

RECORDATION NO. 29807 FILED

JUN 08 '11 -3 35 PM

Mitsui Rail Capital, LLC
71 South Wacker Drive
Suite 1800
Chicago, Illinois 60606

~~SURFACE TRANSPORTATION BOARD~~

Main (312) 803-8880
Fax (312) 803-8890



June 8, 2011

Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 "E" Street, S.W.
Washington, D.C. 20423

Dear Section Chief:

Please find attached one (1) copy of a Memorandum of Lease dated June 2, 2011 between the following parties:

Lessor: Mitsui Rail Capital, LLC
71 S. Wacker Drive, Suite 1800
Chicago, IL 60606

Lessee: Watco Companies, L.L.C.
315 W. 3rd Street
Pittsburg, KS 66762

Lessee: Watco Transportation Services, L.L.C.
315 W. 3rd Street
Pittsburg, KS 66762

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

41 cars within the series MBKX 4000 02 - MBKX 400239 as more specifically set forth in the exhibit attached to the document.

This filing is to appear in the index as follows: Memorandum of Lease.

Please file this as a primary document as defined in the Board's Rules for the Recordation of Documents. The filing fee in the amount of \$41.00 can be charged to our account.

Should you have any questions or need further information, please do not hesitate to contact me at (312) 803-8836.

Sincerely,

/S/ Christine Peterson

Christine Peterson
Contract Administrator/Paralegal

Enclosure

Chicago Des Moines

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SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF FULL SERVICE LEASE AGREEMENT
BETWEEN
MITSUI RAIL CAPITAL, LLC
("LESSOR")**

AND

**WATCO COMPANIES, L.L.C. AND WATCO TRANSPORTATION SERVICES, L.L.C.
("LESSEE")**

JUNE 2, 2011

This Memorandum of Full Service Lease Agreement is made and entered into as of June 2, 2011 by and between Mitsui Rail Capital, LLC, a Delaware limited liability company, ("Lessor") and Watco Companies, L.L.C., a Delaware limited liability company and Watco Transportation Services, L.L.C., a Kansas limited liability company ("Lessee").

WITNESSETH:

1. Lessor has agreed to furnish to Lessee, and Lessee has agreed to lease from Lessor forty-one (41) 1981 built Ortner designed manual gate 263K Aggregate Railcars bearing marks and numbers as follows:

See attached Exhibit 1

2. The Lease Agreement shall be effective as of the date first set forth hereinabove and shall be subject to the lease term, as described 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.

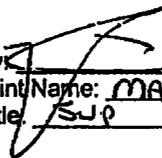
LESSOR:

MITSUI RAIL CAPITAL, LLC

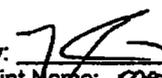
By: 
Print Name: John O'Bryan
Title: President

LESSEE:

WATCO COMPANIES, L.L.C.

By: 
Print Name: MATT MIERZIG
Title: SVP

WATCO TRANSPORTATION SERVICES,
L.L.C.

By: 
Print Name: MATT MIERZIG
Title: SVP

STATE OF ILLINOIS

COUNTY OF COOK

On this 6th day of June, 2011, before me personally appeared John O'Bryan, to me personally known, who being by me duly sworn, says that he is the President of Mitsui Rail Capital, LLC that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

Christine C Peterson
NOTARY PUBLIC

My commission expires: July 7, 2012



STATE OF Kansas

COUNTY OF Crawford

On this 2nd day of June, 2011, before me personally appeared Matt McKenzie, to me personally known, who being by me duly sworn, says that he is the SVP of Watco Companies, L.L.C. that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

Tracey A. Kukovich
NOTARY PUBLIC

My commission expires:
12-21-13



STATE OF Kansas

COUNTY OF Crawford

On this 2nd day of June, 2011 before me personally appeared Matt McKenzie, to me personally known, who being by me duly sworn, says that he is the SVP of Watco Transportation Services, L.L.C. that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

Tracey A. Kukovich
NOTARY PUBLIC

My commission expires:

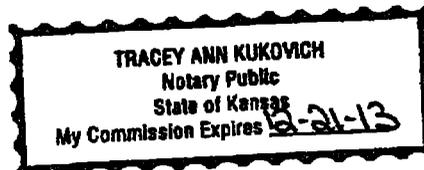


EXHIBIT 1
CAR MARKS AND NUMBERS

<u>Count</u>	<u>Mark</u>	<u>Number</u>
1	MBKX	400002
2	MBKX	400029
3	MBKX	400030
4	MBKX	400035
5	MBKX	400046
6	MBKX	400051
7	MBKX	400053
8	MBKX	400058
9	MBKX	400061
10	MBKX	400087
11	MBKX	400088
12	MBKX	400095
13	MBKX	400099
14	MBKX	400100
15	MBKX	400101
16	MBKX	400106
17	MBKX	400112
18	MBKX	400115
19	MBKX	400123
20	MBKX	400124
21	MBKX	400127

<u>Count</u>	<u>Mark</u>	<u>Number</u>
22	MBKX	400132
23	MBKX	400134
24	MBKX	400139
25	MBKX	400140
26	MBKX	400141
27	MBKX	400143
28	MBKX	400154
29	MBKX	400157
30	MBKX	400158
31	MBKX	400162
32	MBKX	400173
33	MBKX	400177
34	MBKX	400184
35	MBKX	400186
36	MBKX	400191
37	MBKX	400194
38	MBKX	400209
39	MBKX	400211
40	MBKX	400220
41	MBKX	400239