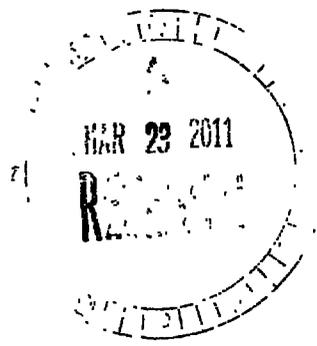


RECORDATION NO. 29694 FILED

MAR 23 '11 -3 38 PM

SURFACE TRANSPORTATION BOARD



FIRST UNION RAIL

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

VIA UPS 2nd DAY AIR

March 21, 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 March 10, 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 N. River Road, Suite 5000
Rosemont, IL 60018 USA

Lessee: Southwestern Electric Power Company
c/o American Electric Power Services Corp.
155 W Nationwide Blvd., Suite 500
Columbus, OH 43215

A description of the railroad equipment covered by the enclosed document is for two hundred sixty (260) gondola cars; having OVEX 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 \$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

(SEPC001)

ASSGN. NO.: SEPC001

MAR 23 '11 -3 38 PM

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 10th day of March, 2011, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Southwestern Electric Power Company ("Lessee"), a Delaware corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of March 10, 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 February 1, 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: RICHARD F. SEYMOUR
VICE PRESIDENT SALES

Title: _____

ATTEST:

By: Janice Enolva

Name: Janice Enolva

Title: Manager of Documentation

Executed on this 15th day of March, 2011.

[CORPORATE SEAL]

STATE OF ILLINOIS

COUNTY OF COOK

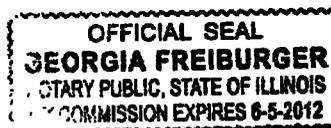
I, GEORGIA FREIBURGER, a Notary Public of the County and State aforesaid, certify that RICHARD F. SEYMOUR personally appeared before me this day and acknowledged his/her due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 10th day of March, 2011.

Georgia Freiburger
Notary Public

Commission Expires:

6-2011
(Notary Public)



LESSEE:

SOUTHWESTERN ELECTRIC POWER COMPANY

ST

ATTEST:

By: _____

Name: _____

Title: _____

By: J.C. Dial

Name: JEFFREY C. DIAL

Title: MANAGER-MARKETING,
TRANSPORTATION & LOGISTICS

Executed on this 22nd day of February, 2011.

STATE OF Ohio

COUNTY OF Franklin

I, Janice Figgins, a Notary Public of the County and State aforesaid, certify that Tim R. Light 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 22nd day of February, 2011.

Janice Figgins
Notary Public

Commission Expires:

4/3/2011
(Notary Public)



Janice Figgins
Notary Public
In and for the State of Ohio
My Commission Expires
4-3-2011

EXHIBIT A to MEMORANDUM OF LEASE

- I. NUMBER OF CARS: Two hundred sixty (260)
- II. DESCRIPTION OF CARS: Gondola cars, 286 GRL, built by FreightCar America.
- III. CAR NUMBERS:

