

RECORDATION NO 24199-L FILED

JUL 14 '08

12-33 PM

SURFACE TRANSPORTATION BOARD



VIA UPS 2nd DAY AIR

July 10, 2008

FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Ms. Anne K. Quinlan
Surface Transportation Board
395 E Street S.W., Suite 100
Washington, DC 20024
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Ms. Quinlan:

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 June 12, 2008, 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 Surface Transportation Board under Recordation Number 24199.

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: Georgia Southwestern Railroad
78 Pulpwood Road
Dawson, GA 39842

A description of the railroad equipment covered by the enclosed document is one hundred forty three (143) 4750 cu. ft. covered hopper cars, 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 \$35.00 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.

Best regards,

Marcia Dunne
Rail Sr. Documentation Specialist

Enclosures

(GSWR035)

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ASSGN. NO.: GSWR035

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

12th THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 12th day of June, 2008 by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Georgia Southwestern Railroad, a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement, dated as of March 1, 2002, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 26 to the Lease (the "Rider") as described in more particular on Exhibit A attached hereto, effective as of May 1, 2008, 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: _____
Title: VICE PRESIDENT SALES & MARKETING

By: Susan Grokulsky
Name: SUSAN GROKULSKY
Title: ASST. DIRECTOR OF DOCUMENTATION

Executed on this 12th day of June, 2008

[CORPORATE SEAL]

STATE OF ILLINOIS
COUNTY OF COOK

I, Janice L. Enolia, 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 12th day of JUNE, 2008.

Janice L. Enolia
Notary Public

My Commission Expires:
5-18-2010
(Notary Public)



LESSEE:

GEORGIA SOUTHWESTERN RAILROAD

ATTEST:

Georgia Southwestern Railroad, Inc.
David L. Smoot Its Secretary/Treasurer

By: [Signature]
Name: DAVID L. SMOOT
Title: SEC.-TREAS

By: Georgia Southwestern Railroad, Inc.
Name: By Terry R. Small, its President
Title: [Signature]

Executed on this 2nd day of JUNE, 2008.

[CORPORATE SEAL]

STATE OF GEORGIA
COUNTY OF TERRELL

I, Carlton J. Crimes, a Notary Public of the County and State aforesaid, certify that Terry R. Small 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 2nd day of June, 2008.

[Signature]
Notary Public

My Commission Expires:

[Stamp]
(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: One hundred forty-three (143)

DESCRIPTION OF CARS: 4750 cu. ft. Covered Hopper Cars with trough hatch covers, gravity gates, and 263,000/268,000 lbs. gross weight on rail

CAR NUMBERS:

| | | | | |
|-------------|-------------|-------------|-------------|-------------|
| NOKL 003086 | NOKL 822172 | NOKL 823987 | NOKL 828569 | NOKL 830258 |
| NOKL 003133 | NOKL 822246 | NOKL 824271 | NOKL 828586 | NOKL 830297 |
| NOKL 003227 | NOKL 822274 | NOKL 824462 | NOKL 828596 | NOKL 830314 |
| NOKL 003629 | NOKL 822298 | NOKL 826239 | NOKL 828619 | NOKL 830331 |
| NOKL 815030 | NOKL 822326 | NOKL 826407 | NOKL 828644 | NOKL 830357 |
| NOKL 815051 | NOKL 822329 | NOKL 826561 | NOKL 828645 | NOKL 830365 |
| NOKL 815163 | NOKL 822349 | NOKL 826570 | NOKL 828646 | NOKL 830372 |
| NOKL 815308 | NOKL 822351 | NOKL 826682 | NOKL 828650 | NOKL 830379 |
| NOKL 815464 | NOKL 822352 | NOKL 826773 | NOKL 828658 | NOKL 830482 |
| NOKL 815468 | NOKL 822406 | NOKL 826775 | NOKL 828665 | NOKL 830487 |
| NOKL 816731 | NOKL 822477 | NOKL 826851 | NOKL 828670 | NOKL 830506 |
| NOKL 818229 | NOKL 822480 | NOKL 826866 | NOKL 828685 | NOKL 830518 |
| NOKL 818232 | NOKL 822486 | NOKL 827431 | NOKL 828711 | NOKL 830523 |
| NOKL 818550 | NOKL 822490 | NOKL 827624 | NOKL 828721 | NOKL 830693 |
| NOKL 818670 | NOKL 822493 | NOKL 827644 | NOKL 828746 | NOKL 830697 |
| NOKL 818672 | NOKL 822496 | NOKL 827672 | NOKL 828766 | NOKL 831010 |
| NOKL 818695 | NOKL 822504 | NOKL 827749 | NOKL 828788 | NOKL 831074 |
| NOKL 820552 | NOKL 822506 | NOKL 827901 | NOKL 828817 | NOKL 831127 |
| NOKL 821499 | NOKL 822507 | NOKL 827902 | NOKL 828936 | NOKL 831164 |
| NOKL 821505 | NOKL 822512 | NOKL 828193 | NOKL 829038 | NOKL 832306 |
| NOKL 821763 | NOKL 822518 | NOKL 828238 | NOKL 829043 | NOKL 832328 |
| NOKL 821771 | NOKL 823053 | NOKL 828319 | NOKL 829834 | NOKL 832382 |
| NOKL 821964 | NOKL 823089 | NOKL 828379 | NOKL 829835 | NOKL 832446 |
| NOKL 821981 | NOKL 823308 | NOKL 828415 | NOKL 829866 | NOKL 832987 |
| NOKL 822007 | NOKL 823347 | NOKL 828473 | NOKL 830225 | NOKL 832992 |
| NOKL 822027 | NOKL 823363 | NOKL 828490 | NOKL 830237 | NOKL 833303 |
| NOKL 822029 | NOKL 823566 | NOKL 828493 | NOKL 830240 | |
| NOKL 822036 | NOKL 823571 | NOKL 828512 | NOKL 830244 | |
| NOKL 822039 | NOKL 823938 | NOKL 828566 | NOKL 830252 | |