

RECORDED NO. 29647 FEB

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SURFACE TRANSPORTATION BOARD

FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018-4214

February 15, 2011

Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W., Suite 100
Washington, DC 20423-0001
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Section Chief:

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 February 4, 2011, a primary document as defined in the Board's Rules for the Recordation of Documents. Please file this Memorandum of Lease as a primary document since a Master Lease has not been filed with the Surface Transportation Board. 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: South Carolina Electric & Gas Company
220 Operation Way
Mail Code B221
Cayce, SC 29033-3701

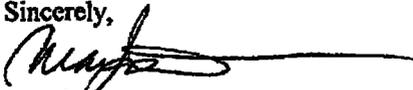
A description of the railroad equipment covered by the enclosed document is for one hundred fifteen (115) hopper cars; having FURX marks (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: Memorandum of Lease Agreement

Also enclosed is a check in the amount of \$41.00 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.

Sincerely,



Marcia Dunne
Senior Rail Documentation Specialist

Enclosure

(SCEG001)

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ASSGN. NO.: SCEG001

MEMORANDUM OF LEASE

SOUTH CAROLINA UTILITIES BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 4th day of January, 2011, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and South Carolina Electric & Gas Company ("Lessee"), a South Carolina corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of January 28, 2011, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 1 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of January 28, 2011, 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

By: Richard F. Seymour

Name: _____

Title: _____

ATTEST:

By: Susan Grokulsky

Name: SUSAN GROKULSKY

Title: ASSISTANT DIRECTOR OF DOCUMENTATION

Executed on this 4th day of February, 2011.

[CORPORATE SEAL]

STATE OF ILLINOIS

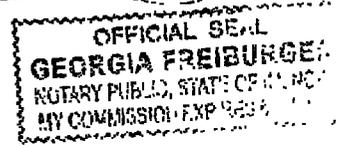
COUNTY OF COOK

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 4th day of February, 2011

Georgia Freiburger
Notary Public

My Commission Expires:
6-2012
(Notary Public)



LESSEE:

SOUTH CAROLINA ELECTRIC & GAS COMPANY

ATTEST:

By: Michael D. Shinn

Name: Michael D. Shinn

Title: GM Coal Tool Procurement

By: Donnie E. Peake Jr.

Name: DONNIE PEAKE JR.

Title: SPECIALIST TRANSPORTATION LOGISTICS Executed on this 25 day of January, 2011.

[CORPORATE SEAL]

STATE OF _____

COUNTY OF _____

I, Gail C. Vesselles, a Notary Public of the County and State aforesaid, certify that Michael D. Shinn 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 28th day of January, 2011.

Gail C. Vesselles
Notary Public

Commission Expires:

2-8-2020
(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: One hundred fifteen (115)

DESCRIPTION OF CARS: 4200 cubic foot capacity Open Hopper, rotary coupled. discharge,
Auto Flood III.

CAR NUMBERS:

FURX 930736	FURX 930819	FURX 930892	FURX 932209
FURX 930739	FURX 930821	FURX 930899	FURX 932211
FURX 930741	FURX 930822	FURX 930902	FURX 932215
FURX 930744	FURX 930823	FURX 930904	FURX 932216
FURX 930745	FURX 930825	FURX 930911	FURX 932222
FURX 930747	FURX 930827	FURX 930914	FURX 932223
FURX 930759	FURX 930829	FURX 930916	FURX 932228
FURX 930760	FURX 930832	FURX 930926	FURX 932234
FURX 930761	FURX 930837	FURX 930927	FURX 932241
FURX 930762	FURX 930842	FURX 930928	FURX 932243
FURX 930766	FURX 930846	FURX 930929	FURX 932244
FURX 930767	FURX 930847	FURX 930931	FURX 932252
FURX 930768	FURX 930848	FURX 930936	FURX 932253
FURX 930771	FURX 930850	FURX 930943	FURX 932254
FURX 930775	FURX 930856	FURX 930945	FURX 932256
FURX 930779	FURX 930857	FURX 930948	FURX 932259
FURX 930788	FURX 930862	FURX 930954	FURX 932272
FURX 930789	FURX 930863	FURX 930956	FURX 932279
FURX 930790	FURX 930865	FURX 930959	FURX 932280
FURX 930792	FURX 930867	FURX 930970	FURX 932282
FURX 930795	FURX 930869	FURX 930973	FURX 932289
FURX 930798	FURX 930872	FURX 930984	FURX 932293
FURX 930799	FURX 930876	FURX 930986	FURX 932296
FURX 930802	FURX 930879	FURX 930997	FURX 932301
FURX 930803	FURX 930880	FURX 930998	FURX 932303
FURX 930808	FURX 930881	FURX 930999	FURX 932312
FURX 930812	FURX 930885	FURX 931001	FURX 932316
FURX 930813	FURX 930888	FURX 932201	FURX 932319
FURX 930817	FURX 930891	FURX 932206	Count: 115