FIRST UNION RAIL

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

Tel 847 318-7575
Fax 847 318-7588

RECORDATION NO. 22658-I FILED

FEB 05 '04 3-09 PM

SURFACE TRANSPORTATION BOARD

FEB 5 2004 RECEIVED

VIA UPS 2nd DAY AIR

February 3, 2004

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 three (3) originals of a Memorandum of Lease Agreement, dated January 13, 2004, 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 22658.

The names and addresses of the parties to the enclosed document are:

| | | | |
|---|---|---|---|
| Lessor: | First Union Rail Corporation<br>One O'Hare Center<br>6250 River Road, Suite 5000<br>Rosemont, IL 60018 | Lessee: | Interstate Commodities, Inc.<br>7 Madison Street<br>Troy, NY 12181 |

A description of the railroad equipment covered by the enclosed document is one hundred one (101) 5250 cu. ft. covered hopper cars, with FURX marks (see Exhibit A for car 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 regarding the above-referenced matter, please contact me at (847) 384-5387. Thank you for your cooperation in this matter.

Very truly yours,

Georgia Freiburger
Manager of Documentation

Enclosures

(INC1016)

RECORDATION NO. 22658-F FILED

ASSGN. NO.: INCI016

FEB 0 5 '04 3-09 PM

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 13th day of January, 2004, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Interstate Commodities, Inc. ("Lessee"), a New York corporation.

**WITNESSETH:**

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of May 24, 1999, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 16 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of July 9, 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

By: Richard F. Seymour

Name: RICHARD F. SEYMOUR

Title: Vice President Sales & Marketing

ATTEST:

By:

Name: GEORGIA FREIBURGER

Title: MANAGER OF DOCUMENTATION

Executed on this 13th day of January, 2004.

[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 13th day of January, 2004.

Susan Grokulsky
Notary Public

My Commission Expires:

8-14-2004
(Notary Public)

OFFICIAL SEAL
SUSAN GROKULSKY
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 8-14-2004

**LESSEE:**

INTERSTATE COMMODITIES, INC.

By: _____

Name: GARY C. OBERTING

Title: Exec V.P.

ATTEST:

By: _____

Name: Greg Oberting

Title: VP

Executed on this 8 day of JANUARY, 2004.

[CORPORATE SEAL]

STATE OF NY

COUNTY OF Rensselaer

I, VICTOR A OBERTING III, a Notary Public of the County and State aforesaid, certify that ~~Monley Daetin Gary Oberting~~ 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 8 day of JANUARY, 2004.

_____
Notary Public

Commission Expires:

_____
(Notary Public)

VICTOR A. OBERTING III
Notary Public, State of New York
No. 02OB6055561
Qualified in Albany County
Commission Expires Feb. 26, 2007

**EXHIBIT A**
**to**
**MEMORANDUM OF LEASE**

NUMBER OF CARS: One hundred one (101)

DESCRIPTION OF CARS: 100-ton, 5250 cu. ft. covered hopper cars with 286,000 lb. capacity

CAR NUMBERS:

| | | | |
|---|---|---|---|
| FURX 850009 | FURX 850692 | FURX 850832 | FURX 850959 |
| FURX 850024 | FURX 850718 | FURX 850833 | FURX 850965 |
| FURX 850032 | FURX 850757 | FURX 850839 | FURX 850972 |
| FURX 850038 | FURX 850762 | FURX 850844 | FURX 850975 |
| FURX 850048 | FURX 850763 | FURX 850850 | FURX 850979 |
| FURX 850059 | FURX 850765 | FURX 850852 | FURX 850986 |
| FURX 850121 | FURX 850767 | FURX 850855 | FURX 850987 |
| FURX 850131 | FURX 850775 | FURX 850857 | FURX 850990 |
| FURX 850136 | FURX 850777 | FURX 850858 | FURX 850998 |
| FURX 850186 | FURX 850788 | FURX 850865 | FURX 851006 |
| FURX 850209 | FURX 850789 | FURX 850866 | FURX 851007 |
| FURX 850210 | FURX 850790 | FURX 850873 | FURX 851010 |
| FURX 850287 | FURX 850792 | FURX 850875 | FURX 851036 |
| FURX 850288 | FURX 850800 | FURX 850876 | FURX 851040 |
| FURX 850362 | FURX 850801 | FURX 850877 | FURX 851047 |
| FURX 850375 | FURX 850811 | FURX 850879 | FURX 851058 |
| FURX 850448 | FURX 850814 | FURX 850886 | FURX 851067 |
| FURX 850460 | FURX 850815 | FURX 850887 | FURX 851077 |
| FURX 850572 | FURX 850816 | FURX 850894 | FURX 851079 |
| FURX 850582 | FURX 850817 | FURX 850899 | FURX 851085 |
| FURX 850607 | FURX 850823 | FURX 850900 | FURX 851087 |
| FURX 850653 | FURX 850826 | FURX 850907 | FURX 851089 |
| FURX 850661 | FURX 850827 | FURX 850910 | FURX 851093 |
| FURX 850668 | FURX 850829 | FURX 850912 | Count: 101 |
| FURX 850677 | FURX 850830 | FURX 850913 | |
| FURX 850680 | FURX 850831 | FURX 850954 | |