

RECORDATION NO. 25280 FILED

NOV 03 '04 2-24 PM

SURFACE TRANSPORTATION BOARD

OF COUNSEL
URBAN A. LESTER

ALVORD AND ALVORD
ATTORNEYS AT LAW
1050 SEVENTEENTH STREET, N.W.
SUITE 301
WASHINGTON, D.C.
20036
(202) 393-2266
FAX (202) 393-2156
E-MAIL alvordlaw@aol.com

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

November 1, 2004

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease, dated as of November 1, 2004, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessor:	Peoria and Pekin Railway Company 301 Wesley Road Creve Coeur, Illinois 61611
Lessee:	Tazewell & Peoria Railroad Inc. 66 Field Point Road Greenwich, Connecticut 06830

Mr. Vernon A. Williams
November 1, 2004
Page 2

A description of the railroad equipment covered by the enclosed document
is:

10 locomotives: PPU 601-602, 700-702, 800-802 and 2000-2001 ; and
65 railcars: PPU 118 – 120, 200 – 202, 4000 – 4008, 190000, 300000 –
300015 and 300017 - 300049.

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

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 stamped copies of the enclosed document to the
undersigned.

Very truly yours,



Robert W. Alvord

RWA/anm
Enclosures

RECORDATION NO. 25280 FILED

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SURFACE TRANSPORTATION BOARD

Memorandum of Lease

THIS MEMORANDUM OF LEASE is made and entered into as of November 1, 2004 by and between Peoria and Pekin Union Railway Company, an Illinois corporation ("Lessor") and Tazewell & Peoria Railroad Inc., a Delaware corporation ("Lessee") with reference to the following:

1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor, certain locomotives and railcars as described on Exhibit A attached hereto and made a part hereof, all as more particularly described in that certain Lease Agreement dated as of August 30, 2004 between Lessor and Lessee (the "Lease").
2. The Lease shall be effective as of November 1, 2004 and shall be subject to the term of the Lease, as defined therein.

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

Peoria and Pekin Union Railway Company
(Lessor)

By: Paul D. Feltenstein
Paul Feltenstein
President

Tazewell & Peoria Railroad Inc.
(Lessee)

By: _____
Its: _____

Memorandum of Lease

THIS MEMORANDUM OF LEASE is made and entered into as of November 1, 2004 by and between Peoria and Pekin Union Railway Company, an Illinois corporation ("Lessor") and Tazewell & Peoria Railroad Inc., a Delaware corporation ("Lessee") with reference to the following:

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2. The Lease shall be effective as of November 1, 2004 and shall be subject to the term of the Lease, as defined therein.

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

Peoria and Pekin Union Railway Company
(Lessor)

By: _____
Paul Feltenstein
President

Tazewell & Peoria Railroad Inc.
(Lessee)

By: 
Its: President

STATE OF ILLINOIS)
County of Tazewell)

On this 28 day of October, 2004 before me personally appeared, Paul Feltenstein, to me personally known, who being by me duly sworn, says that he is President of Peoria and Pekin Union Railway Company, an Illinois corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Catherine B. Ripper
Notary Public



My commission expires: 9/30/2008

STATE OF ILLINOIS)
County of _____)

On this ___ day of October, 2004 before me personally appeared, _____, to be personally known, who being by me duly sworn, says that he is _____ of Tazewell-Peoria Railroad Inc., a Delaware corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

My commission expires: _____

STATE OF ILLINOIS)
County of _____)

On this ___ day of October, 2004 before me personally appeared, Paul Feltenstein, to me personally known, who being by me duly sworn, says that he is President of Peoria and Pekin Union Railway Company, an Illinois corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

My commission expires: _____

STATE OF ~~ILLINOIS~~ CONNECTICUT)
County of FAIRFIELD)

On this 29th day of October, 2004 before me personally appeared, MARK W. HASTINGS, to be personally known, who being by me duly sworn, says that he is PRESIDENT of Tazewell-Peoria Railroad Inc., a Delaware corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Notary Public

My commission expires: _____ **NANCY T. DIBATTISTA**
NOTARY PUBLIC
MY COMMISSION EXPIRES JUNE 30, 2007

Exhibit A
Description of Locomotives and Railcars

Table 1 - Locomotives

PPU

Unit Number	Model	Horsepower	Year Rebuilt
601	NW2	1200	1974
602	SW7	1200	1977
700	SW14	1200	1974
701	SW10	1300	1984
702	SW10	1400	1984
800	SC14A-3	1500	1995
801	SC14A-3	1500	1996
802	SC14A-3	1500	1992
2000	GP35C	2000	1988
2001	GP35C	2000	1989

Table 2 – Cars

1. Cars Owned

Series	Car Type	Load Capacity	Number Of Cars
X-118	Flat	80M	1
X-119	Flat	100M	1
X-120	Gondola	100M	1
PPU 4000 – 4008	Gondola	100 Ton	9
PPU300000-300015,300017-300049	Flat	125M	49
PPU190000	Covered Hopper	100 Ton	1
PPU 200, 201, 202	Ballast	70 Ton	3