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ALVORD AND ALVORD
ATTORNEYS AT LAW
1050 SEVENTEENTH STREET, N.W.
SUITE 301
WASHINGTON, D.C.

20036

(202) 393-2266

FAX (202) 393-2156

E-MAIL alvordlaw@aol.com

SURFACE TRANSPORTATION BOARD

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

June 6, 2008

Anne K. Quinlan, Esquire
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

Dear Ms. Quinlan:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease Agreement Equipment Schedule No. 01, dated as of June 6, 2008, a primary document as defined in the Board's Rules for the Recordation of Documents.

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

Lessor:	Key Equipment Finance Inc. 66 South Pearl Street, 8th Floor Albany, New York 12207
Lessee:	Southwestern Railroad, Inc. 3811 Airport Road Building N-8 Ogden, UT 84405

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A description of the railroad equipment covered by the enclosed document is:

2 railcars: SWRR 9851 and SWRR 9861.

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

Memorandum of Lease Agreement Equipment Schedule No. 01.

Also enclosed is a check in the amount of \$35.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'R. Alvord', with a stylized flourish at the end.

Robert W. Alvord

RWA/sem
Enclosures

JUN 06 '08

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF LEASE AGREEMENT

EQUIPMENT SCHEDULE No. 01

Dated as of ~~May~~ ^{June} 6, 2008

between

KEY EQUIPMENT FINANCE INC.

Lessor

and

SOUTHWESTERN RAILROAD, INC.

Lessee

Filed with the Surface Transportation Board pursuant to
49 U.S.C. § 11301 on _____, 20____, at ____:____.M
Recordation Number _____

MEMORANDUM OF LEASE AGREEMENT

THIS MEMORANDUM OF LEASE AGREEMENT dated as of ^{June} ~~May~~ 6 2008 is made by and between SOUTHWESTERN RAILROAD, INC., a Utah corporation ("Lessee"), and KEY EQUIPMENT FINANCE INC., a Michigan corporation ("Lessor").

WITNESSETH

1. Pursuant to a Master Equipment Lease Agreement, together with Schedule 01 of even date (collectively, the "Lease Agreement"), Lessor has agreed to lease to Lessee, and the Lessee has agreed to lease from Lessor Two (2) SD50 Locomotives bearing the railroad reporting markings 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 Term and any Renewal Terms as defined in the Lease Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

Lessor:

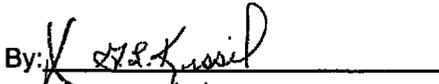
KEY EQUIPMENT FINANCE INC.

By: 

Name: KRISTA L. SPADA
Title: Regional Business Unit Manager

Lessee:

SOUTHWESTERN RAILROAD, INC.

By: 

Name: Greg Kiesel
Title: Ex. V.P.

EXHIBIT A
TO MEMORANDUM OF LEASE AGREEMENT
DATED AS OF MAY , 2008

<u>Unit Count</u>		
1.	SWRR	<u>9851</u>
2.	SWRR	<u>9861</u>

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 6/6/08



Robert W. Alvord