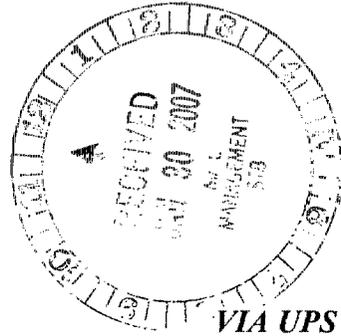


RECORDATION NO. 24957-N FILED

JAN 30 '07

2-32 PM

SURFACE TRANSPORTATION BOARD



FIRST UNION RAIL

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

VIA UPS 2nd DAY AIR

January 26, 2007

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 December 26, 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 24957.

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: Montreal, Maine & Atlantic Railway, Ltd.
Northern Maine Junction Park
RR2 Box 45
Bangor, MN 04401-9602

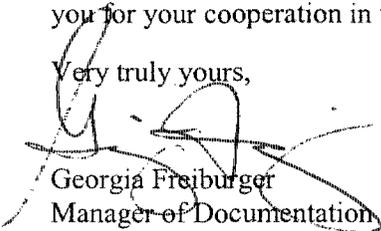
A description of the railroad equipment covered by the enclosed document is seventy (70) 5277 cu. ft. boxcars, with NOKL marks (see Exhibit A for car numbers).

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) 384-5387. Thank you for your cooperation in this matter.

Very truly yours,


Georgia Freiburger
Manager of Documentation

Enclosures

(MMAR014)

JAN 30 '07

2-32 PM

ASSGN. NO.: MMAR014

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 26 day of DECEMBER, 2006, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Montreal, Maine & Atlantic Railway, Ltd., a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Master Lease Agreement (the "Lease"), dated as of April 1, 2003, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 14 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of May 1, 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
Title: VICE PRESIDENT SALES & MARKETING

By: Susan Grokulska
Name: SUSAN GROKULSKY
Title: MGR. OF DOCUMENTATION

Executed on this 3rd day of January, 2007.

[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 3rd day of January, 2007.

Georgia Freiburger
Notary Public

My Commission Expires:
5-2008
(Notary Public)



LESSEE:

MONTREAL, MAINE & ATLANTIC RAILWAY, LTD.

ATTEST:

By: Fredric W. Yocum, Jr.
Name: Fredric W. Yocum, Jr.
Title: Vice President

By: Robert C. Grindrod
Name: ROBERT C. GRINDROD
Title: PRESIDENT & CEO

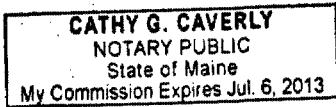
Executed on this 26 day of DECEMBER, 2006.

[CORPORATE SEAL]

STATE OF Maine
COUNTY OF Penducost

I, Cathy Caverly, a Notary Public of the County and State aforesaid, certify that Robert C. Grindrod 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 26 day of December, 2006.



Cathy Caverly
Notary Public

My Commission Expires:
7/6/13
(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

- I. NUMBER OF CARS: Seventy (70)
- II. DESCRIPTION OF CARS: Boxcars, 70-ton, cushioned, 50'6" with 9' sliding doors, 5277 cu. ft., Plate "C", loading to 220,000 lb. capacity (AAR car type A402)

III. CAR NUMBERS:

NOKL 525100	NOKL 525150
NOKL 525103	NOKL 525151
NOKL 525105	NOKL 525152
NOKL 525106	NOKL 525153
NOKL 525107	NOKL 525154
NOKL 525108	NOKL 525155
NOKL 525109	NOKL 525156
NOKL 525111	NOKL 525157
NOKL 525112	NOKL 525161
NOKL 525116	NOKL 525162
NOKL 525117	NOKL 525163
NOKL 525118	NOKL 525165
NOKL 525119	NOKL 525166
NOKL 525122	NOKL 525167
NOKL 525123	NOKL 525168
NOKL 525124	NOKL 525171
NOKL 525127	NOKL 525174
NOKL 525128	NOKL 525175
NOKL 525129	NOKL 525178
NOKL 525130	NOKL 525179
NOKL 525131	NOKL 525181
NOKL 525132	NOKL 525182
NOKL 525134	NOKL 525183
NOKL 525135	NOKL 525186
NOKL 525136	NOKL 525188
NOKL 525137	NOKL 525189
NOKL 525138	NOKL 525190
NOKL 525139	NOKL 525191
NOKL 525142	NOKL 525192
NOKL 525143	NOKL 525193
NOKL 525144	NOKL 525194
NOKL 525145	NOKL 525195
NOKL 525146	NOKL 525196
NOKL 525148	NOKL 525197
NOKL 525149	NOKL 525198