

RECORDATION NO. 23692 -A FILED

JUL 09 '04 3-34 PM

SURFACE TRANSPORTATION BOARD

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OF COUNSEL  
URBAN A. LESTER

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

July 1, 2004

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Security Assignment, dated as of July 9, 2004, a primary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Mortgage which was previously filed with the Board under Recordation Number 23967.

The names and addresses of the parties to the enclosed document are:

Partnership: The Clearwater Partnership, LLP  
c/o Revival Leasing Limited  
P. O. Box 1093 GT  
Queensgate House  
South Church Street  
Grand Cayman  
Cayman Islands

Partner B: Creedence Limited  
P O Box 1093 GT  
Ugland House  
South Church Street  
George Town  
Grand Cayman  
Cayman Islands

Mr. Vernon A. Williams  
July 1, 2004  
Page 2

Head Lessee: North America Rail Leasing #32 LLC  
(d/b/a Babcock & Brown Rail Leasing)  
230 Park Avenue, 32nd Floor  
New York, New York 10169  
Attention: Rail Operating Lease Group

[Indenture Trustee: Lombard North Central plc  
Corporate Finance Division  
No 2 Waterhouse Square  
138-142 Holborn  
London EC1N 2th  
England]

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

1,579 railcars within the following series:

BCOL 873600 – BCOL 873649  
BNSF 728225 – BNSF 728399  
CEFX 60360 - CEFX 60719  
EJE 7400 – EJE 7499  
EXEX 640000 – EXEX 640109  
FLIX 3500 – FLIX 3899  
NORX 4300 – NORX 4359  
TIMX 62000 – TIMX 62044

A short summary of the document to appear in the index is:

Memorandum of Security Assignment.

Also enclosed is a check in the amount of \$30.00 payable to the order of  
the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the  
undersigned.

Very truly yours,



Robert W. Alvord

RWA/anm  
Enclosures

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EXECUTION VERSION

MEMORANDUM OF SECURITY ASSIGNMENT

SURFACE TRANSPORTATION BOARD

This Memorandum of Security Assignment is dated as of July 9, 2004, made by The Clearwater Partnership, LLP (the "Partnership"), Creedence Limited ("Partner B") and North America Rail Leasing #32 LLC (d/b/a Babcock & Brown Rail Leasing) (the "Head Lessee", and together with the Partnership and Partner B, the "Parties") in favor of Lombard North Central plc (the "Indenture Trustee"). Terms used in this instrument have the meanings assigned thereto (whether by reference to another document or otherwise) in that certain Security Assignment (INTOL II Interim Restructuring) dated as of the date hereof (as amended, modified or supplemented, the "Security Assignment") among the Partnership, Partner B, the Head Lessee and the Indenture Trustee.

WITNESSETH:

WHEREAS, concurrently herewith, Partner B and the Partnership will enter into the Transfer Agreement pursuant to which the Partnership will transfer to Partner B all of the Partnership's rights in the Assignable Rent payable by the Head Lessee under the Head Lease;

WHEREAS, concurrently herewith, the Partnership and the Head Lessee will execute and deliver the Head Lease in respect of the equipment listed on Exhibit A hereto (the "Equipment") and a Lease Assignment in respect of each Lease, pursuant to which the Partnership assigns to the Head Lessee the leases described on Exhibit B hereto and all other leases that may be entered into by the Head Lessee in respect of the Equipment (the "Leases");

WHEREAS, (i) Partner B has assigned, transferred and conveyed to the Indenture Trustee all of its right, title and interest in, to and under the Transfer Agreement and Assignable Rent; (ii) the Head Lessee has assigned, transferred and conveyed to the Indenture Trustee all of its right, title and interest in, to and under the Leases; and (iii) the Partnership has assigned, transferred and conveyed to the Indenture Trustee all of its right, title and interest in, to and under the Head Lease, the Leases and the Security Assignment; and

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Security Assignment, and the respective interests therein of the Parties, and accordingly, the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties, by this instrument each of the Parties acknowledges and confirms its respective assignment, transfer and conveyance of its respective rights as described in subclauses (i), (ii) and (iii) in the penultimate WHEREAS clause.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, each of the Partnership, Partner B and the Head Lessee has caused this memorandum to be duly executed by its officer duly authorized as of the date and year first above written.