OVEX 010401	OVEX 010440	OVEX 010484	OVEX 010525	OVEX 010571	OVEX 010610	OVEX 010649
OVEX 010402	OVEX 010441	OVEX 010485	OVEX 010526	OVEX 010572	OVEX 010611	OVEX 010650
OVEX 010403	OVEX 010442	OVEX 010486	OVEX 010527	OVEX 010573	OVEX 010612	OVEX 010651
OVEX 010404	OVEX 010443	OVEX 010487	OVEX 010528	OVEX 010574	OVEX 010613	OVEX 010652
OVEX 010405	OVEX 010444	OVEX 010488	OVEX 010529	OVEX 010575	OVEX 010614	OVEX 010653
OVEX 010406	OVEX 010445	OVEX 010489	OVEX 010530	OVEX 010576	OVEX 010615	OVEX 010654
OVEX 010407	OVEX 010446	OVEX 010490	OVEX 010531	OVEX 010577	OVEX 010616	OVEX 010655
OVEX 010408	OVEX 010448	OVEX 010491	OVEX 010532	OVEX 010578	OVEX 010617	OVEX 010656
OVEX 010409	OVEX 010449	OVEX 010492	OVEX 010533	OVEX 010579	OVEX 010618	OVEX 010657
OVEX 010410	OVEX 010450	OVEX 010493	OVEX 010534	OVEX 010580	OVEX 010619	OVEX 010658
OVEX 010412	OVEX 010453	OVEX 010494	OVEX 010535	OVEX 010581	OVEX 010620	OVEX 010659
OVEX 010413	OVEX 010454	OVEX 010495	OVEX 010536	OVEX 010582	OVEX 010621	OVEX 010660
OVEX 010414	OVEX 010455	OVEX 010497	OVEX 010537	OVEX 010584	OVEX 010622	OVEX 010661
OVEX 010415	OVEX 010456	OVEX 010498	OVEX 010538	OVEX 010585	OVEX 010624	OVEX 010662
OVEX 010416	OVEX 010458	OVEX 010499	OVEX 010539	OVEX 010586	OVEX 010625	OVEX 010663
OVEX 010417	OVEX 010460	OVEX 010502	OVEX 010540	OVEX 010587	OVEX 010626	OVEX 010664
OVEX 010418	OVEX 010462	OVEX 010503	OVEX 010541	OVEX 010588	OVEX 010627	OVEX 010665
OVEX 010419	OVEX 010463	OVEX 010504	OVEX 010542	OVEX 010589	OVEX 010628	OVEX 010666
OVEX 010420	OVEX 010464	OVEX 010505	OVEX 010544	OVEX 010590	OVEX 010629	OVEX 010667
OVEX 010421	OVEX 010465	OVEX 010506	OVEX 010549	OVEX 010591	OVEX 010630	OVEX 010668
OVEX 010422	OVEX 010466	OVEX 010507	OVEX 010550	OVEX 010592	OVEX 010631	OVEX 010669
OVEX 010423	OVEX 010467	OVEX 010508	OVEX 010551	OVEX 010593	OVEX 010632	OVEX 010670
OVEX 010424	OVEX 010468	OVEX 010509	OVEX 010552	OVEX 010594	OVEX 010633	OVEX 010671
OVEX 010425	OVEX 010469	OVEX 010510	OVEX 010553	OVEX 010595	OVEX 010634	OVEX 010672
OVEX 010426	OVEX 010470	OVEX 010511	OVEX 010554	OVEX 010596	OVEX 010635	OVEX 010673
OVEX 010427	OVEX 010471	OVEX 010512	OVEX 010558	OVEX 010597	OVEX 010636	OVEX 010674
OVEX 010428	OVEX 010472	OVEX 010513	OVEX 010559	OVEX 010598	OVEX 010637	OVEX 010675
OVEX 010429	OVEX 010473	OVEX 010514	OVEX 010560	OVEX 010599	OVEX 010638	OVEX 010676
OVEX 010430	OVEX 010474	OVEX 010515	OVEX 010561	OVEX 010600	OVEX 010639	OVEX 010677
OVEX 010431	OVEX 010475	OVEX 010516	OVEX 010562	OVEX 010601	OVEX 010640	OVEX 010678
OVEX 010432	OVEX 010476	OVEX 010517	OVEX 010563	OVEX 010602	OVEX 010641	OVEX 010679
OVEX 010433	OVEX 010477	OVEX 010518	OVEX 010564	OVEX 010603	OVEX 010642	OVEX 010680
OVEX 010434	OVEX 010478	OVEX 010519	OVEX 010565	OVEX 010604	OVEX 010643	
OVEX 010435	OVEX 010479	OVEX 010520	OVEX 010566	OVEX 010605	OVEX 010644	
OVEX 010436	OVEX 010480	OVEX 010521	OVEX 010567	OVEX 010606	OVEX 010645	
OVEX 010437	OVEX 010481	OVEX 010522	OVEX 010568	OVEX 010607	OVEX 010646	
OVEX 010438	OVEX 010482	OVEX 010523	OVEX 010569	OVEX 010608	OVEX 010647	
OVEX 010439	OVEX 010483	OVEX 010524	OVEX 010570	OVEX 010609	OVEX 010648	