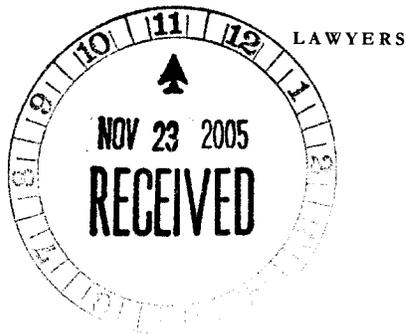


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November 22, 2005

**VIA FEDERAL EXPRESS**

Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
1925 K Street, NW  
Washington, DC 20006

RECORDATION NO. 25981 FILED

NOV 22 '05 5:19 PM

SURFACE TRANSPORTATION BOARD

Attention: Railcar Recordation

Re: Memorandum of Lease Agreement (Equipment Schedule No. 05)  
Lessor: Key Equipment Finance Inc.  
Lessee: Dakota, Minnesota & Eastern Railroad Corporation and Iowa, Chicago  
and Eastern Railroad Corporation

Dear Secretary Williams:

Enclosed please find a check in the amount of \$33.00 to cover the E-Filing Recordation for the Memorandum of Lease Agreement (Equipment Schedule No. 05), dated as of November 22, 2005, filed on November 22, 2005 as a primary document. A copy is enclosed for your reference.

Thank you for your assistance in this matter.

Very truly yours,

Davis Wright Tremaine LLP

Richard J. Schroeder

RJS:mtk  
Enclosures

Davis Wright Tremaine LLP



LAWYERS



ANCHORAGE BELLEVUE LOS ANGELES NEW YORK PORTLAND SAN FRANCISCO SEATTLE SHANGHAI WASHINGTON, D.C.

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November 22, 2005

E-FILING RECORDATION

Vernon A. Williams  
Secretary  
Surface Transportation Board  
ATTN: Recording Department  
1925 K Street NW  
Washington, DC 20423

Re: Recordation of Documents—Railcar  
Lessor: Key Equipment Finance Inc.  
Lessee: Dakota, Minnesota and Eastern Railroad Corporation, and Iowa, Chicago  
and Eastern Railroad Corporation as Co-Lessees  
Equipment: Eighty (80) covered hopper railcars with reporting marks and  
numbers: DME 51405, DME 51407, DME 51409 through DME 51410  
inclusive, DME 51422, DME 51425 through DME 51494 inclusive, DME  
51500 through DME 51502 inclusive, DME 51508 and DME 51510.

Dear Mr. Secretary:

Enclosed for recordation pursuant to Section 11301 of Title 49 of the U.S. Code is:

- (a) Memorandum of Lease Agreement, a primary document, dated November 22, 2005.
- (b) The names and addresses of the parties to the document are as follows:

Lessor: Key Equipment Finance Inc.  
66 South Pearl Street, 8<sup>th</sup> Floor  
Albany, New York 12207

Vernon A. Williams, Secretary  
Surface Transportation Board  
November 22, 2005  
Page 2



Lessee: Dakota, Minnesota and Eastern Railroad Corporation  
140 N. Phillips Avenue  
Sioux Falls, South Dakota 57101  
and  
Iowa, Chicago and Eastern Railroad Corporation  
140 N. Phillips Avenue  
Sioux Falls, South Dakota 57101

(c) A description of the equipment covered by the document follows:

Eighty (80) National Steel Car Limited covered hopper railcars with reporting marks and numbers DME 51405, DME 51407, DME 51409 through DME 51410 inclusive, DME 51422, DME 51425 through DME 51494 inclusive, DME 51500 through DME 51502 inclusive, DME 51508 and DME 51510.

A recording fee of \$33.00 is being remitted. Please return the originals to:

Richard J. Schroeder  
Davis Wright Tremaine LLP  
2600 Century Square  
1501 - 4<sup>th</sup> Avenue  
Seattle, WA 98101-1688

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

Primary Document: Memorandum of Lease Agreement (Equipment Schedule No. 05) dated November 22, 2005, between Equipment Finance Inc. as Lessor and Dakota, Minnesota and Eastern Railroad Corporation and Iowa, Chicago and Eastern Railroad Corporation, as Lessee, covering eighty (80) National Steel Car covered hopper railcars with reporting marks and numbers DME 51405, DME 51407, DME 51409 through DME 51410 inclusive, DME 51422, DME 51425 through DME 51494 inclusive, DME 51500 through DME 51502 inclusive, DME 51508 and DME 51510.

