

RECORDATION NO. 24957-B FILED

MAY 17 '04 3-01 PM

SURFACE TRANSPORTATION BOARD

FIRST UNION RAIL

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

May 13, 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 April 2, 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 on this date as Recordation Number _____.

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

<p>Lessor: First Union Rail Corporation One O'Hare Center 6250 River Road, Suite 5000 Rosemont, IL 60018</p>	<p>Lessee: Montreal Maine and Atlantic Railway, LTD. Northern Maine Junction Park, RR Box 45 Bangor, ME 04401</p>
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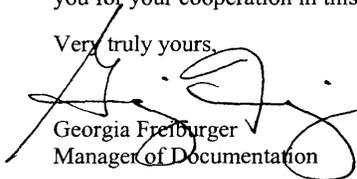
A description of the railroad equipment covered by the enclosed document is ninety five (95) Plate F boxcars, with NOKL marks (see Exhibit A for car numbers).

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 Freiburg
Manager of Documentation

Enclosures

(MMAR003)

RECORDATION NO. 24957-B FILED

ASSGN. NO.: MMAR003

MAY 17 '04 3-01 PM

MEMORANDUM OF LEASE SURFACE TRANSPORTATION BOARD *shd*

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 2nd day of April, 2004, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Montreal, Maine & Atlantic Railway, Ltd., a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Master Lease Agreement (the "Lease"), dated as of April 1, 2003, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 3 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of April 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

ATTEST:

By: [Signature]
Name: K.A. DONIKOWSKI
Title: DIRECTOR OF DOCUMENTATION

By: [Signature]
Name: RICHARD F. SEYMOUR
Title: Vice President Sales & Marketing
Executed on this 2nd day of April, 2004

[CORPORATE SEAL]

STATE OF ILLINOIS

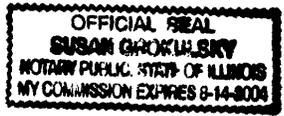
COUNTY OF COOK

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 2nd day of April, 2004.

[Signature]
Notary Public

My Commission Expires:
8-14-2004
(Notary Public)



LESSEE:

MONTREAL, MAINE & ATLANTIC RAILWAY, LTD.

ATTEST:

By: Norma J. Griffiths
Name: Norma J. Griffiths
Title: ASST. Secretary

By: Robert C. Grindrod
Name: R. C. GRINDROD
Title: PRESIDENT & CEO

Executed on this 22 day of MARCH, 2004.

[CORPORATE SEAL]

STATE OF MAINE

COUNTY OF PENOBSCOT

I, GAYNOR L. RYAN, a Notary Public of the County and State aforesaid, certify that ROBERT C. GRINDROD 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 22nd day of MARCH, 2004.

Gaynor L. Ryan
Notary Public

My Commission Expires:

5/1/2008
(Notary Public)

GAYNOR L. RYAN
Notary Public, Maine
My Commission Expires 5/1/2008

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Ninety-Five (95)

DESCRIPTION OF CARS: Boxcars, 50'6" with 9'6" doors, 6269 cu.ft., Plate F, loading
to 286,000 lb. capacity

CAR NUMBERS:

NOKL 570100	NOKL 570128	NOKL 570152	NOKL 570176
NOKL 570101	NOKL 570129	NOKL 570153	NOKL 570177
NOKL 570102	NOKL 570130	NOKL 570154	NOKL 570178
NOKL 570103	NOKL 570131	NOKL 570155	NOKL 570179
NOKL 570105	NOKL 570132	NOKL 570156	NOKL 570180
NOKL 570106	NOKL 570133	NOKL 570157	NOKL 570181
NOKL 570107	NOKL 570134	NOKL 570158	NOKL 570182
NOKL 570109	NOKL 570135	NOKL 570159	NOKL 570183
NOKL 570110	NOKL 570136	NOKL 570160	NOKL 570184
NOKL 570111	NOKL 570137	NOKL 570161	NOKL 570185
NOKL 570112	NOKL 570138	NOKL 570162	NOKL 570186
NOKL 570113	NOKL 570139	NOKL 570163	NOKL 570187
NOKL 570114	NOKL 570140	NOKL 570164	NOKL 570188
NOKL 570115	NOKL 570141	NOKL 570165	NOKL 570189
NOKL 570116	NOKL 570142	NOKL 570166	NOKL 570190
NOKL 570117	NOKL 570143	NOKL 570167	NOKL 570191
NOKL 570119	NOKL 570144	NOKL 570168	NOKL 570192
NOKL 570120	NOKL 570145	NOKL 570169	NOKL 570193
NOKL 570121	NOKL 570146	NOKL 570170	NOKL 570194
NOKL 570122	NOKL 570147	NOKL 570171	NOKL 570195
NOKL 570124	NOKL 570148	NOKL 570172	NOKL 570196
NOKL 570125	NOKL 570149	NOKL 570173	NOKL 570197
NOKL 570126	NOKL 570150	NOKL 570174	NOKL 570198
NOKL 570127	NOKL 570151	NOKL 570175	NOKL 570199