

FIRST UNION RAIL

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

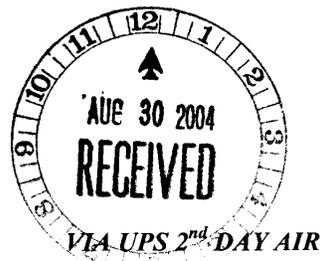
Tel 847 318-7575
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RECORDATION NO. 22147-H FILED

AUG 31 04

2-36 PM

SURFACE TRANSPORTATION BOARD



August 26, 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) is one (1) original and two (2) copies of a Memorandum of Lease Agreement, dated May 6, 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 22147.

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: Burlington Northern & Santa Fe Rwy. Co.
2600 Lou Menk Dr.
Ft. Worth, TX 76161

A description of the railroad equipment covered by the enclosed document is one hundred twenty-four (124) SD40-2 Locomotives. (see Exhibit A for locomotive 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

(BNSF094)

ASSGN. NO. BNSF094

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 6th day of May, 2004, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and The Burlington Northern and Santa Fe Railway Company ("Lessee"), a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Locomotive Master Lease Agreement (the "Lease"), dated as of July 3, 2003, whereby Lessor has agreed to lease to Lessee certain locomotives pursuant to Lease Supplement No. 3 to the Lease (the "Lease Supplement"), as described in more particular on Exhibit A attached hereto, effective as of December 1, 2003, and subject to the terms, conditions and provisions of the above-mentioned Lease and Supplement.

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

By: Richard F. Seymour

Name: RICHARD F. SEYMOUR
Vice President Sales & Marketing

Title: _____

ATTEST:

By: K.A. Dombrowski

Name: K.A. DOMBROWSKI

Title: DIRECTOR OF DOCUMENTATION

Executed on this 6th day of May, 2004.

[CORPORATE SEAL]

RECORDATION NO. 22147-H FILED

STATE OF ILLINOIS

AUG 31 '04

2-36 PM

COUNTY OF COOK

SURFACE TRANSPORTATION BOARD

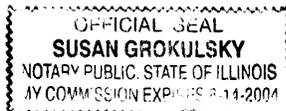
I, SUSAN GROKULSKY, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 6th day of May, 2004.

Susan Grokulska
Notary Public

My Commission Expires:

8-14-2004
(Notary Public)



LESSEE:

THE BURLINGTON NORTHERN AND
SANTA FE RAILWAY COMPANY

ATTEST:

By: _____

[Handwritten Signature]

Name: _____

M. David Deary

Title: _____

Vice President Transportation

By: _____

Name: _____

Title: _____

Executed on this 24th day of June, 2004.

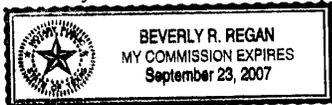
[CORPORATE SEAL]

STATE OF Texas

COUNTY OF Tarrant

I, Beverly R. Regan, a Notary Public of the County and State aforesaid,
certify that M. D. Deary personally appeared before me this day and
acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 24th day of June, 2004.



Beverly R. Regan
Notary Public

Commission Expires:

09/23/07
(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF LOCOMOTIVES: One hundred twenty-four (124)

DESCRIPTION: EMD-GMC Model SD-40-2 Locomotives, 3,000 h.p.

LOCOMOTIVE NUMBERS:

FURX 3050, 3052, 7207, 7208,
7209, 7210, 7211, 7212, 7213,
7214, 7215, 7216, 7217, 7219,
7222, 7223, 7224, 7225, 7227,
7236, 7237, 7238, 7239, 7240,
7242, 7243, 7244, 7245, 7246,
7247, 7248, 7249, 7250, 7251,
7252, 7253, 7254, 7255, 7256,
7257, 7258, 7259, 7260, 7261,
7262, 7263, 7264, 7265, 7266,
7267, 7268, 7269, 7270, 7271,
7273, 7274, 7275, 7276, 7277,
7278, 7279, 7280, 7281, 7282,
7283, 7284, 7285, 7286, 7287,
7288, 7289, 7290, 7291, 7886,
7925, 7927, 7928, 7930, 7931,
7932, 7933, 7934, 7935, 7936,
7937, 7939, 8090, 8091, 8092,
8094, 8095, 8096, 8097, 8098,
8099, 8100, 8101, 8102, 8103,
8104, 8106, 8107, 8108, 8109,
8110, 8111, 8113, 8115, 8116,
8117, 8118, 8123, 8124, 8125,
8126, 8127, 8128, 8129, 8130,
8131, 8132, 8133, 8134, 8135.