

RECORDATION NO. 24907 FILED

APR 14 '04

10-44 AM

FIRST UNION RAIL

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

Tel 847 318-7575
Fax 847 318-7588



April 9, 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 February 3, 2004, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. The names and addresses of the parties to the enclosed document are:

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

Lessee: Mississippi Power Company
600 N. 18th Street
14N8160
Birmingham, AL 35202

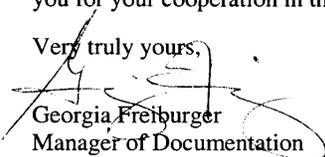
A description of the railroad equipment covered by the enclosed document is ninety-six (96) 4080 cubic foot open top hopper cars, with FURX marks (see Exhibit A for numbers).

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 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
(MIP0001)

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 3rd day of February, 2004, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Mississippi Power Company ("Lessee"), a Mississippi corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of January 1, 2004, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 1 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of January 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

By: Richard F. Seymour

Name: RICHARD F. SEYMOUR
Vice President Sales & Marketing

Title:

ATTEST:

By: [Signature]

Name: GEORGIA FREIBURGER

Title: MGR. OF DOCUMENTATION

Executed on this 19 day of February, 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/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 19th day of February, 2004.

[Signature] Notary Public

Commission Expires:

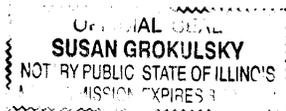
8-14-2004
(Notary Public)

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SURFACE TRANSPORTATION BOARD



LESSEE:

MISSISSIPPI POWER COMPANY

ATTEST:

By: Shelby G Walker

Name: Shelby G. Walker

Title: Fuel Services Mgr.

By: Vicki L. Pierce

Name: Vicki L. Pierce

Title: Corp. Secretary

Executed on this 3rd day of February, 2004.

[CORPORATE SEAL]

STATE OF Mississippi

COUNTY OF Harrison

I, Kim E. Necaise, a Notary Public of the County and State aforesaid, certify that Shelby G. Walker 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 3rd day of Feb., 2004.

Kim E. Necaise
Notary Public

Commission Expires:

July 22, 2005
(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Ninety-six (96)

DESCRIPTION OF CARS: All steel, 5 pocket, 100-ton, mechanized, Rapid Discharge II open top hopper cars 4,080 cubic foot capacity, designed for a gross rail load of 270,000 lbs.

CAR NUMBERS:

FURX 925000	FURX 925030	FURX 925067	FURX 925094
FURX 925002	FURX 925031	FURX 925068	FURX 925095
FURX 925003	FURX 925032	FURX 925069	FURX 925096
FURX 925004	FURX 925033	FURX 925070	FURX 925097
FURX 925006	FURX 925034	FURX 925071	FURX 925099
FURX 925007	FURX 925035	FURX 925072	FURX 925100
FURX 925008	FURX 925038	FURX 925073	FURX 925101
FURX 925009	FURX 925040	FURX 925074	FURX 925103
FURX 925010	FURX 925041	FURX 925075	FURX 925104
FURX 925011	FURX 925042	FURX 925077	FURX 925105
FURX 925012	FURX 925043	FURX 925078	FURX 925108
FURX 925013	FURX 925045	FURX 925079	FURX 925109
FURX 925014	FURX 925046	FURX 925080	FURX 925110
FURX 925015	FURX 925047	FURX 925081	FURX 925111
FURX 925016	FURX 925048	FURX 925082	FURX 925112
FURX 925017	FURX 925049	FURX 925083	FURX 925113
FURX 925018	FURX 925052	FURX 925084	FURX 925114
FURX 925019	FURX 925055	FURX 925085	FURX 925116
FURX 925020	FURX 925056	FURX 925086	FURX 925117
FURX 925022	FURX 925058	FURX 925088	FURX 925118
FURX 925023	FURX 925061	FURX 925089	FURX 925119
FURX 925024	FURX 925062	FURX 925090	Count: 96
FURX 925026	FURX 925063	FURX 925091	
FURX 925027	FURX 925064	FURX 925092	
FURX 925029	FURX 925066	FURX 925093	