[redacted]

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. 24251-H FILED

SEP 23 '05 2-43 PM

SURFACE TRANSPORTATION BOARD

SEP 23 2005 RECEIVED

VIA UPS 2nd DAY AIR

September 19, 2005

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 two (2) originals and one (1) copy of a Memorandum of Lease Agreement, dated September 6, 2005, 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 24251. The names and addresses of the parties to the enclosed document are:

Owner: ATEL Leasing Corporation
600 California Street, 6th Floor
San Francisco, CA 94108

Lessee: Union Pacific Railroad
1400 Douglas Street
Omaha, NE 68179

Lessor/Manager: First Union Rail Corporation
One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

A description of the railroad equipment covered by the enclosed document is two hundred ninety-nine (299) 4700 to 4750 cu. ft. covered hopper cars (C113), cars marked FURX, NDYX, NOKL, PRAX (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 $33.00 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) 384-5355.
Thank you for your cooperation in this matter.

Very truly yours,

Susan Grokulsky

Susan Grokulsky
Manager of Documentation

Enclosures

(UP130)

RECORDATION NO. 24251-H FILED

SEP 23 '05 2-43 PM

ASSGN. NO. UP130

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF LEASE

THIS MEMORANDUM OF LEASE AND ASSIGNMENT (the "Memorandum") is made and entered into as of this the 6th day of September, 2005, by and between First Union Rail Corporation, a North Carolina corporation, acting in its capacity as manager for ATEL Leasing Corporation, its successors and assigns, contractor for ATEL Leasing Corporation ("ATEL"), Owner of Cars listed on Exhibit A in Group B, ("ATEL"), pursuant to a Railcar Management Agreement dated as of April 1, 2002, as amended, (the "Lessor") and Union Pacific Railroad Company ("Lessee"), a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Master Lease"), dated as of as of April 1, 1997, whereby Lessor has agreed to lease to Lessee certain railcars as described more specifically on Exhibit A attached hereto, (the "Cars"), pursuant to Rider No. 22 (the "Rider") which Rider incorporates by reference the terms and condition of the Master Lease and is a separate and independent lease, (the "Lease"), effective as of August 16, 2005, and subject to the terms, conditions and provisions of the above-mentioned Lease.

Lessor hereby assigns and transfers to ATEL all of its right, title and interest as Lessor in and to the Lease with respect to the ATEL Cars, excluding from such assignment only its rights as manager of the Lease with respect to the ATEL Cars in Group B under the Railcar Management Agreement between First Union Rail Corporation and ATEL Leasing Corporation.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

LESSOR:

FIRST UNION RAIL CORPORATION,
as Lessor of Cars in Group A, and as Manager for
ATEL Leasing Corporation of Cars in Group B

By: Richard F. Seymour
Name: RICHARD F. SEYMOUR
Title: Vice President Sales & Marketing

Executed on this 6th day of September, 2005.

ATTEST:

By: Susan Grokulsky
Name: SUSAN GROKULSKY
Title: MANAGER OF DOCUMENTATION

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

I, GEORGIA FREIBURGER, 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 6th day of September 2005.

Notary Public

My Commission Expires:

5-2008
(Notary Public)

OFFICIAL SEAL
GEORGIA FREIBURGER
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 5-18-2008

LESSEE:

UNION PACIFIC RAILROAD COMPANY

By: Karen A. Watson

Name: Karen A. Watson

Title: General Director-Mechanical Purchasing

ATTEST:

By: Diane Knapp

Name: Diane Knapp

Title: SR MGR Leasing

Executed on this 30th day of August, 2005.

[CORPORATE SEAL]

STATE OF Nebraska

COUNTY OF Douglas

I, Candace Billingsley, a Notary Public of the County and State aforesaid, certify that Karen Watson 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 30 day of August, 2005.

Candace Billingsley
Notary Public

Commission Expires:

GENERAL NOTARY
CANDACE M. BILLINGSLEY
MY COMMISSION EXPIRES
September 29, 2005

(Notary Public)

EXHIBIT A to MEMORANDUM OF LEASE

NUMBER OF UNITS: Two hundred ninety-nine (299)

DESCRIPTION OF UNITS: 4700 and 4750 cu.ft., 263,000 lb., 268,000 lb., or 286,000 lb. capacity, 3 pocket covered hopper Units with trough hatches, vibrator brackets, AAR approved gravity gates.

UNIT NUMBERS AND MARKS:

