078
FURX 870151	FURX 870593	FURX 877087
FURX 870157	FURX 870595	FURX 877088
FURX 870201	FURX 876001	FURX 877089
FURX 870207	FURX 876004	FURX 877102
FURX 870328	FURX 876010	FURX 877106
FURX 870333	FURX 876012	FURX 877107
FURX 870336	FURX 876014	FURX 877120
FURX 870342	FURX 876016	FURX 877121
FURX 870345	FURX 876017	FURX 877123
FURX 870348	FURX 876018	FURX 877139
FURX 870369	FURX 876020	FURX 877141
FURX 870371	FURX 876021	FURX 877145
FURX 870375	FURX 876023	FURX 877146
FURX 870384	FURX 876024	FURX 877151
FURX 870393	FURX 876025	FURX 877177
FURX 870434	FURX 876026	FURX 877186
FURX 870441	FURX 876027	FURX 877187
FURX 870448	FURX 876029	FURX 877191
FURX 870458	FURX 876030	FURX 877192
FURX 870460	FURX 876031	FURX 877193
FURX 870462	FURX 876034	FURX 877194
FURX 870470	FURX 877016	FURX 877196
FURX 870471	FURX 877023	FURX 877202
FURX 870476	FURX 877026	FURX 877203
FURX 870481	FURX 877027	FURX 877204
FURX 870489	FURX 877035	FURX 877207
FURX 870497	FURX 877036	FURX 877208
FURX 870504	FURX 877038	FURX 877209
FURX 870509	FURX 877046	FURX 877214
FURX 870515	FURX 877060	Count: 100
FURX 870542	FURX 877062	