

AUG 03 '11 -3 14 PM

SURFACE TRANSPORTATION BOARD

FIRST UNION RAIL

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

Tel 847.318.7575
Fax 847.318.7588
www.firstunionrail.com

VIA UPS NEXT DAY AIR

August 2, 2011

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

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 August 2, 2011, 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 27499.

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: The Kansas City Southern de Mexico, S.A. DE C.V.
c/o The Kansas City Southern Railway Company
Cathedral Square, 427 West 12th Street
Kansas City, MO 64105

A description of the railroad equipment covered by the enclosed document is for fifty-five (25) gondola cars; having NOKL and SMW 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 Documentation Specialist

Enclosures
(KCSM003)

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ASSGN. NO. KCSM003

MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 2nd day of August, 2011, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and The Kansas City Southern de Mexico, S.A. DE C.V. ("Lessee"), a Mexico corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of February 4, 2004, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 7 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of August 2, 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

ATTEST:

By: Richard F. Seymour

Name: RICHARD F. SEYMOUR
VICE PRESIDENT

By: Susan Grokulska

Name: SUSAN GROKULSKY
ASSISTANT DIRECTOR

Title: OF DOCUMENTATION

Title: _____

Executed on this 2nd day of August, 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 due execution of the foregoing Memorandum of Lease.

WITNESS my hand and official stamp or seal, this 2nd day of August, 2011.

Georgia Freiburger
Notary Public

My Commission Expires:
6-2012
(Notary Public)



LESSEE:

THE KANSAS CITY SOUTHERN DE MEXICO, S.A. DE

C.V.

By: David R. Ebbrecht

Name: DAVID R. EBBRECHT

Title: EVP OPERATIONS

ATTEST:

By: _____

Name: _____

Title: _____

Executed on this _____ day of _____, _____.

[CORPORATE SEAL]

STATE OF _____

COUNTY OF _____

I, _____, a Notary Public of the County and State aforesaid, certify that _____ 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 _____ day of _____, _____.

Notary Public

Commission Expires:

(Notary Public)

EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: Fifty-five (55)

DESCRIPTION OF CARS: Gondola Cars.

CAR NUMBERS:

NOKL	320300	SMW	320428
NOKL	320307	SMW	320429
NOKL	320313	SMW	320430
NOKL	320440	SMW	320432
NOKL	320442	SMW	320433
NOKL	320446	SMW	320434
NOKL	320449	SMW	320441
NOKL	320463	SMW	320443
NOKL	320470	SMW	320447
SMW	320302	SMW	320448
SMW	320305	SMW	320453
SMW	320306	SMW	320454
SMW	320309	SMW	320455
SMW	320310	SMW	320457
SMW	320311	SMW	320458
SMW	320312	SMW	320462
SMW	320314	SMW	320464
SMW	320315	SMW	320466
SMW	320316	SMW	320468
SMW	320322	SMW	320469
SMW	320323	SMW	320473
SMW	320325	SMW	320474
SMW	320326		
SMW	320327		
SMW	320328		
SMW	320331		
SMW	320332		
SMW	320336		
SMW	320338		
SMW	320339		
SMW	320340		
SMW	320341		
SMW	320348		