

OSTER
Researching Services

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July 21, 2004

RECORDATION NO. 24609-A FILED

JUL 22 '04 12-04 PM

SURFACE TRANSPORTATION BOARD

Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Dear Sir:

Enclosed for recording with the Surface Transportation Board is a Memorandum of Options, Rights of First Refusal and Remarketing Rights dated 8/29/03 including the following parties and railroad equipment:

Seller: Joseph Transportation Services, Inc.
300 Pike Street
Cincinnati, OH 45202

Buyer: Wells Fargo Equipment Finance, Inc.
733 Marquette Avenue
Investors Building, #300
Minneapolis, MN 55479

Equipment: 111, Railcars
JTSX 900657-900759,
JTSX 900134-900370, NI

Please record this agreement as a secondary document to STB Recordation #24609. The filing fee of \$30 is enclosed. Thank you.

Summary: Memorandum of Options, Rights of First Refusal and Remarketing Rights 8/29/03 including Joseph Transportation Services, Inc. as Seller and Wells Fargo Equipment Finance, Inc. as Buyer including 111, Railcars within the series JTSX 900657-900759, 900134-900370, a secondary document to STB Recordation #24609.

Sincerely,



Mary Ann Oster
Research Consultant

MEMORANDUM OF OPTIONS, RIGHTS OF FIRST REFUSAL AND REMARKETING RIGHTS

This Memorandum of Options, Rights of First Refusal and Remarketing Rights (the "Memorandum of Rights") is entered into as of the 29th day of August, 2003, by and between **JOSEPH TRANSPORTATION SERVICES, INC.**, a Delaware Corporation, ("Seller") and **WELLS FARGO EQUIPMENT FINANCE, INC.**, a Minnesota corporation ("Buyer").

WITNESSETH:

WHEREAS, Buyer and Seller are parties to that certain Purchase and Sale Agreement dated as of August 29, 2003 (the "Agreement"), pursuant to which the Buyer purchased Seller's entire right, title and interest in and to the railroad cars identified on Schedule I attached hereto (collectively, the "Cars");

WHEREAS, the Cars are subject to the Lease identified on Schedule I (the "Lease");

WHEREAS, in connection with the transactions contemplated by the Agreement, Buyer granted Seller certain options, rights of first refusal and remarketing rights, which the parties intend will operate as a lien on the Cars;

NOW, THEREFORE, in consideration of the premises and mutual covenants and conditions contained herein and in the Agreement, the parties do hereby confirm that the options, rights of first refusal and remarketing rights granted Seller by Buyer pursuant to the Agreement shall operate as a lien on said Cars and said Cars shall not be sold, leased or otherwise transferred by Buyer except in accordance with and subject to the terms and provisions of said options, rights of first refusal and remarketing rights.

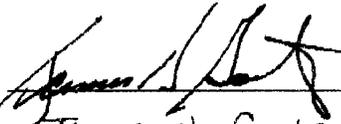
Upon expiration or termination of said options, rights of first refusal and remarketing rights referred to herein, Seller and Buyer shall file an instrument with the Surface Transportation Board of the U.S. Department of Transportation terminating said options, rights of first refusal and remarketing rights of record.

This Memorandum of Rights, being further documentation of the sales, conveyances and transactions contemplated by the Agreement, neither expands upon nor limits the rights and obligations of the parties under the Agreement.

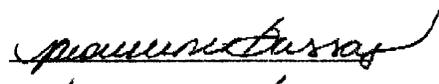
RECORDATION NO. 24609-A FILED
JUL 22 '04 12:04 PM
SURFACE TRANSPORTATION BOARD

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Rights to be executed and delivered by their duly authorized representatives as of the date set forth above, but shall be effective as of the Closing Date specified in the Agreement.

JOSEPH TRANSPORTATION SERVICES, INC.

By: 
Name: James H. Goetz
Title: VP + CFO

WELLS FARGO EQUIPMENT FINANCE, INC.

By: 
Name: Margaret Barragan
Title: VP

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On this 28th day of August, 2003, before me the subscriber, Angela Denise Watts, a Notary Public, duly commissioned, qualified and acting, within and for said County and State, appeared in person the within named James H. Goetz, to me personally known, who stated and acknowledged that he is the EVP & CFO of Joseph Transportation Services, Inc., a Delaware corporation, and duly authorized by authority of the Board of Directors or By-laws of said corporation in his capacity as such officer to execute and acknowledge this document for and in the name and on behalf of said corporation and further stated and acknowledged that he has so signed, executed and delivered this document as the free and voluntary act and deed of said corporation, for the consideration, uses and purposes therein mentioned and set forth and desired that the same might be recorded as such.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 28th day of August, 2003.

Angela Denise Watts
(Notary Signature)

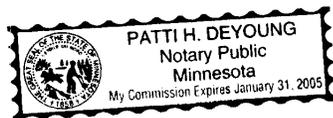
My commission expires:

ANGELA DENISE WATTS
Attorney at Law
Notary Public, State of Ohio
My Commission Has No Expiration
Date Section 147.03 O.R.C.

