

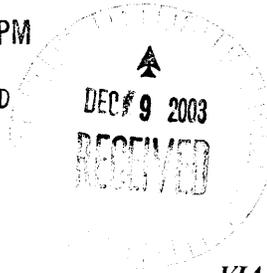
RECORDATION NO. 24727-E FILED

DEC 10 '03

12-49 PM

FIRST UNION RAIL

SURFACE TRANSPORTATION BOARD



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

Tel 847.318.7575
Fax 847.318.7588

VIA UPS 2nd DAY AIR

December 5, 2003

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 one (1) original and three (3) copies of a Memorandum of Lease Agreement, dated November 13, 2003, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Memorandum of Lease which was duly filed with the Commission on this date as Recordation Number _____.

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

Lessee: BC Rail
221 West Esplanade, Floor 6
North Vancouver, BC V7M 3J1

A description of the railroad equipment covered by the enclosed document is thirty-five (35) 73' 263,000 GRL centerbeam flat cars, with NOKL car 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) 384-5355. Thank you for your cooperation in this matter.

Very truly yours,

Susan Grokulska

Susan Grokulska
Manager of Documentation

Enclosures

(BCR022)

ASSGN. NO. BCR022

DEC 10 '03

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MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 13th day of Nov., 2003, by and between the Montreal Branch of FIRST UNION RAIL CORPORATION ("Lessor"), a North Carolina corporation, and BC RAIL LTD. ("Lessee"), a Canadian corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of July 21, 1999, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 14 the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of July 1, 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

NAME: Susan A. Barrie

TITLE: Regional Vice-President, Sales

SIGNATURE: *Susan A. Barrie*

Executed on this 13th day of Nov., 2003.

[CORPORATE SEAL]

PROVINCE OF Quebec

DISTRICT OF Montreal

I, Danielle Lord, a Commissioner of Oaths of the Province and District aforesaid, certify that Susan Barrie personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 13th day of Nov., 2003.

Danielle Lord
Commissioner of Oaths



My Commission Expires:
May 28, 2004

LESSEE:

BC RAIL LTD.

NAME:

TITLE:

SIGNATURE:

Executed on this 23rd day of October, 2003.

[CORPORATE SEAL]

PROVINCE OF British Columbia

CITY
DISTRICT OF North Vancouver

I, John C. Leighton, a Commissioner of Oaths of the Province and District aforesaid, certify that Robert L. Phillips personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 23rd day of October, 2003.

John C. Leighton
Commissioner of Oaths

My Commission Expires:

Jan. 31, 2006

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Thirty-five (35).

DESCRIPTION OF CARS: 73', 100-ton, 263,000 GRL Centerbeam Flat Cars

CAR NUMBERS:	NOKL 730366	NOKL 730370	NOKL 730375
	NOKL 730376	NOKL 730382	NOKL 730397
	NOKL 730600	NOKL 730613	NOKL 730615
	NOKL 730623	NOKL 730627	NOKL 730628
	NOKL 730631	NOKL 730632	NOKL 730634
	NOKL 730639	NOKL 730644	NOKL 730649
	NOKL 730650	NOKL 730654	NOKL 730658
	NOKL 730660	NOKL 730668	NOKL 730673
	NOKL 730676	NOKL 730679	NOKL 730683
	NOKL 730686	NOKL 730687	NOKL 730689
	NOKL 730701	NOKL 730706	NOKL 730708
	NOKL 730709	NOKL 730712	Count: 35