

RECORDATION NO. 27292 FILED

DEC 21 '07

2-30 PM

SURFACE TRANSPORTATION BOARD

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ELIAS C ALVORD (1942)
ELLSWORTH C ALVORD (1984)

OF COUNSEL
URBAN A LESTER

December 21, 2007

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 Net Railcar Lease, dated as of December 17, 2004, a primary document as defined in the Board's Rules for the Recordation of Documents.

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

Lessor:	North America Rail Leasing #3 LLC (d/b/a Babcock & Brown Rail Leasing) 1 Dag Hammarskjold Plaza 885 Second Avenue, 49 th Floor New York, NY 10017
Lessee:	Public Service Company of Oklahoma 155 West Nationwide Blvd. P. O. Box 16036 Columbus, OH 43216

Mr. Vernon A. Williams
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A description of the railroad equipment covered by the enclosed document is:

116 railcars AEPX 7558 - AEPX 7673.

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

Memorandum of Net Railcar Lease.

Also enclosed is a check in the amount of \$35.00 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,

A handwritten signature in black ink, appearing to read "Alvord", with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/sem
Enclosures

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MEMORANDUM OF NET RAILCAR LEASE

THIS MEMORANDUM OF NET RAILCAR LEASE dated as of this 17th day of December, 2004, to that certain Master Net Railcar Lease effective as of December 16, 2004 between Babcock & Brown Rail Leasing Co. and PUBLIC SERVICE COMPANY OF OKLAHOMA, an Oklahoma corporation (the "Lessee"), pursuant to which Schedule No. 01 has been executed, is made by the Lessee and NORTH AMERICA RAIL LEASING #3 LLC (d/b/a Babcock & Brown Rail Leasing), a Delaware limited liability company (the "Lessor" and together with the Lessee, the "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, Babcock & Brown Rail Leasing Co. and the Lessee entered into that certain Master Net Railcar Lease effective as of December 16, 2004 and the Lessor and Lessee entered into that certain Schedule No. 01 thereto effective as of the same date (hereinafter as the same may from time to time be amended, modified or supplemented, the "Agreement"), covering the equipment listed on Exhibit A hereto (the "Cars");

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Agreement, 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, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Cars to the Lessee in accordance with the terms and conditions of the Agreement, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

This Memorandum of Net Railcar Lease may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned has caused this Memorandum of Net Railcar Lease to be executed by a duly authorized officer as of the day and year first above written.

**NORTH AMERICA RAIL LEASING #3 LLC
(d/b/a Babcock & Brown Rail Leasing), as Lessor**

By: 

Name: Ross Sullivan

Title: Vice President

PUBLIC SERVICE COMPANY OF OKLAHOMA, as Lessee

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, the undersigned has caused this Memorandum of Net Railcar Lease to be executed by a duly authorized officer as of the day and year first above written.

NORTH AMERICA RAIL LEASING #3 LLC
(d/b/a Babcock & Brown Rail Leasing), as Lessor

By: _____

Name: _____

Title: _____

PUBLIC SERVICE COMPANY OF OKLAHOMA, as Lessee

By: Stephan T. Haynes
Stephan T. Haynes

Name: _____

Title: Assistant Treasurer

STATE OF CALIFORNIA)

) SS:

COUNTY OF SAN FRANCISCO)

On this 20 day of December, 2004 before me personally appears Ross Sullivan, to me personally known, who by me duly sworn, says that he is the Vice President of North America Rail Leasing #3LLC (d/b/a Babcock & Brown Rail Leasing) (the "Company"), that the foregoing instrument was signed on behalf of the said Company by authority of its Officers, and he acknowledged that the execution of the foregoing instrument was the free act and deed of the said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



Martin Phillips

Notary Public

[SEAL]

My Commission expires: 2/1/08

STATE OF OHIO)

) SS:

COUNTY OF FRANKLIN)

On this _____ day of December, 2004 before me personally appears _____, to me personally known, who by me duly sworn, says that he/she is the _____ of Public Service Company of Oklahoma (the "Company"), that the foregoing instrument was signed on behalf of the said Company by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

[SEAL]

My Commission expires

STATE OF CALIFORNIA)

) SS:

COUNTY OF SAN FRANCISCO)

On this ____ day of December, 2004 before me personally appears _____, to me personally known, who by me duly sworn, says that he/she is the _____ of North America Rail Leasing #3LLC (d/b/a Babcock & Brown Rail Leasing) (the "Company"), that the foregoing instrument was signed on behalf of the said Company by authority of its Officers, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

[SEAL]

My Commission expires:

STATE OF OHIO)

) SS:

COUNTY OF FRANKLIN)

On this 16th day of December, 2004 before me personally appears Stephen T. Myres, to me personally known, who by me duly sworn, says that he/she is the Assistant Treasurer of Public Service Company of Oklahoma (the "Company"), that the foregoing instrument was signed on behalf of the said Company by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

~~_____
Notary Public~~

[SEAL]

My Commission expires



DAVID C. HOUSE, ATTORNEY AT LAW
NOTARY PUBLIC, STATE OF OHIO
My commission has no expiration date.
Section 147.03 R.C.

