

RECORDATION NO. 24957-1 FILED

MAY 17 '04 3-12 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



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 eleven (11) 73' centerbeam flatcars, 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 Freiburger
Manager of Documentation

Enclosures
(MMAR005)

RECORDATION NO. 24957-1 FILED

ASSGN. NO.: MMAR005

MAY 17 '04 3-12 PM

MEMORANDUM OF LEASE SURFACE TRANSPORTATION BOARD

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. 5 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. Dombrowski
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: [Signature]
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.

[Signature]
Notary Public

My Commission Expires:

5/4/2008
(Notary Public)

My Commission Expires

EXHIBIT A
to
MEMORANDUM OF LEASE

I. NUMBER OF CARS: Up to eleven (11)

II. DESCRIPTION OF CARS: 73' Centerbeam Flatcars, 263,000 lb. capacity, Built 1991

IV. CAR NUMBERS:

NOKL	730801
NOKL	730802
NOKL	730803
NOKL	730805
NOKL	730806
NOKL	730807
NOKL	730808
NOKL	730809
NOKL	730810
NOKL	730811
NOKL	730812