



RECORDATION NO. 23173 F FILED

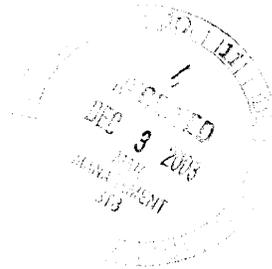
DEC 03 '03

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CORPORATION SERVICE COMPANY SURFACE TRANSPORTATION BOARD

December 2, 2003

Barbara Saddler
Surface Transportation Board
Recordation Office
1925 K Street, N.W., Suite 70
Washington D.C. 20423



Dear Barbara,

Enclosed are two (2) originals of the **Memorandum of Railcar Lease** dated as of November 5, 2003 between the following parties:

Names and address of the following parties:

Lessor: **THE CIT GROUP/EQUIPMENT FINANCING INC.**
1211 Avenue of the Americas, New York, NY 10036

Lessee: **REILLY INDUSTRIES, INC.**
%KLS Logistics SVCS, 361 Independence Drive
Livermore, CA 94550

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

Memorandum of Railcar Lease between Lessor: **THE CIT GROUP/EQUIPMENT FINANCING INC.** and Lessee: **REILLY INDUSTRIES, INC.** covering 5 hopper cars with reporting marks and numbers – CEFX 152756 – CEFX 152764, NOT INCLUSIVE.

Please file this memorandum as a SECONDARY document to Recordation #23173 dated 10/20/00 and return one (1) stamped original to my attention. A check covering the filing fee of thirty dollars (\$30.00) is enclosed.

If you have any questions regarding the filing, please feel free to call me at 800-634-9738 ext. 20100.

Thank you for your prompt assistance.

Sincerely,

Corporation Service Company – 801 Adlai Stevenson Drive; Springfield, IL 62703-4261

Sherry Lewey
Research/Development Coordinator

Enclosure

MEMORANDUM OF RAILCAR LEASE

THIS MEMORANDUM OF RAILCAR LEASE dated as of this 5th day of November 2003, is made by THE CIT GROUP/EQUIPMENT FINANCING, INC., a Delaware corporation, with an address at 1211 Avenue of the Americas, 20th Floor, New York, New York 10036 (the "Lessor"), and REILLY INDUSTRIES, INC., an Indiana corporation, with an address at C/O KLS Logistics SVCS, 3061 Independence Drive, Livermore, CA 94550 (the "Lessee" and, together with the Lessor, the "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

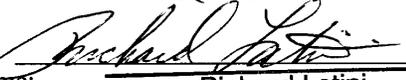
WHEREAS, the Lessor and the Lessee entered into that certain Master Railcar Lease (the "Lease") dated as of January 1, 1999 covering the equipment listed on Schedule A hereto (the "Equipment") pursuant to a Memorandum of Railcar Lease filed with the Surface Transportation Board on October 20, 2000 as recordation number 23173.

WHEREAS, the Parties have entered into an additional Schedule under the Lease and wish to show for the public record the existence of the aforesaid Schedule, the respective interests therein of the Parties and a description of the equipment (the "Equipment") as set forth in Schedule A hereto, and accordingly the Parties have caused this Memorandum to be executed by their respective duly authorized officers, as of the date first above written.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Equipment to the Lessee in accordance with the terms and conditions of the Lease, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Lessor by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Lessor. I further declare under penalty of perjury that the foregoing is true and correct.

THE CIT GROUP/EQUIPMENT FINANCING, INC.

By: 
Name: Richard Latini
Title: Senior Vice President

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Lessee by authority of its Board of Directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Lessee. I further declare under penalty of perjury that the foregoing is true and correct.

REILLY INDUSTRIES, INC.

By: 
Name: Michael Goldsmith, CEO
Title: KLS Logistics Services, Inc.
For Reilly Industries Inc.

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SURFACE TRANSPORTATION BOARD

Schedule A

<u>Number of Cars</u>	<u>Equipment Description</u>	
5	4,750 C.F. covered hopper car with gravity gates and trough hatches	
1	CEFX	152756
2	CEFX	152758
3	CEFX	152760
4	CEFX	152763
5	CEFX	152764