

AUG 22 '11 - 1 59 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 2nd DAY AIR

August 18, 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 August 16, 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 27786.

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

Lessee: Sabine River & Northern Railroad Company
5830 Old Highway 87
Orange, TX 77632

A description of the railroad equipment covered by the enclosed document is for one hundred thirty-two (132) boxcars; having 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 \$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 Dünne
Senior Rail Documentation Specialist

Enclosures

(SRN003)

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ASSGN. NO.: SRN003

MEMORANDUM OF LEASE

SUNSHINE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum") is made and entered into as of this the 16th day of August, 2011, by and between First Union Rail Corporation ("Lessor"), a North Carolina corporation, and SABINE RIVER & NORTHERN RAILROAD COMPANY ("Lessee"), a Texas corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Lease Agreement (the "Lease"), dated as of December 17, 2008, whereby Lessor has agreed to lease to Lessee certain railcars pursuant to Rider No. 3 to the Lease (the "Rider"), as described in more particular on Exhibit A attached hereto, effective as of July 30, 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: [Signature]

Name: JOHN J THOMAS

Title: PRESIDENT

ATTEST:

By: [Signature]

Name: K.A. DOMIBROWSKI

Title: DIRECTOR OF DOCUMENTATION Executed on this 16th 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 JOHN J THOMAS 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 16th day of August, 2011.

[Signature]
Notary Public

My Commission Expires:
6-2012
(Notary Public)



LESSEE:

SABINE RIVER & NORTHERN RAILROAD COMPANY

ATTEST:

By: David Kleinknecht

Name: DAVID KLEINKNECHT

Title: GENERAL MANAGER

By: _____

Name: _____

Title: _____

Executed on this 9th day of August, 2011.

[CORPORATE SEAL]

STATE OF Texas

COUNTY OF Orange

I, Jill Lormand, a Notary Public of the County and State aforesaid, certify that David Kleinknecht 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 9th day of August, 2011.

Jill D. Lormand
Notary Public

Commission Expires:

10-23-12
(Notary Public)



EXHIBIT A
to
MEMORANDUM OF LEASE

NUMBER OF CARS: One hundred thirty-two (132)

DESCRIPTION OF CARS: Plate "F" Boxcars

CAR NUMBERS:

NOKL 570001	NOKL 570038	NOKL 570075	NOKL 570458
NOKL 570002	NOKL 570039	NOKL 570076	NOKL 570460
NOKL 570003	NOKL 570040	NOKL 570077	NOKL 570461
NOKL 570005	NOKL 570042	NOKL 570078	NOKL 570462
NOKL 570006	NOKL 570043	NOKL 570079	NOKL 570463
NOKL 570007	NOKL 570044	NOKL 570080	NOKL 570464
NOKL 570008	NOKL 570045	NOKL 570081	NOKL 570465
NOKL 570009	NOKL 570046	NOKL 570082	NOKL 570466
NOKL 570011	NOKL 570047	NOKL 570083	NOKL 570467
NOKL 570012	NOKL 570048	NOKL 570084	NOKL 570468
NOKL 570014	NOKL 570049	NOKL 570085	NOKL 570469
NOKL 570015	NOKL 570052	NOKL 570086	NOKL 570470
NOKL 570016	NOKL 570053	NOKL 570087	NOKL 570471
NOKL 570017	NOKL 570054	NOKL 570088	NOKL 570472
NOKL 570018	NOKL 570055	NOKL 570089	NOKL 570474
NOKL 570019	NOKL 570056	NOKL 570090	NOKL 570476
NOKL 570020	NOKL 570057	NOKL 570091	NOKL 570478
NOKL 570022	NOKL 570058	NOKL 570092	NOKL 570481
NOKL 570023	NOKL 570059	NOKL 570093	NOKL 570482
NOKL 570024	NOKL 570061	NOKL 570094	NOKL 570484
NOKL 570025	NOKL 570062	NOKL 570096	NOKL 570485
NOKL 570026	NOKL 570063	NOKL 570097	NOKL 570486
NOKL 570027	NOKL 570064	NOKL 570098	NOKL 570487
NOKL 570028	NOKL 570065	NOKL 570099	NOKL 570488
NOKL 570029	NOKL 570066	NOKL 570296	NOKL 570489
NOKL 570030	NOKL 570067	NOKL 570334	NOKL 570490
NOKL 570031	NOKL 570068	NOKL 570450	NOKL 570491
NOKL 570032	NOKL 570069	NOKL 570451	NOKL 570493
NOKL 570033	NOKL 570070	NOKL 570453	NOKL 570495
NOKL 570034	NOKL 570071	NOKL 570454	NOKL 570496
NOKL 570035	NOKL 570072	NOKL 570455	NOKL 570497
NOKL 570036	NOKL 570073	NOKL 570456	NOKL 570498
NOKL 570037	NOKL 570074	NOKL 570457	NOKL 570499