

# FIRST UNION RAIL

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

Tel 847 318-7575  
Fax 847 318-7588



RECORDATION NO. 21646-D FILED

JUL 27 '04 4-10 PM

VIA UPS NEXT DAY AIR

July 21, 2004

**SURFACE TRANSPORTATION BOARD**

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 under Recordation Number 21646.

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:	Iowa Interstate Railroad 800 Webster Street Iowa City, IA 52240
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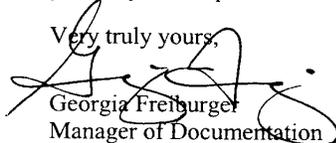
A description of the railroad equipment covered by the enclosed document is thirty-eight (38) gondola cars, with NOKL marks (see Exhibit A for numbers).

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  
(IAIS012)

REGISTRATION NO. 21646-D FILED

ASSGN. NO.: IAIS012

JUL 27 '04 4-10 PM

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD *ick*

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the April day of 2004, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Iowa Interstate Railroad ("Lessee"), an Iowa corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of August 21, 1998, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 4 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of March 1, 2004 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: Richard F. Seymour

By: K.A. Dombrowski

Name: RICHARD F. SEYMOUR

Name: K.A. DOMBROWSKI

Title: Vice President Sales & Marketing

Title: DIRECTOR OF DOCUMENTATION Executed on this 2nd day of April, 2004

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, K.A. Dombrowski, 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

K.A. Dombrowski  
Notary Public

My Commission Expires:  
10-7-2005  
(Notary Public)



LESSEE:

IOWA INTERSTATE RAILROAD

By: Dennis H. Miller

Name: Dennis H. Miller

Title: Exec. Vice President

ATTEST:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Executed on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

[CORPORATE SEAL]

STATE OF Iowa

COUNTY OF Johansen

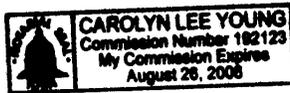
I, Carolyn Lee Young, a Notary Public of the County and State aforesaid, certify that Dennis H. Miller personally appeared before me this day and acknowledged his due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 29 day of March, 2004.

Carolyn Lee Young  
Notary Public

Commission Expires:

8-26-06  
(Notary Public)



**EXHIBIT A**  
**to**  
**MEMORANDUM OF LEASE**

NUMBER OF CARS: Thirty-eight (38)

DESCRIPTION OF CARS: 52'6' gondola cars with 5' sides and 263 GRL

CAR NUMBERS:

NOKL 315103  
NOKL 315106  
NOKL 315108  
NOKL 315113  
NOKL 315115  
NOKL 315118  
NOKL 315131  
NOKL 315133  
NOKL 315137  
NOKL 315138  
NOKL 315139  
NOKL 315141  
NOKL 315250  
NOKL 315255  
NOKL 315259  
NOKL 315261  
NOKL 315265  
NOKL 315266  
NOKL 315268  
NOKL 315269  
NOKL 315270  
NOKL 315281  
NOKL 315287  
NOKL 315311  
NOKL 315318  
NOKL 315327  
NOKL 315333  
NOKL 320515  
NOKL 320516  
NOKL 320517  
NOKL 320518  
NOKL 320521  
NOKL 320522  
NOKL 320525  
NOKL 320537  
NOKL 320544  
NOKL 320545  
NOKL 320551  
Count: 38