

JUL 11 '08

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ALVORD AND ALVORD
ATTORNEYS AT LAW
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SUITE 301
WASHINGTON, D.C.
20036

SURFACE TRANSPORTATION BOARD

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

OF COUNSEL
URBAN A LESTER

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July 10, 2008

Anne K. Quinlan, Esquire
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

Dear Ms. Quinlan:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Security Agreement Supplement No. 1, dated as of July 10, 2008, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memoranda of Security Agreement and Lease being filed with the Board under Recordation Numbers 27565 and 27565-A.

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

Borrower: Continental Railcar Leasing 2008, LLC
c/o Management Company
233 South Wacker Drive, Suite 5300
Chicago, Illinois 60606

Security Trustee: Bank of Utah
200 E. South Temple, Suite 210
Salt Lake City, UT 84111

Anne K. Quinlan, Esquire
July 10, 2008
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A description of the railroad equipment covered by the enclosed document is:

75 railcars within the series LAFX 24001 - LAFX 24079 as more particularly set forth in the attachment to the document.

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

Memorandum of Security Agreement Supplement No. 1.

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 "R. Alvord", with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/sem
Enclosures

JUL 11 '08

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MEMORANDUM OF SECURITY AGREEMENT SUPPLEMENT NO. 1

SURFACE TRANSPORTATION BOARD

This Memorandum of Security Agreement Supplement No. 1 (this "**Memorandum**") is executed as of July 10, 2008, by and between **CONTINENTAL RAILCAR LEASING 2008, LLC**, a Delaware limited liability company (the "**Borrower**") and **BANK OF UTAH**, a Utah corporation, as security trustee for the Lenders (as defined in the Security Agreement, as defined below) (together with any successor trustee, the "**Security Trustee**").

The Borrower, the Agent (as defined in the Security Agreement), the Security Trustee and the Lenders (as defined in the Security Agreement) have entered into a Security Agreement dated as of July 10, 2008 (as from time to time amended, modified or supplemented, the "**Security Agreement**") by which the Borrower has granted a security interest to the Security Trustee for the benefit of the Lenders (as defined in the Security Agreement) in all assets of the Borrower, whether now owned or hereafter arising or acquired.

The Memorandum of Security Agreement is being recorded with the Surface Transportation Board pursuant to 49 U.S.C. Section 11301(a).

The Borrower and the Security Trustee have entered into a Security Agreement Supplement No. 1 dated as of July 10, 2008 (the "**Supplement**") by which the Borrower has granted a security interest to the Security Trustee for the benefit of the Lenders (as defined in the Security Agreement) in all assets of the Borrower whether now owned or hereafter arising or acquired, including without limitation, certain railroad equipment described on and bearing reporting marks and road numbers as provided on Schedule A (the "**Railcars**") and certain leases relating to such Railcars as described on Schedule B (the "**Leases**").

The purpose of this Memorandum is to give record notice of the existence of the security interest of the Security Trustee in the Railcars and the Leases, and all terms and conditions of the Security Agreement are incorporated by reference herein.

This Memorandum is prepared only for the public record and is being recorded with the Surface Transportation Board pursuant to 49 U.S.C. Section 11301(a).

[signature page to follow]

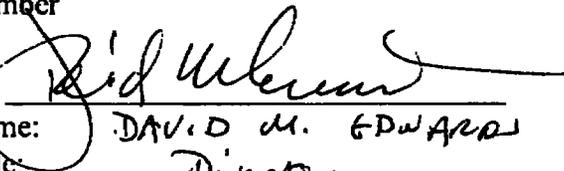
[Memorandum of Security Agreement Supplement]

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

CONTINENTAL RAILCAR LEASING

2008, LLC, as Borrower

By: Continental Railcar Leasing, LLC, its sole member

By: 

Name: DAVID M. EDWARDS

Title: Director

ACKNOWLEDGMENT

STATE OF ILLINOIS)
)
COUNTY OF COOK)

BEFORE ME, a Notary Public of the State and County aforesaid, personally appeared _____, who upon oath, acknowledged himself to be a _____ of CONTINENTAL RAILCAR LEASING, LLC, a Delaware limited liability company, and that he as such officer being authorized to do so, executed the foregoing Memorandum of Security Agreement for the purposes therein contained by signing the name of the Delaware limited liability company by himself as such officer of CONTINENTAL RAILCAR LEASING, LLC.

WITNESS my hand and official seal this 3rd day of July, 2008.

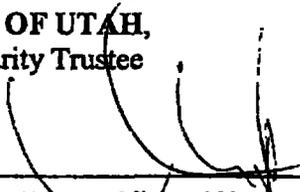
MY COMMISSION EXPIRES: 7/11/11

Notary Public *Joanne Nemcovic*



[Memorandum of Security Agreement Supplement]

BANK OF UTAH,
as Security Trustee

By: 
Name: Michael Hogan
Title: Vice President

ACKNOWLEDGMENT

STATE OF UTAH)
)
COUNTY OF SALT LAKE)

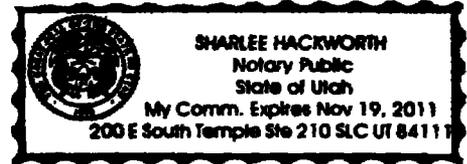
BEFORE ME, a Notary Public of the State and County aforesaid, personally appeared Michael Hoggan, who upon oath, acknowledged himself to be a Vice President of BANK OF UTAH, a Utah corporation, and that he as such officer being authorized to do so, executed the foregoing Memorandum of Security Agreement for the purposes therein contained by signing the name of such Utah corporation by himself as such officer of BANK OF UTAH.

WITNESS my hand and official seal this ___ day of ___, 2008.

MY COMMISSION EXPIRES:

Notary Public

[Handwritten Signature]



SCHEDULE A

to Memorandum of Security Agreement Supplement No. 1

RAILCARS

	<u>Car Mark</u>	<u>Car Number</u>
1	LAFX	24001
2	LAFX	24002
3	LAFX	24003
4	LAFX	24004
5	LAFX	24005
6	LAFX	24006
7	LAFX	24007
8	LAFX	24008
9	LAFX	24009
10	LAFX	24010
11	LAFX	24011
12	LAFX	24012
13	LAFX	24013
14	LAFX	24014
15	LAFX	24015
16	LAFX	24016
17	LAFX	24017
18	LAFX	24018
19	LAFX	24019
20	LAFX	24022
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37	LAFX	24039
38	LAFX	24040
39	LAFX	24041
40	LAFX	24042

41	LAFX	24043
42	LAFX	24044
43	LAFX	24045
44	LAFX	24046
45	LAFX	24047
46	LAFX	24048
47	LAFX	24049
48	LAFX	24050
49	LAFX	24051
50	LAFX	24052
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60	LAFX	24062
61	LAFX	24063
62	LAFX	24064
63	LAFX	24065
64	LAFX	24066
65	LAFX	24067
66	LAFX	24068
67	LAFX	24069
68	LAFX	24070
69	LAFX	24072
70	LAFX	24073
71	LAFX	24074
72	LAFX	24075
73	LAFX	24076
74	LAFX	24077
75	LAFX	24079

SCHEDULE B

to Memorandum of Security Agreement Supplement No. 1

LEASES

The Borrower's interest in any lease or sublease agreements related to the Railcars listed in Schedule A to which the Borrower is now or may hereafter be a party.

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: 7/11/08



Robert W. Alvord