EXHIBIT A

EQUIPMENT REPORTING MARKS AND NUMBERS

<u>Current Reporting</u>		<u>Replacement</u>		<u>Current Reporting</u>		<u>Replacement</u>	
<u>Marks and Numbers</u>		<u>Marks and Numbers</u>		<u>Marks and Numbers</u>		<u>Marks and Numbers</u>	
1	CSWX 7361	ABPX 7558		31	CSWX 7391	ABPX 7587	
2	CSWX 7362	ABPX 7657		32	CSWX 7392	ABPX 7588	
3	CSWX 7363	ABPX 7559		33	CSWX 7393	ABPX 7589	
4	CSWX 7364	ABPX 7560		34	CSWX 7394	ABPX 7590	
5	CSWX 7365	ABPX 7561		35	CSWX 7395	ABPX 7591	
6	CSWX 7366	ABPX 7562		36	CSWX 7396	ABPX 7592	
7	CSWX 7367	ABPX 7563		37	CSWX 7397	ABPX 7593	
8	CSWX 7368	ABPX 7564		38	CSWX 7398	ABPX 7594	
9	CSWX 7369	ABPX 7565		39	CSWX 7399	ABPX 7595	
10	CSWX 7370	ABPX 7566		40	CSWX 7400	ABPX 7596	
11	CSWX 7371	ABPX 7567		41	CSWX 7401	ABPX 7597	
12	CSWX 7372	ABPX 7568		42	CSWX 7402	ABPX 7598	
13	CSWX 7373	ABPX 7569		43	CSWX 7403	ABPX 7599	
14	CSWX 7374	ABPX 7570		44	CSWX 7404	ABPX 7600	
15	CSWX 7375	ABPX 7571		45	CSWX 7405	ABPX 7601	
16	CSWX 7376	ABPX 7572		46	CSWX 7406	ABPX 7602	
17	CSWX 7377	ABPX 7573		47	CSWX 7407	ABPX 7603	
18	CSWX 7378	ABPX 7574		48	CSWX 7408	ABPX 7604	
19	CSWX 7379	ABPX 7575		49	CSWX 7409	ABPX 7605	
20	CSWX 7380	ABPX 7576		50	CSWX 7410	ABPX 7606	
21	CSWX 7381	ABPX 7577		51	CSWX 7411	ABPX 7607	
22	CSWX 7382	ABPX 7578		52	CSWX 7412	ABPX 7608	
23	CSWX 7383	ABPX 7579		53	CSWX 7413	ABPX 7609	
24	CSWX 7384	ABPX 7580		54	CSWX 7414	ABPX 7610	
25	CSWX 7385	ABPX 7581		55	CSWX 7415	ABPX 7611	
26	CSWX 7386	ABPX 7582		56	CSWX 7416	ABPX 7612	
27	CSWX 7387	ABPX 7583		57	CSWX 7417	ABPX 7613	
28	CSWX 7388	ABPX 7584		58	CSWX 7418	ABPX 7614	
29	CSWX 7389	ABPX 7585		59	CSWX 7419	ABPX 7615	
30	CSWX 7390	ABPX 7586		60	CSWX 7420	ABPX 7616	

EXHIBIT A

EQUIPMENT REPORTING MARKS AND NUMBERS

(CONT'D.)

<u>Current Reporting</u>			<u>Replacement</u>		<u>Current Reporting</u>			<u>Replacement</u>	
<u>Marks and Numbers</u>			<u>Marks and Numbers</u>		<u>Marks and Numbers</u>			<u>Marks and Numbers</u>	
61	CSWX	7421	ABPX	7617	91	CSWX	7452	ABPX	7647
62	CSWX	7422	ABPX	7618	92	CSWX	7453	ABPX	7648
63	CSWX	7423	ABPX	7619	93	CSWX	7454	ABPX	7649
64	CSWX	7424	ABPX	7620	94	CSWX	7455	ABPX	7650
65	CSWX	7425	ABPX	7621	95	CSWX	7456	ABPX	7651
66	CSWX	7426	ABPX	7622	96	CSWX	7457	ABPX	7652
67	CSWX	7427	ABPX	7623	97	CSWX	7458	ABPX	7653
68	CSWX	7428	ABPX	7624	98	CSWX	7459	ABPX	7654
69	CSWX	7429	ABPX	7625	99	CSWX	7460	ABPX	7655
70	CSWX	7430	ABPX	7626	100	CSWX	7461	ABPX	7656
71	CSWX	7431	ABPX	7627	101	CSWX	7463	ABPX	7658
72	CSWX	7432	ABPX	7628	102	CSWX	7464	ABPX	7659
73	CSWX	7433	ABPX	7629	103	CSWX	7465	ABPX	7660
74	CSWX	7434	ABPX	7630	104	CSWX	7466	ABPX	7661
75	CSWX	7435	ABPX	7631	105	CSWX	7467	ABPX	7662
76	CSWX	7436	ABPX	7632	106	CSWX	7468	ABPX	7663
77	CSWX	7437	ABPX	7633	107	CSWX	7470	ABPX	7664
78	CSWX	7438	ABPX	7634	108	CSWX	7471	ABPX	7665
79	CSWX	7439	ABPX	7635	109	CSWX	7472	ABPX	7666
80	CSWX	7440	ABPX	7636	110	CSWX	7473	ABPX	7667
81	CSWX	7441	ABPX	7637	111	CSWX	7475	ABPX	7668
82	CSWX	7442	ABPX	7638	112	CSWX	7476	ABPX	7669
83	CSWX	7443	ABPX	7639	113	CSWX	7477	ABPX	7670
84	CSWX	7444	ABPX	7640	114	CSWX	7478	ABPX	7671
85	CSWX	7445	ABPX	7641	115	CSWX	7479	ABPX	7672
86	CSWX	7446	ABPX	7642	116	CSWX	7480	ABPX	7673
87	CSWX	7447	ABPX	7643					
88	CSWX	7448	ABPX	7644					
89	CSWX	7450	ABPX	7645					
90	CSWX	7451	ABPX	7646					

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, 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: 12/21/07



Robert W. Alvord