

RECORDATION NO. 23772-A FILED

MAR 02 '04

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SURFACE TRANSPORTATION BOARD

BALL JANIK LLP

A T T O R N E Y S

1455 F STREET, NW, SUITE 225
WASHINGTON, D. C. 20005

www.balljanik.com

TELEPHONE 202-638-3307

FACSIMILE 202-783-6947

LOUIS E. GITOMER
OF COUNSEL
(202) 466-6532

lgitomer@dc.bjllp.com

March 2, 2004

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Dear Secretary Williams:

I have enclosed the original and one certified copy of the document described below, to be recorded pursuant to 49 U.S.C. § 11301.

The document is a Memorandum of Lease Agreement, a secondary document, dated as of May 25, 2001. The primary document to which this is connected is recorded under Recordation No. 23772. We request that one copy of this document be recorded under Recordation No. 23772-A.

The names and addresses of the parties to the Memorandum of Lease Agreement are:

Lessor:

National Railway Equipment Company
14400 S. Robey Street
Dixmoor, IL 60426

Lessee:

Indiana Harbor Belt Railroad Company
2721 161st Street
Hammond IN 46323

A description of the equipment covered by the Memorandum of Lease Agreement consists of one SD-38-2 locomotive numbered IHB 3862 (formerly numbered NREX 6630).

BALL JANIK LLP

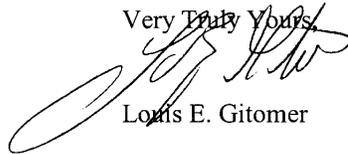
Honorable Vernon A. Williams
March 2, 2004
Page 2

A fee of \$30.00 is enclosed. Please return the original to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the document to appear in the index follows: a Memorandum of Lease Agreement between National Railway Equipment Company, 14400 S. Robey Street, Dixmoor, IL 60426, and Indiana Harbor Belt Railroad Company, 2721 161st Street, Hammond, IN 46323, covering one SD-38-2 locomotive numbered IHB 3862 (formerly numbered NREX 6630).

Very Truly Yours,



Louis E. Gitomer

Enclosures

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MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of May 25, 2001, by and between NATIONAL RAILWAY EQUIPMENT COMPANY ("Lessor"), and INDIANA HARBOR BELT RAILROAD COMPANY ("Lessee"), with reference to the following:

1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor, Locomotive model(s) described herein.

Each locomotive is fully-described in a certain Lease Agreement dated as of May 25, 2001 (together with all of the riders, schedules and other attachments thereto, collectively, the "Lease"), each between Lessor and Lessee. A Schedule of the equipment is attached hereto.

2. The Lease shall be effective as of the date hereof and shall be subject to the term specified in the Lease, and any extension of such term to the extent provided for in the Lease.

The Memorandum of Lease Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Lease Agreement to be executed as of the date first above written.

LESSEE:

INDIANA HARBOR BELT RR COMPANY

By: C. H. Allen

Name: C. H. ALLEN

Title: GENERAL MANAGER

LESSOR:

NATIONAL RAILWAY EQUIPMENT COMPANY

By: Luis E. Mayor

Name: Luis E. Mayor

Title: Vice President & Director of Finance

STATE OF Indiana)
) SS.
COUNTY OF Lake)

On this 6th day of August, 2001, before me appeared C.H. Allen, the person who signed this instrument who acknowledged that (s) he is the Lessee of Indiana Harbor Belt Railroad Co. and that, being duly authorized, (s) he signed such instrument as a free act on behalf of said corporation.

PAULETTE J. PETERSON
Notary Public, State of Indiana
County of Lake
My Commission Expires Apr. 3, 2008



Notary Public

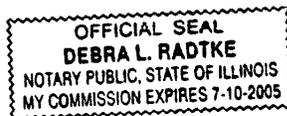
[Seal]

My Commission Expires:

April 3, 2008

STATE OF ILLINOIS)) SS.
COUNTY OF WILL)

On this 13th day of August, 2001, before me appeared Lawson, the person who signed this instrument who acknowledged that (s) he is an officer of **NATIONAL RAILWAY EQUIPMENT COMPANY** and that, being duly authorized, (s) he signed such instrument as a free act on behalf of said corporation.



Notary Public

[Seal]

My Commission Expires:

7-10-2005

SCHEDULE OF EQUIPMENT

Lessor: NATIONAL RAILWAY EQUIPMENT COMPANY

Lessee: INDIANA HARBOR BELT RAILROAD COMPANY

Approved by: _____

(Lessee to initial each page)

Attached to Bill of Sale dated: Equipment Located at:

_____ Hammond, Indiana in Lake County

Equipment Schedule No.: See Schedule "A"

Manufacturer and/or Vendor
Name & Invoice Number

Equipment
Description

National Railway Equipment Company

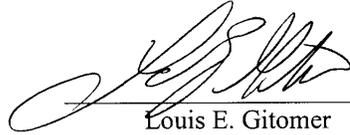
EMD SD38-2 Six Axle 2,000 HP

Schedule "A"

One SD-38-2 locomotive numbered IHB 3862 (formerly numbered NREX 6630).

CERTIFICATION

I, Louis E. Gitomer, have compared this copy to the original Memorandum of Lease Agreement dated as of May 25, 2001, and found the copy to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.

A handwritten signature in black ink, appearing to read 'L. E. Gitomer', is written over a horizontal line.

Louis E. Gitomer
March 2, 2004