

JOHN D. HEFFNER, PLLC

1920 N ST., N.W.

SUITE 800

WASHINGTON, D.C. 20036

(202) 263-4180

FAX (202) 296-3939

j.heffner@verizon.net

RECORDATION NO.

25153-A FILED

AUG 18 '04

4-50 PM

SURFACE TRANSPORTATION BOARD

August 18, 2004

Hon. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423-0001  
Attn: Equipment recordations

To Whom It May Concern:

I am enclosing for recordation pursuant to the provisions of 49 U.S.C. 11301 two Locomotive Lease Agreements dated July 7 and July 15, respectively, both primary documents under the Board's recordation regulations.

In each case the names and addresses of the parties to the enclosed document are:

Lessor: National Railway Equipment Co.  
14400 S. Robey Street  
P.O. Box 2270  
Dixmoor, IL 60426

Lessee: Formosa Plastics Corporation, Texas  
Contracting Department  
201 Formosa Drive  
Point Comfort, TX 77978

A description of the railroad equipment covered by the July 7, 2004, Lease Agreement is:

One EMD model SD40-2 road switching locomotive  
bearing road number NREX 5979

A description of the railroad equipment covered by the July 15, 2004 Lease Agreement is:

One EMD model SD20 road switching locomotive  
bearing road number NREX 2034

Hon. Vernon A. Williams  
August 18, 2004  
Page two

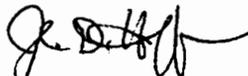
A short summary of the document to appear in the index is:

"Locomotive Lease Agreement"

Also enclosed is a check in the amount of \$60 payable to the Surface Transportation Board to cover the required recordation fees for the attached agreements.

Please date stamp and return to me one copy of the enclosed document.

Sincerely yours,



John D. Heffner

Enclosure

cc: Robert Loewer, Esq.

**MEMORANDUM OF LEASE AGREEMENT**

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of July 15, 2004, by and between NATIONAL RAILWAY EQUIPMENT CO. ("Lessor"), and FORMOSA PLASTICS CORPORATION, TEXAS ("Lessee"), with reference to the following:

1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor, Locomotive model(s) described herein.

Each locomotive is fully-described in a certain Lease Agreement dated as of July 15, 2004 (together with all of the riders, schedules and other attachments thereto, collectively, the "Lease"), each between Lessor and Lessee. A Schedule of the equipment is attached hereto.

2. The Lease shall be effective as of the date hereof and shall be subject to the term specified in the Lease, and any extension of such term to the extent provided for in the Lease.

The Memorandum of Lease Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum of Lease Agreement to be executed as of the date first above written.

**LESSEE:**

**FORMOSA PLASTICS CORPORATION, TEXAS**

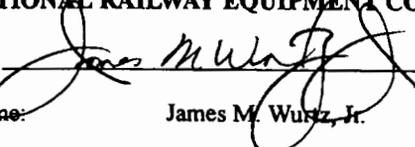
By: 

Name: JOHN HERSEY

Title: CONTRACTING MGR.

**LESSOR:**

**NATIONAL RAILWAY EQUIPMENT CO.**

By: 

Name: James M. Wurtz, Jr.

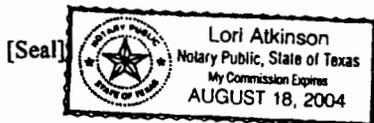
Title: Vice President

STATE OF Texas )  
COUNTY OF Calhoun ) SS.

On this 21<sup>st</sup> day of July, 2004, before me appeared John Hervey, the person who signed this instrument who acknowledged that (s) he is the CONT. MGR. of FARMOSA PLASTICS CORP. TEXAS and that, being duly authorized, (s) he signed such instrument as a free act on behalf of said corporation.

Lori Atkinson

Notary Public



My Commission Expires:

8/18/04

STATE OF ILLINOIS )  
COUNTY OF COOK ) SS.

On this 16<sup>th</sup> day of August, 2004, before me appeared Jim Ward the person who signed this instrument who acknowledged that (s) he is an officer of **NATIONAL RAILWAY EQUIPMENT CO.** and that, being duly authorized, (s) he signed such instrument as a free act on behalf of said corporation.

Lisa A. Fuehrmeyer

Notary Public



My Commission Expires:

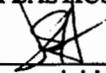
12-30-06

**SCHEDULE OF EQUIPMENT**

**Lessor: NATIONAL RAILWAY EQUIPMENT CO.**

**Lessee: FORMOSA PLASTICS CORPORATION, TEXAS**

**Approved by:**

  
\_\_\_\_\_  
**(Lessee to initial each page)**

**Equipment Located at:**

**Formosa Plastics Corporation, Texas  
Point Comfort, Texas**

**Equipment Schedule No.: See Schedule "A"**

**Manufacturer and/or Vendor  
Name & Invoice Number**

**Equipment  
Description**

**National Railway Equipment Co.**

**SD-20 EMD Six axle 2,000 HP**