

OSTER  
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RECORDATION NO. 25929 FILED  
OCT 27 '05 10-27 AM  
SURFACE TRANSPORTATION BOARD

October 27, 2005

Secretary  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423

Dear Sir:

Enclosed for recording with the Surface Transportation Board is a Memorandum of Railcar Lease Agreement dated 8/29/05 between the following parties and railroad equipment:

Lessor: Wells Fargo Equipment Finance, Inc.  
Investors Building, #700  
733 Marquette Avenue South  
Minneapolis, MN 55402

Lessee: Progressive Rail Incorporated  
21778 Highview Avenue  
Lakeville, MN 55044

Equipment: 6, Flatcars  
KRL 70158-70161, 70972, 25967

Please record this agreement as a primary document. The filing fee of \$33 is enclosed.  
Thank you.

Summary: Memorandum of Railcar Lease Agreement 8/29/05 between Wells Fargo Equipment Finance, Inc. as Lessor and Progressive Rail Incorporated as Lessee including 6, Flatcars marked KRL 70158-70161, 70972, 25967.

Sincerely,



Mary Ann Oster  
Research Consultant

Enclosures



Wells Fargo Equipment Finance  
Investors Building, Suite 700  
733 Marquette Avenue South  
Minneapolis, MN 55402

RECORDATION NO. 25929 FILED

**Memorandum of Railcar Lease Agreement**

OCT 27 '05 10-27 AM

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF RAILCAR LEASE AGREEMENT is made and entered into as of August 29, , 2005 by and between Wells Fargo Equipment Finance, Inc., a Minnesota corporation ("Lessor") and Progressive Rail Incorporated, a(n) Minnesota corporation ("Lessee"), with reference to the following:

1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor various railcars pursuant to one or more Supplements to the Lease to be entered into by Lessor and Lessee from time to time, all as more particularly described in that certain Railcar Master Lease Agreement dated as of August 29, 2005 between Lessor and Lessee (hereinafter referred to as the "Lease").
2. Pursuant to Supplement No(s).153117-100 to the Lease, Lessor has agreed to lease to Lessee and Lessee has agreed to lease from Lessor Six (6) heavy capacity flat railcars bearing reporting marks and numbers indicated on Schedule A hereto, all as more particularly described in the Lease.
3. The Lease shall be effective as of the execution date thereof and shall be subject to the terms of the Lease, as provided therein.

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

Lessor: Wells Fargo Equipment Finance, Inc.

By: Jacqueline Barragan

Name: Jacqueline Barragan

Title: AVP

Lessee: Progressive Rail Incorporated

By: \* Timothy Eklund

Name: \* Timothy Eklund

Title: \* VP - Corporate Development



Wells Fargo Equipment Finance  
Investors Building, Suite 700  
733 Marquette Ave So  
Minneapolis, MN 55402

**Schedule A**  
**to Memorandum of Railcar Master Lease Agreement**

Lessee: *Progressive Rail Incorporated*

*Description:*

*Equipment originally located at: 21777 Highview Avenue Lakeville, MN 55044*

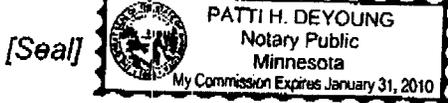
*Six (6) heavy capacity flat cars manufactured 1997-1999 by Kasgro with markings and details as follows:*

<i>Qty</i>	<i>Detailed Description</i>	<i>Car Mark</i>	<i>Car Type</i>
1	70' FM 225 Ton Flat Car	KRL 70158	FM
1	70' FM 225 Ton Flat Car	KRL 70159	FM
1	70' FM 225 Ton Flat Car	KRL 70160	FM
1	70' FM 225 Ton Flat Car	KRL 70161	FM
1	70' FM 225 Ton Flat Car	KRL 70972	FM
1	47' 170 Ton FD Flat Car	KRL 25967	FD



STATE OF MINNESOTA  
COUNTY OF HENNEPIN

On this 19<sup>th</sup> day of October, 2005 before me personally appeared,  
Jacqueline P. Barragan to me personally known, who being by me duly sworn,  
says that s/he is the Associate Vice President of Wells Fargo Equipment Finance, Inc., a Minnesota  
corporation, that said instrument was signed on behalf of said corporation, and s/he acknowledged  
that the execution of the foregoing instrument was the free act and deed of said corporation.

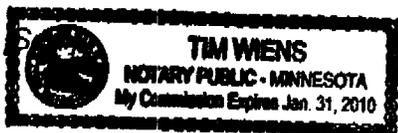


Patti H. DeYoung  
Notary Public

My commission expires: 1/31/2010

STATE OF MINNESOTA  
COUNTY OF DAKOTA

On this 19<sup>th</sup> day of SEPTEMBER, 2005 before me personally appeared,  
Jan Eklund to me personally known, who being by me duly sworn, says  
that s/he is the VICE PRESIDENT of PROGRESSIVE RAIL INC., a(n) MINN  
corporation, that said instrument was signed on behalf of said corporation, and s/he acknowledged  
that the execution of the foregoing instrument was the free act and deed of said corporation.



Tim Wiens  
Notary Public

My commission expires: 01-31-10