

REGORDATION NO. 24559 FILED

AUG 18 '03 1-31 PM

SURFACE TRANSPORTATION BOARD

ALVORD AND ALVORD
ATTORNEYS AT LAW
1050 SEVENTEENTH STREET, N.W.
SUITE 301
WASHINGTON, D.C.
20036
(202) 393-2266
FAX (202) 393-2156
E-MAIL alvordlaw@aol.com

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

OF COUNSEL
URBAN A. LESTER

August 18, 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 as of August 6, 2003, a 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: Compass Rail V Corporation
750 Battery Street
Suite 430
San Francisco, CA 94111

Lessee: Bayer Corporation
100 Bayer Road
Pittsburgh, PA 15205

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

66 covered hopper railcars bearing BFGX and TG CX reporting marks and road numbers 1095 – 1160.

Mr. Vernon A. Williams
August 18, 2003
Page Two

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 stamped copies of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/anr
Enclosures

MEMORANDUM OF LEASE
As of August 6, 2003

AUG 18 '03 1-31 PM

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE is intended to evidence the RAILCAR LEASE AGREEMENT dated as of August 6, 2003 (the "Lease") by and between COMPASS RAIL V CORPORATION, a California corporation with offices at 750 Battery Street, Suite 430, San Francisco, CA 94111 ("Lessor") and BAYER CORPORATION, an Indiana corporation with offices at 100 Bayer Road, Pittsburgh, Pennsylvania 15205-9741 and BAYER POLYMERS LLC, A Delaware limited liability company with offices at 100 Bayer Road, Pittsburgh, Pennsylvania 15205-9741, jointly and severally ("Lessee"). This Memorandum of Lease is entered into for the purpose of satisfying the requirements of recordation with the United States Department of Transportation Surface Transportation Board ("STB") under 49 U.S.C Section 11301 and with the Registrar General of Canada under applicable law.

Pursuant to the Lease, the Lessor has leased to the Lessee the 66 Railcars specified on Railcar Schedule 1 attached hereto.

IN WITNESS WHEREOF, ^{Lessor} Assignor and ^{Lessee} Assignee have caused this Memorandum to be duly executed all as of the date first above written, and the undersigned hereby declare pursuant to 28 U.S.C. Section 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below their signatures.

LESSOR:

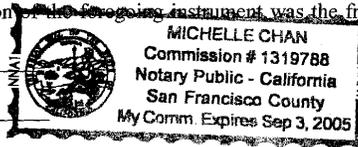
Compass Rail V Corporation

By: Stephen C. Breneman
Title: President
Dated: 8/14/03

State of California)
County of San Francisco)

On this 14 day of August, 2003, before me personally appeared Stephen C. Breneman to me personally known, who being by me duly sworn says that such person is President of Compass Rail IV Corporation, that the foregoing Memorandum of Lease was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Michelle Chan
Notary Public
My commission expires 9/3/05



LESSEE:

Bayer Corporation
By: Jon R. Wyne
Title: Senior Vice President and Treasurer
Dated: _____

Bayer Polymers LLC
By: L.J. Lengyel
Title: Manager, Logistics Strategy and Procurement
Dated: 8/8/2003

State of Pennsylvania)
County of Allegheny)

On this 8th day of August, 2003, before me personally appeared L.J. Lengyel to me personally known, who being by me duly sworn says that such person is _____ of Bayer Corporation, that the foregoing Memorandum of Lease was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Jean Marie Morris
Notary Public
My commission expires Aug. 10, 2004
Notarial Seal
Jean Marie Morris, Notary Public
Robinson Twp., Allegheny County
My Commission Expires Aug. 10, 2004
Member, Pennsylvania Association of Notaries

Handwritten initials



RAILCAR SCHEDULE 1

	<u>Railcar Type</u>	<u>Railcar Number</u>	<u>Railcar Location</u>
1	C-214 5250 cfc ACF Covered Hopper Cars	BFGX 1095	UTLX @ Marion, OH on CSXT RR
2	(same)	TGCX 1096	"
3	(same)	TGCX 1097	"
4	(same)	TGCX 1098	"
5	(same)	TGCX 1099	"
6	(same)	TGCX 1100	"
7	(same)	TGCX 1101	"
8	(same)	TGCX 1102	"
9	(same)	TGCX 1103	"
10	(same)	TGCX 1104	"
11	(same)	TGCX 1105	"
12	(same)	TGCX 1106	"
13	(same)	TGCX 1107	"
14	(same)	TGCX 1108	"
15	(same)	TGCX 1109	"
16	(same)	TGCX 1110	"
17	(same)	TGCX 1111	"
18	(same)	TGCX 1112	"
19	(same)	TGCX 1113	"
20	(same)	TGCX 1114	"
21	(same)	TGCX 1115	"
22	(same)	TGCX 1116	"
23	(same)	TGCX 1117	"
24	(same)	TGCX 1118	"
25	(same)	TGCX 1119	"
26	(same)	TGCX 1120	"
27	(same)	TGCX 1121	"
28	(same)	TGCX 1122	"
29	(same)	TGCX 1123	"
30	(same)	TGCX 1124	"
31	(same)	TGCX 1125	"
32	(same)	TGCX 1126	"
33	(same)	BFGX 1127	"
34	(same)	TGCX 1128	"
35	(same)	TGCX 1129	"
36	(same)	TGCX 1130	"
37	(same)	TGCX 1131	"
38	(same)	TGCX 1132	"
39	(same)	TGCX 1133	"
40	(same)	TGCX 1134	"
41	(same)	TGCX 1135	"
42	(same)	TGCX 1136	"
43	(same)	BFGX 1137	"
44	(same)	TGCX 1138	"
45	(same)	TGCX 1139	"
46	(same)	TGCX 1140	"

Jan

47	(same)	TGCX 1141	"
48	(same)	TGCX 1142	"
49	(same)	TGCX 1143	"
50	(same)	TGCX 1144	"
51	(same)	TGCX 1145	"
52	(same)	TGCX 1146	"
53	(same)	TGCX 1147	"
54	(same)	TGCX 1148	"
55	(same)	TGCX 1149	"
56	(same)	TGCX 1150	"
57	(same)	TGCX 1151	"
58	(same)	TGCX 1152	"
59	(same)	TGCX 1153	"
60	(same)	TGCX 1154	"
61	(same)	TGCX 1155	"
62	(same)	TGCX 1156	"
63	(same)	TGCX 1157	"
64	(same)	TGCX 1158	"
65	(same)	TGCX 1159	"
66	(same)	TGCX 1160	"

Just