

FIRST UNION RAIL

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

Tel 847.318.7575
Fax 847.318.7588

October 13, 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) are one (1) original and two (2) copies of a Memorandum of Lease Agreement, dated September 13, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents. The enclosed document relates to the Memorandum of Lease which was duly filed with the Board 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: Canadian Pacific Railway Company 401 9th Ave SW, 5th Floor Calgary, Alberta T2P 4Z4 Canada</p>
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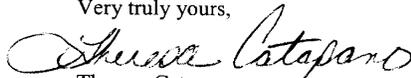
A description of the railroad equipment covered by the enclosed document is fifty (50) 286,000 GRL, 52'6" interior length, 5'6" sides, mill gondolas (E534), cars marked NOKL (see Exhibit A for car numbers).

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 or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5375. Thank you for your cooperation in this matter.

Very truly yours,


Theresa Catapano
Manager of Documentation

Enclosures

(CP053)

RECORDATION NO. 25245-C FILED

OCT 15 '04 4-05 PM

SURFACE TRANSPORTATION BOARD

VIA UPS 2ND DAY AIR

↑
OCT 15 2004
RECEIVED

25245-C
FILED

OCT 15 '04 4-05 PM

ASSIGN. NO. CP053

MEMORANDUM OF LEASE SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 13th day of September, 2004, by and between the Montreal branch of FIRST UNION RAIL CORPORATION (the "Lessor"), a North Carolina corporation, and CANADIAN PACIFIC RAILWAY COMPANY, (the "Lessee"), a Canadian corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease") dated as of February 4, 1998, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 7 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of February 9, 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

NAME: Susan Barrie

TITLE: Regional Vice President, Sales

SIGNATURE: Susan Barrie

PROVINCE OF QUEBEC

DISTRICT OF MONTREAL
Gordon Hopkins

I, ~~Danielle Lord~~, a Commissioner of Oaths of the Province and District aforesaid, certify that Susan A. Barrie personally appeared before me this day and acknowledged her execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 13th day of September, 2004.

[Signature]
Commissioner of Oaths

My Commission expires:

21/07/2006



LESSEE:

CANADIAN PACIFIC RAILWAY COMPANY

NAME: _____

TITLE: _____

SIGNATURE: J B Campbell.

PROVINCE OF _____

DISTRICT OF _____

I, _____, a Commissioner of Oaths of the Province and District aforesaid, certify that _____ personally appeared before me this day and acknowledged his/her execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this ___ day of _____, 2004.

Commissioner of Oaths

My Commission expires:

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Fifty (50)

DESCRIPTION OF CARS: 286,000 GRL, 52'6" interior length, 5'6" sides, mill gondola (E534) cars suitable for scrap metal service.

CAR NUMBERS:

NOKL 320080	NOKL 321575
NOKL 320081	NOKL 321576
NOKL 320082	NOKL 321579
NOKL 320130	NOKL 321580
NOKL 320136	NOKL 321581
NOKL 320173	NOKL 321582
NOKL 320189	NOKL 321583
NOKL 320963	NOKL 321585
NOKL 320964	NOKL 321586
NOKL 320970	NOKL 321587
NOKL 320971	NOKL 321588
NOKL 320977	NOKL 321589
NOKL 320984	NOKL 321590
NOKL 320987	NOKL 321591
NOKL 321026	NOKL 321592
NOKL 321030	NOKL 321593
NOKL 321040	NOKL 321594
NOKL 321055	NOKL 321595
NOKL 321064	NOKL 321596
NOKL 321569	NOKL 321597
NOKL 321570	NOKL 321598
NOKL 321571	NOKL 321599
NOKL 321572	NOKL 322001
NOKL 321573	NOKL 322082
NOKL 321574	NOKL 322083
Count 50	