STATE OF Minnesota)
) SS:
COUNTY OF Hennepin)

On this 29th day of August, 2003, before me the subscriber, Patti H. DeYoung a Notary Public, duly commissioned, qualified and acting, within and for said County and State, appeared in person the within named Jacqueline P. Barnagan to me personally known, who stated and acknowledged that he/she is the AVP of Wells Fargo Equipment Finance, Inc., a Minnesota corporation, and duly authorized by authority of the Board of Directors or By-laws of said corporation in his/her capacity as such officer to execute and acknowledge this document for and in the name and on behalf of said corporation and further stated and acknowledged that he/she has so signed, executed and delivered this document as the free and voluntary act and deed of said corporation, for the consideration, uses and purposes therein mentioned and set forth and desired that the same might be recorded as such.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 19th day of ~~August, 2003.~~ July, 2004.



Patti H. DeYoung
(Notary Signature)

My commission expires:

1/31/2005

SCHEDULE I
TO
MEMORANDUM OF OPTIONS, RIGHTS OF FIRST REFUSAL AND REMARKETING
RIGHTS
CARS

One hundred eleven (111) railcars broken out as follows:

One hundred three (103) railcars referred to in Section 4 of the Lease and currently bearing the reporting marks, which shall be restencilled to the reporting marks as follows:

OLD NUMBER		NEW NUMBER	
DJX	244	JTSX	900657
DJX	248	JTSX	900658
DJX	249	JTSX	900659
DJX	250	JTSX	900660
DJX	251	JTSX	900661
DJX	252	JTSX	900662
DJX	253	JTSX	900663
DJX	255	JTSX	900664
DJX	256	JTSX	900665
DJX	266	JTSX	900666
DJX	268	JTSX	900667
DJX	269	JTSX	900668
DJX	271	JTSX	900669
DJX	285	JTSX	900670
DJX	286	JTSX	900671
DJX	292	JTSX	900672
DJX	296	JTSX	900673
DJX	306	JTSX	900674
DJX	307	JTSX	900675
DJX	316	JTSX	900676
DJX	319	JTSX	900677
DJX	323	JTSX	900678
DJX	324	JTSX	900679
DJX	332	JTSX	900680
DJX	334	JTSX	900681
DJX	340	JTSX	900682
DJX	341	JTSX	900683
DJX	345	JTSX	900684
DJX	347	JTSX	900685
DJX	354	JTSX	900686
DJX	359	JTSX	900687
DJX	371	JTSX	900688
DJX	374	JTSX	900689

DJX	376	JTSX	900690
DJX	378	JTSX	900691
DJX	379	JTSX	900692
DJX	382	JTSX	900693
DJX	383	JTSX	900694
DJX	385	JTSX	900695
DJX	393	JTSX	900696
DJX	395	JTSX	900697
OLD NUMBER		NEW NUMBER	
DJX	397	JTSX	900698
DJX	408	JTSX	900699
DJX	412	JTSX	900700
DJX	413	JTSX	900701
DJX	414	JTSX	900702
DJX	418	JTSX	900703
DJX	419	JTSX	900704
DJX	421	JTSX	900705
DJX	455	JTSX	900706
DJX	460	JTSX	900707
DJX	461	JTSX	900708
DJX	462	JTSX	900709
DJX	465	JTSX	900710
DJX	470	JTSX	900711
DJX	471	JTSX	900712
DJX	478	JTSX	900713
DJX	480	JTSX	900714
DJX	483	JTSX	900715
DJX	484	JTSX	900716
DJX	491	JTSX	900717
DJX	497	JTSX	900718
DJX	500	JTSX	900719
DJX	501	JTSX	900720
DJX	505	JTSX	900721
DJX	507	JTSX	900722
DJX	516	JTSX	900723
DJX	519	JTSX	900724
DJX	522	JTSX	900725
DJX	523	JTSX	900726
DJX	526	JTSX	900727
DJX	527	JTSX	900728
DJX	541	JTSX	900729
DJX	544	JTSX	900730
DJX	551	JTSX	900731
DJX	555	JTSX	900732
DJX	556	JTSX	900733
DJX	558	JTSX	900734

DJXX	560	JTSX	900735
DJXX	561	JTSX	900736
DJXX	563	JTSX	900737
DJXX	564	JTSX	900738
DJXX	566	JTSX	900739
DJXX	571	JTSX	900740
DJXX	573	JTSX	900741
DJXX	576	JTSX	900742
DJXX	577	JTSX	900743
DJXX	580	JTSX	900744
DJXX	581	JTSX	900745
DJXX	582	JTSX	900746
DJXX	583	JTSX	900747
DJXX	585	JTSX	900748
OLD NUMBER		NEW NUMBER	
DJXX	586	JTSX	900749
DJXX	587	JTSX	900750
DJXX	588	JTSX	900751
DJXX	590	JTSX	900752
DJXX	10105	JTSX	900753
DJXX	10118	JTSX	900754
DJXX	10122	JTSX	900755
DJXX	10145	JTSX	900756
DJXX	10151	JTSX	900757
DJXX	10153	JTSX	900758
DJXX	10162	JTSX	900759

Eight (8) railcars referred to in Section 4 of the Lease and currently bearing reporting marks as follows:

JTSX	900134
JTSX	900144
JTSX	900179
JTSX	900206
JTSX	900242
JTSX	900266
JTSX	900338
JTSX	900370

LEASE: Dated August 13, 2003 between Joseph Transportation Services, Inc. and Tucson Electric Power Company.