THE CLEARWATER PARTNERSHIP, LLP,  
as Partnership

By: Revival Leasing Limited, its General Partner

By: \_\_\_\_\_

Name: Guy Major  
Title: Director

CREEDENCE LIMITED,  
as Partner B

By: \_\_\_\_\_

Name: Phillip Hands  
Title: Director

NORTH AMERICA RAIL LEASING #32 LLC  
(d/b/a Babcock & Brown Rail Leasing),  
as Head Lessee

By: \_\_\_\_\_

Name:  
Title:

MEMO OF SECURITY ASSIGNMENT

IN WITNESS WHEREOF, each of the Partnership, Partner B and the Head Lessee has caused this memorandum to be duly executed by its officer duly authorized as of the date and year first above written.

THE CLEARWATER PARTNERSHIP, LLP,  
as Partnership

By: Revival Leasing Limited, its General Partner

By: \_\_\_\_\_  
Name:  
Title:

CREEDENCE LIMITED,  
as Partner B

By: \_\_\_\_\_  
Name:  
Title:

NORTH AMERICA RAIL LEASING #32 LLC  
(d/b/a Babcock & Brown Rail Leasing),  
as Head Lessee

By:  \_\_\_\_\_  
Name: Bruce Carusi  
Title: Vice President

On this, the 18<sup>th</sup> day of June, 2004, before me, a Notary Public in and for the Cayman Islands, personally appeared Guy Major, who acknowledged himself to be a duly authorized person of the General Partner of The Clearwater Partnership, LLP, and that, as such duly authorized person, he executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

  
Name: Wendy Ebanks  
Notary Public

My Commission Expires: 31 January, 2005

Residing in: Cayman Islands



On this, the 18<sup>th</sup> day of June, 2004, before me, a Notary Public in and for the Cayman Islands, personally appeared Phillip Hinds, a Director of Creedence Limited, who acknowledged himself to be a duly authorized Officer of Creedence Limited, and that, as such Officer, being duly authorized to do so, he executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.



Name: Wendy Ebanks  
Notary Public

My Commission Expires: 31 January, 2005

Residing in: Cayman Islands



State of New York        )  
                                  )  
County of New York        )

On this, the 30<sup>th</sup> day of June, 2004, before me, a Notary Public in and for said County and State, personally appeared Bruce Carusi, a Vice President of North America Rail Leasing #32 LLC (d/b/a Babcock & Brown Rail Leasing), who acknowledged himself to be a duly authorized officer of North America Rail Leasing #32 LLC (d/b/a Babcock & Brown Rail Leasing), and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name: Sophia Bryan  
Notary Public

My Commission Expires: May 5, 2006

Residing in: New York, NY

SOPHIA BRYAN  
Notary Public, State of New York  
No. 018R6042226  
Qualified in Queens County  
Certificate Filed in New York  
Commission Expires May 5, 2006

## EQUIPMENT

<u>Lessee</u>	<u># of Cars</u>	<u>Unit Type</u>	<u>Reporting Marks</u>	<u>Casualty Marks</u>
The Burlington Northern and Santa Fe Railway Company #1	174	Boxcars	BNSF 728225-728399, inclusive	BNSF 728265
BC Rail Partnership	47	Centerbeam Flatcars	BCOL 873600-873614, inclusive; 873616-873634, inclusive; 873636-873639, inclusive; and 873641-873649, inclusive	None
The Burlington Northern and Santa Fe Railway Company #2	359	Aluminum Coal Hoppers	CEFX 60360-60719, inclusive	CEFX 60527
AT Plastics, Inc.	27	Covered Hoppers	TIMX 62013, 62014, and 62020-62044, inclusive	None
AT Plastics Corporation	18	Covered Hoppers	TIMX 62000-62012, inclusive; and 62015-62019, inclusive	None
Northern Indiana Public Service Company	357	BethGon Coalporters	NORX 4000-4359, inclusive	NORX 4174, 4214 and 4244
Elgin, Joliet and Eastern Railway Company	100	Covered Coil Cars	EJE 7400-7499, inclusive	None