Very truly yours,

Davis Wright Tremaine LLP

A handwritten signature in cursive script, appearing to read 'Richard J. Schroeder', with a long horizontal line extending to the right.

Richard J. Schroeder  
RJS:mtk  
Enclosures

RECORDATION NO. 25981 FILED

NOV 22 '05 5:19 PM

SURFACE TRANSPORTATION BOARD



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MEMORANDUM OF LEASE AGREEMENT

(Equipment Schedule No. 05)

Dated as of November 22, 2005

between

KEY EQUIPMENT FINANCE INC.,

Lessor

and

DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION

and

IOWA, CHICAGO & EASTERN RAILROAD CORPORATION

Lessee

---

Filed with the Surface Transportation Board pursuant to  
49 U.S.C. § 11301 on \_\_\_\_\_, 2005, at \_\_\_\_:\_\_\_\_.M  
Recordation Number \_\_\_\_\_

## MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT dated as of November 22, 2005, is made by and between DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION, a Delaware corporation, and IOWA, CHICAGO & EASTERN RAILROAD CORPORATION, a Delaware corporation (individually and collectively, "Lessee"), and KEY EQUIPMENT FINANCE INC., a Michigan corporation ("Lessor").

### WITNESSETH

1. Pursuant to a Master Equipment Lease Agreement, dated June 7, 2005, together with Equipment Schedule No. 05 dated November 22, 2005 (collectively, the "Lease Agreement"), Lessor has agreed to lease to Lessee, and the Lessee has agreed to lease from Lessor eighty (80) covered hopper railcars bearing the railroad reporting marks and road numbers set forth on Exhibit A attached hereto.

2. The Lease Agreement shall be effective as of the date first set forth hereinabove and shall be subject to the Initial Lease Term and any Renewal Terms as defined in the Lease Agreement.

3. The Lease Agreement does not contain a hereafter acquired clause.

4. This Memorandum of Lease Agreement may be executed in duplicate originals and any number of counterparts and by different parties in separate counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

*[Signature page follows]*







**EXHIBIT A**  
**EQUIPMENT DESCRIPTION**

**Lease:** Equipment Schedule No. 05 dated as of November 22, 2005 to Master Equipment Lease Agreement Dated as of June 7, 2005.

**Lessor:** KEY EQUIPMENT FINANCE INC.

**Lessee:** DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION and IOWA, CHICAGO & EASTERN RAILROAD CORPORATION

---

**Vendor:** National Steel Car Limited

Eighty (80) covered hopper rail cars with Reporting Marks and Road Numbers as follows:

**Reporting Mark & Number**

DME 51405	DME 51433	DME 51446	DME 51459
DME 51407	DME 51434	DME 51447	DME 51460
DME 51409	DME 51435	DME 51448	DME 51461
DME 51410	DME 51436	DME 51449	DME 51462
DME 51422	DME 51437	DME 51450	DME 51463
DME 51425	DME 51438	DME 51451	DME 51464
DME 51426	DME 51439	DME 51452	DME 51465
DME 51427	DME 51440	DME 51453	DME 51466
DME 51428	DME 51441	DME 51454	DME 51467
DME 51429	DME 51442	DME 51455	DME 51468
DME 51430	DME 51443	DME 51456	DME 51469
DME 51431	DME 51444	DME 51457	DME 51470
DME 51432	DME 51445	DME 51458	DME 51471

DME 51472	DME 51484	DME 51501
DME 51473	DME 51485	DME 51502
DME 51474	DME 51486	DME 51508
DME 51475	DME 51487	DME 51510
DME 51476	DME 51488	
DME 51477	DME 51489	
DME 51478	DME 51490	
DME 51479	DME 51491	
DME 51480	DME 51492	
DME 51481	DME 51493	
DME 51482	DME 51494	
DME 51483	DME 51500	