

**NATIONAL
RAILWAY EQUIPMENT CO.**



HOME OFFICE 14400 S ROBEY STREET P O BOX 2270 DIXMOOR, ILLINOIS 60426
TELEPHONE (708) 388-6002 FAX (708) 388-2487

Aug. 7, 2007

RECORDATION NO. 25689-A FILED

AUG 09 '07

11-40 AM

SURFACE TRANSPORTATION BOARD



Hon. Vernon A. Williams
Secretary
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

Attn: Equipment Recordation

To Whom It May Concern:

I have enclosed for recordation, pursuant to the provisions of 49 U.S.C. 11301, an original of the memorandum of lease agreement and a schedule and the first page of a locomotive lease agreement dated June 27, 2005, a secondary document under the Board's recordation regulations. The primary document was recorded with the STB under Recordation Number 25689.

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

Lessor: National Railway Equipment Co.
14400 S. Robey St.
Dixmoor, IL 60426

Lessee: Camp Chase Industrial Railroad Corporation
25 South Broadway
Scottsdale, PA 15683

A description of the equipment covered by the Lease Agreement is as follows:

GP-11 General Purpose Locomotive, bearing road # NREX 8725

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

"Locomotive Lease Agreement"

Also enclosed is a check in the amount of \$35 payable to the Surface Transportation Board to cover the required recordation fee for the attached agreement.

Sincerely Yours,

NATIONAL RAILWAY EQUIPMENT CO.

By:  _____
Kristina Buchthal

AUG 09 '07

11-40 AM

SURFACE TRANSPORTATION BOARD

LOCOMOTIVE LEASE AGREEMENT

THIS LOCOMOTIVE LEASE AGREEMENT ("Lease"), entered into as of this 27th day of June 2005, between the National Railway Equipment Co., an Illinois corporation, ("LESSOR"), and Camp Chase Industrial Railroad Corporation ("LESSEE").

LESSOR AND LESSEE HEREBY AGREE AS FOLLOWS:**1. LEASE AND LEASED PROPERTY**

Lessee hereby leases from Lessor, the locomotive, ("Locomotive" or "locomotive"), together with the parts, accessories, attachments and devices, if any, now or hereafter affixed thereto, as described in Schedule "A" attached to and made part hereof.

2. TERM

The term of this Lease for each locomotive shall be the fixed term set forth in Schedule "A", commencing on the date such locomotive is accepted by Lessee ("Commencement Date"). In the event of default of the lease, Lessee shall affect prompt delivery of the locomotive to Lessor at its Dixmoor, Illinois remanufacturing facility.

3. RENTAL

A. The rental payable shall be the sum identified in Schedule "A" payable in advance monthly installments, with one month of advance rent payable upon purchase order receipt date and, in addition, one month of advance payment to be held as a security deposit. Lessee shall operate such locomotive in service on its railroad. If the Commencement Date for any locomotive does not fall on the first day of the month, the first rental payment shall be prorated accordingly.

B. Payments past due for more than five (5) days shall bear interest at the rate of twelve percent (12%) per annum.

C. All rentals shall be paid to Lessor at:

National Railway Equipment Co.
1473 Paysphere Circle
Chicago, IL 60674

or at such other address as Lessor may direct in writing.

4. TAXES

Lessee shall pay all use, excise, ad valorem, stamp, documentary and similar taxes on or relating to this lease of the locomotive, or the use, registration, rental, maintenance, possession or operation thereof, and shall file any returns required therefor, and shall hold Lessor harmless against any liability and expense (including attorney fees and costs) on account of Lessee's failure to do the same.

WITNESS WHEREOF, the parties have executed this Lease the day and year first mentioned above.

LESSOR:

LESSEE:

NATIONAL RAILWAY EQUIPMENT CO.

CAMP CHASE INDUSTRIAL RR CORP.

BY:

NAME:

James M. Wurtz, Jr.

TITLE:

Vice President

BY:

NAME:

RUSSELL PETERSON

TITLE:

PRESIDENT

ATTEST: Robert E. Loewer, Jr.

BY:

TITLE:

Director of Finance

ATTEST:

BY:

TITLE:

General Counsel

(Corporate Seal)

(Corporate Seal)

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT is made and entered into as of June 27, 2005, by and between NATIONAL RAILWAY EQUIPMENT CO. ("Lessor"), and CAMP CHASE INDUSTRIAL RAILROAD CORPORATION ("Lessee"), with reference to the following:

- 1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor. Locomotive model(s) described herein.

Each locomotive is fully-described in a certain Lease Agreement dated as of June 27, 2005, (together with all of the riders, schedules and other attachments thereto, collectively, the "Lease"), each between Lessor and Lessee. A Schedule of the equipment is attached hereto.

- 2. The Lease shall be effective as of the date hereof and shall be subject to the term specified in the Lease, and any extension of such term to the extent provided for in the Lease.

The Memorandum of Lease Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Lease Agreement.

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

LESSEE:

CAMP CHASE INDUSTRIAL RAILROAD CORPORATION

By: 

Name: RUSSELL A. PETERSON

Title PRESIDENT

RECORDATION NO 25689 FILED

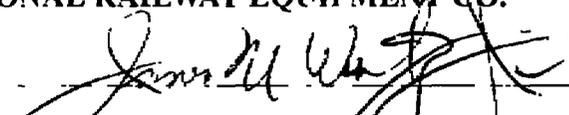
LESSOR:

JUL 06 '05

4-19 PM

NATIONAL RAILWAY EQUIPMENT CO.

SURFACE TRANSPORTATION BOARD

By: 

Name: James M. Wurtz, Jr.

Title: Vice President

SCHEDULE "A"

Attached to and incorporated into the Lease dated the 27th day of June, 2005 by and between the National Railway Equipment Co. (LESSOR) and Camp Chase Industrial Railroad Corporation (LESSEE).

Type and General Description of Locomotive Unit, Marks and Numbers:

UNIT NO.	TYPE	GENERAL DESCRIPTION
NREX 8725	EMD	GP-11 General Purpose Locomotive

**LEASE
TERM**

24 Months

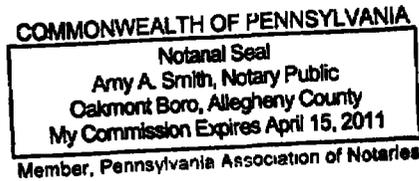
STATE OF Pennsylvania)
) SS.
COUNTY OF Allegheny)

On this 24th day of June, 2005, before me appeared Russell Peterson, the person who signed this instrument who acknowledged that (s) he is the President of Camp Chase Ind. R.R. Corp. and that, being duly authorized, (s) he signed such instrument as a free act on behalf of said corporation.

Amy A. Smith

Notary Public

[Seal]



My Commission Expires:

4/15/2011

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

On this 28th day of JUNE, 2005 YEAR, before me appeared James M. White the person who signed this instrument who acknowledged that (s) he is an officer of **NATIONAL RAILWAY EQUIPMENT CO.** and that, being duly authorized, (s) he signed such instrument as a free act on behalf of said corporation.

Robert E. Loewer Jr.
Notary Public

[Seal]



My Commission Expires:
