

RECORDATION NO. 26215-A FILED

JAN 16 '07

2-55 PM

SURFACE TRANSPORTATION BOARD



January 11, 2007

FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 500
Rosemont, IL 60018-4214

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 November 6, 2006, 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 26215.

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

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

Lessee: The Yaffe Companies, Inc.
G & Lexington
P. O. Box 916
Muskogee, OK 74402

A description of the railroad equipment covered by the enclosed document is fifteen (15) 2494 cubic foot gondola cars, with NDYX marks (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 \$34.00 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) 384-5397. Thank you for your cooperation in this matter.

Very truly yours,


Marcia Dunne
Rail Documentation Specialist

Enclosures

(YACO002)

ASSGN. NO.: YACO002

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MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD ^{6th}

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 6 day of November, 2006, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and The Yaffe Companies, Incorporated ("Lessee"), an Oklahoma corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of January 31, 2006, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 2 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of November 6 2006, 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

ATTEST:

By: Richard F. Seymour

Name: RICHARD F. SEYMOUR
Vice President Sales & Marketing

By: Susan Crokulsky

Title: _____

Name: SUSAN CROKULSKY

Title: Mgr. of Documentation Executed on this 6th day of November 2006

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

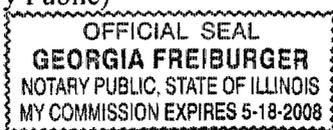
I, GEORGIA FREIBURGER, a Notary Public of the County and State aforesaid, certify that RICHARD F SEYMOUR personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 6th day of November, 2006

[Signature]
Notary Public

My Commission Expires:

5-2008
(Notary Public)



LESSEE:

THE YAFFE COMPANIES, INCORPORATED

ATTEST:

By:

Bill Cate

Name:

Bill Cate

Title:

PRESIDENT

By: _____

Name: _____

Title: _____

Executed on this _____ day of _____, _____.

[CORPORATE SEAL]

STATE OF OKLAHOMA

COUNTY OF MUSKOGEE

I, Samantha L. Cain, a Notary Public of the County and State aforesaid, certify that Bill Cate personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 30th day of October, 2006.

Samantha L. Cain
Notary Public 03013512

Commission Expires:

NOVEMBER 6, 2007
(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Fifteen (15)

DESCRIPTION OF CARS: 52'6" gondola cars 2494 cu. ft. capacity 268 GWR.

CAR NUMBERS:

NDYX 320783
NDYX 320790
NDYX 320798
NDYX 320801
NDYX 320802
NDYX 320804
NDYX 321551
NDYX 321554
NDYX 321555
NDYX 321557
NDYX 321609
NDYX 322039
NDYX 322040
NDYX 322041
NDYX 322120