Group A – First Union Rail-owned Units

FURX	816053	NDYX	475287	NOKL	827327	NOKL	827878
FURX	822822	NDYX	475288	NOKL	827329	NOKL	827879
FURX	826023	NDYX	475289	NOKL	827334	NOKL	827882
FURX	826100	NDYX	475291	NOKL	827335	NOKL	827883
FURX	827430	NDYX	475293	NOKL	827342	NOKL	829175
FURX	827509	NDYX	475294	NOKL	827347	NOKL	829178
FURX	827748	NDYX	475295	NOKL	827348	NOKL	829179
FURX	828127	NDYX	475297	NOKL	827349	NOKL	829180
FURX	828383	NDYX	475298	NOKL	827355	NOKL	829182
FURX	829797	NDYX	475299	NOKL	827357	NOKL	829183
FURX	829808	NDYX	475301	NOKL	827358	NOKL	829186
FURX	829811	NDYX	475302	NOKL	827360	NOKL	818509
FURX	829812	NDYX	475303	NOKL	827366	NOKL	818596
FURX	829814	NDYX	475304	NOKL	827367	NOKL	818720
FURX	830051	NDYX	475305	NOKL	827368	NOKL	818907
FURX	830119	NDYX	475306	NOKL	827374	NOKL	818915
FURX	832107	NDYX	475309	NOKL	827379	NOKL	818916
NDYX	475000	NDYX	475312	NOKL	827381	NOKL	818923
NDYX	475005	NDYX	475315	NOKL	827384	NOKL	818924
NDYX	475010	NDYX	475319	NOKL	827388	NOKL	818927
NDYX	475012	NDYX	475322	NOKL	827419	NOKL	818953
NDYX	475015	NDYX	475327	NOKL	827420	NOKL	818972
NDYX	475022	NDYX	475328	NOKL	827423	NOKL	818982
NDYX	475026	NDYX	475400	NOKL	827426	NOKL	818984
NDYX	475028	NDYX	830940	NOKL	827863	NOKL	819000
NDYX	475032	NDYX	831215	NOKL	827864	NOKL	819004
NDYX	475033	NDYX	831218	NOKL	827866	NOKL	819005
NDYX	475045	NOKL	826961	NOKL	827867	NOKL	819016
NDYX	475280	NOKL	827312	NOKL	827869	NOKL	819019
NDYX	475282	NOKL	827316	NOKL	827873	NOKL	819022
NDYX	475283	NOKL	827319	NOKL	827874	NOKL	819026
NDYX	475284	NOKL	827320	NOKL	827875	NOKL	819029
NDYX	475285	NOKL	827322	NOKL	827876	NOKL	819034

EXHIBIT A to MEMORANDUM OF LEASE

Group A (continued) – First Union Rail-Owned Units

NOKL	819036	NOKL	820528	NOKL	823083	NOKL	830398
NOKL	819054	NOKL	820533	NOKL	823364	NOKL	830425
NOKL	819059	NOKL	820538	NOKL	823367	NOKL	830433
NOKL	819062	NOKL	820540	NOKL	823371	NOKL	830434
NOKL	819064	NOKL	820545	NOKL	823372	NOKL	830437
NOKL	819067	NOKL	820546	NOKL	823395	NOKL	830439
NOKL	819073	NOKL	820547	NOKL	823399	NOKL	830442
NOKL	819081	NOKL	820549	NOKL	823404	NOKL	830444
NOKL	819086	NOKL	820551	NOKL	823410	NOKL	830458
NOKL	819087	NOKL	820554	NOKL	823417	NOKL	830460
NOKL	819099	NOKL	820555	NOKL	823419	NOKL	830464
NOKL	819103	NOKL	820557	NOKL	823425	NOKL	830481
NOKL	819126	NOKL	820564	NOKL	823429	NOKL	830483
NOKL	819130	NOKL	820567	NOKL	823434	NOKL	830499
NOKL	819131	NOKL	820568	NOKL	823443	NOKL	830500
NOKL	819147	NOKL	820572	NOKL	823469	NOKL	830533
NOKL	819148	NOKL	820573	NOKL	823479	NOKL	830554
NOKL	819150	NOKL	820576	NOKL	823500	NOKL	830705
NOKL	819152	NOKL	820581	NOKL	823508	NOKL	830714
NOKL	819155	NOKL	820584	NOKL	823532	NOKL	830803
NOKL	819168	NOKL	820586	NOKL	823539	NOKL	830826
NOKL	819209	NOKL	820588	NOKL	823578	NOKL	830861
NOKL	819210	NOKL	820590	NOKL	823759	NOKL	830895
NOKL	819224	NOKL	820594	NOKL	823859	NOKL	830914
NOKL	819227	NOKL	820596	NOKL	824004	NOKL	830925
NOKL	819230	NOKL	820601	NOKL	828116	NOKL	830996
NOKL	820500	NOKL	820603	NOKL	828126	NOKL	831024
NOKL	820502	NOKL	820609	NOKL	828141	NOKL	831047
NOKL	820505	NOKL	820610	NOKL	828150	NOKL	831057
NOKL	820507	NOKL	820613	NOKL	828185	NOKL	832085
NOKL	820508	NOKL	820616	NOKL	828453	NOKL	832501
NOKL	820509	NOKL	820621	NOKL	828486	NOKL	832510
NOKL	820510	NOKL	820622	NOKL	828955	NOKL	833015
NOKL	820511	NOKL	820628	NOKL	828969	NOKL	833130
NOKL	820514	NOKL	820632	NOKL	829479	NOKL	833133
NOKL	820516	NOKL	820635	NOKL	829494	PRAX	818643
NOKL	820520	NOKL	820636	NOKL	829616	PRAX	818654
NOKL	820524	NOKL	820638	NOKL	830221	Count:	289
NOKL	820526	NOKL	820647	NOKL	830253		
NOKL	820527	NOKL	821959	NOKL	830269		

EXHIBIT A to MEMORANDUM OF LEASE

Group B – ATEL-Owned Units

NOKL	834016
NOKL	834089
NOKL	834220
NOKL	834505
NOKL	834508
NOKL	834538
NOKL	834673
NOKL	834723
NOKL	834254
NOKL	834816
Count:	10