<u>Lessee</u>	<u># of Cars</u>	<u>Unit Type</u>	<u>Reporting Marks</u>	<u>Casualty Marks</u>
Exelon Generation Company, LLC	107	Aluminum Gondolas	EXEX 640000- 64010-9, inclusive	EXEX 640007, 640036 and 640052
Union Pacific Railroad Company	390	Covered Hoppers	FLIX 3500, 3501, 3503, 3505-3550, inclusive; 3552- 3613, inclusive; 3615-3768, inclusive; 3770- 3856, inclusive; 3858-3864, inclusive; and 3886-3899, inclusive	FLIX 3725, 3874 and 3898

**LEASES**

1. **The Burlington Northern and Santa Fe Railway Company #1**

Master Net Railcar Lease made as of April 5, 2001, effective as of April 27, 1999, entered into by and between The Clearwater Partnership (the "Partnership"), as lessor, and The Burlington Northern and Santa Fe Railway Company, as lessee, as amended, modified or supplemented from time to time, together with Schedule No. 02 to Master Net Railcar Lease made as of June 4, 2001, effective as of March 1, 2000.

2. **BC Rail Partnership**

Master Railcar Lease made as of July 16, 1998 entered into by and between the Partnership, as lessor, and BC Rail Partnership, as lessee, as amended, modified or supplemented from time to time, together with Rider No. 01 to Master Railcar Lease made as of July 16, 1998.

3. **The Burlington Northern and Santa Fe Railway Company #2**

Master Net Railcar Lease made as of April 5, 2001, effective as of April 27, 1999, entered into by and between the Partnership, as lessor, and The Burlington Northern and Santa Fe Railway Company, as lessee, as amended, modified or supplemented from time to time, together with Schedule No. 01 to Master Net Railcar Lease made as of April 5, 2001, effective as of April 27, 1999.

4. **AT Plastics Inc.**

Railroad Car Net Lease Agreement dated March 31, 1998 entered into by and between the Partnership, as lessor, and AT Plastics Inc., as lessee, as amended, modified or supplemented from time to time, together with Rider One to Railroad Car Net Lease Agreement dated March 31, 1998.

5. **AT Plastics Corporation**

Railroad Car Net Lease Agreement dated March 31, 1998 entered into by and between the Partnership, as lessor, and AT Plastics Corporation, as lessee, as amended, modified or supplemented from time to time, together with Rider One to Railroad Car Net Lease Agreement dated July 9, 1999.

6. **Northern Indiana Public Service Company**

Railcar Equipment Lease dated as of December 1, 1998 entered into by and between the Partnership, as lessor, and Northern Indiana Public Service Company, as lessee, as amended, modified or supplemented from time to time, together with Rider 1 to Railcar Equipment Lease dated as of December 1, 1998.

7. **Exelon Generation Company, LLC**

Master Lease Agreement dated December 27, 1990 entered into by and between the Partnership, as lessor, and Exelon Generation Company, LLC (as assignee of Commonwealth Edison Company), as lessee, as amended, modified or supplemented from time to time.

8. **Elgin, Joliet and Eastern Railway Company**

Master Lease Agreement dated April 30, 1993 entered into by and between the Partnership, as lessor, and Elgin, Joliet and Eastern Railway Company, as lessee, as amended, modified or supplemented from time to time, together with Rider A to Master Railcar Lease Agreement dated April 30, 1993.

9. **Union Pacific Railway Company**

Master Lease Agreement dated as of October 23, 2003, effective as of October 1, 2002, by and between the Partnership, as lessor, and Union Pacific Railroad Company, as lessee, as amended, modified or supplemented from time to time, together with Rider No. 01 to Master Lease Agreement dated as of October 23, 2003, effective as of October 1, 2002.

# 2078235\_v1

**CERTIFICATION**

I, Edward M. Luria, an attorney licensed to practice in the District of Columbia, the State of Delaware and the Commonwealth of Pennsylvania, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: July 2, 2024

Edward M. Luria

Edward M. Luria