

RECORDATION NO. 24607-A FILED

SEP 25 '03

11-08 AM

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SURFACE TRANSPORTATION BOARD

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

OF COUNSEL
URBAN A. LESTER

September 25, 2003

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 Loan and Security Agreement (2003-C), dated as of September 25, 2003, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Lease Agreement which is being filed with the Board under Recordation Number 24607.

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

Trust:	MTA 2003-C Trust c/o Wilmington Trust Company, not in its individual capacity, but solely as Trustee under the Trust Agreement (2003-C) Rodney Square North 1100 North Market Street Wilmington, DE 19890-1605
Lender:	The Royal Bank of Scotland PLC, New York Branch Commercial Loans Department 101 Park Avenue, 12 th Floor New York, NY 10178

Mr. Vernon A. Williams
June 2, 2003
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A description of the railroad equipment covered by the enclosed document is:

All of MTA 2003-C Trust's rail equipment now owned or hereafter acquired, including, but not limited to, 68 subway cars bearing Metropolitan Transportation Authority reporting marks and road numbers 8221 – 8272, 8277 - 8288 and 8309 – 8312.

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

Memorandum of Loan and Security Agreement (2003-C).

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,

Handwritten signature of Robert W. Alvord in cursive script, followed by the initials "EMV".

Robert W. Alvord

RWA/anm
Enclosures

MEMORANDUM OF LOAN AND SECURITY AGREEMENT (MTA 2003-C) dated as of September 25, 2003, between MTA 2003-C Trust (the "Trust") and THE ROYAL BANK OF SCOTLAND PLC, NEW YORK BRANCH, as Lender. Capitalized terms used herein and not otherwise defined shall have the respective meanings set forth in Appendix A to the Participation Agreement (MTA 2003-C) dated as of September 25, 2003 among Metropolitan Transportation Authority, as Lessee, MTA 2003-C Trust, as Lessor, BNY Capital Funding LLC, as Equity Investor, The Royal Bank of Scotland PLC, New York Branch, as Lender and Wilmington Trust Company, as Trustee and in its individual capacity only to the extent expressly provided therein.

WHEREAS, the Trust and the Lender have entered into that certain Loan and Security Agreement (MTA 2003-C) dated as of September 25, 2003 (the "Loan Agreement") (the terms of which are incorporated herein by reference), whereby the Trust granted, bargained, sold, assigned, transferred, conveyed, mortgaged, warranted, pledged and confirmed unto the Lender, a security interest in, mortgage Lien on, and pledge of, all right, title and interest of the Trust in, to and under, and grants the Lender a first priority security interest in, the following described property, rights and privileges below, whether now held or hereafter acquired, other than Excepted Property (such property, rights, title, interest and privileges as are conveyed or intended to be conveyed pursuant to clauses (A) – (G) below, but excluding Excepted Property, being hereinafter referred to collectively as the "Loan Estate"):

- (A) (i) all of the Trust's right, title and interest in each Item of Equipment, whether now or hereafter acquired, and all modifications, upgrades, reconfigurations, replacements and accessions thereto, whether now or hereafter acquired (ii) all of the Trust's right, title and interest whether now held or hereafter acquired in the Bill of Sale, the Lease, each Lease Supplement, the Assignment of Warranties, any consent from a manufacturer, and the Participation Agreement (collectively, the "Granting Clause Documents"), and the right to receive payment of all amounts of Basic Rent, Termination Value, Stipulated Loss Value, Fair Market Sales Value, insurance proceeds (including but not limited to proceeds of the insurance required under Section 10 of the Lease) and condemnation, requisition and other awards and payments of any kind for or with respect to any Item of Equipment or any component thereof (including, without limitation, proceeds and payments received pursuant to the exercise of any of the remedies provided in Section 17 of the Lease) and all other amounts or payments of any kind paid or payable by the obligor(s) under the Granting Clause Documents or in respect thereof to the Trust whether in its capacity as the Lessor or otherwise as well as all rights of the Trust to enforce payment of any such amounts, (iii) all rights of the Trust with respect to or arising out of the Lease to exercise any election or option or to make any decision or determination or to give or receive any notice, consent, waiver or approval or to take any other action under or in respect of any Granting Clause Document or to accept any surrender or redelivery of any Item of

Equipment or any component thereof, as well as all rights, powers and remedies of the Trust whether acting under any Granting Clause Document or by statute or at law or in equity, or otherwise arising out of any Event of Default and (iv) any right to restitution from the Lessee in respect of any determination of invalidity of any Granting Clause Document;

- (B) all moneys and securities arising out of the Lease and any other Operative Documents that are now or hereafter required to be paid to, or deposited with, the Lender by or for the account of the Trust pursuant to the terms of any Operative Document;
- (C) all estate, right, title and interest now or hereafter acquired by the Trust in any warranties (including in the Assignment of Warranties) relating to the Equipment, including all payments thereunder;
- (D) all rents, issues, profits, revenues and other income of the property described in clauses (A) through (G) herein;
- (E) all other property of every kind and description and interests therein now held or hereafter acquired by the Trust pursuant to any term of any Granting Clause Document (including, without limitation, the Lease) wherever located and the Lender is hereby authorized to receive any such property subject to and in accordance with the terms of the Loan Agreement as then supplemented;
- (F) all damages resulting from breach or termination of any of the Granting Clause Documents or arising from bankruptcy, insolvency or other similar proceedings involving any party to the Granting Clause Documents; and
- (G) all proceeds of the foregoing of whatever kind or nature, including without limitation all claims against third parties for destruction, loss or damage to any of the foregoing or otherwise.

BUT EXCLUDING, HOWEVER, from the Loan Estate all Excepted Property and any payments or amounts which have been distributed to the Trust or any other Person in accordance with the provisions of the Loan Agreement, AND SUBJECT TO Sections 2.02, 3.05, 5.05 and 7.01 of the Loan Agreement;

For the avoidance of doubt, it is agreed that no part of the Mid-Term Security, the Acceptable Strip Collateral, any Special Collateral, any replacement thereof or any other security furnished pursuant to or in connection with Sections 21(a), 21(b) and Section 21(c) of the Participation Agreement, or of an amount equal to the Equity Portion of Basic Rent, Termination Value, Stipulated Loss Value or the "Net" portion of any thereof, or any other amount referred to in the definition of "Equity Portion", in any case payable by the Lessee or any other Person, is included in the Loan Estate or is otherwise subject to the Lien of the Loan Agreement.

WHEREAS, this memorandum may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one such memorandum.

IN WITNESS WHEREOF, the parties hereto wish to show for the public record the assignment and mortgage of and security interest in the aforesaid property in favor of the Lender, and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

MTA 2003-C TRUST

BY: WILMINGTON TRUST COMPANY, not in its individual capacity, but solely as Trustee under the Trust Agreement (2003-C)

By: _____
Name: 
Title: **Joann A. Rozell**
Financial Services Officer

IN WITNESS WHEREOF, the parties hereto wish to show for the public record the assignment and mortgage of and security interest in the aforesaid property in favor of the Lender, and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

MTA 2003-C TRUST

BY: WILMINGTON TRUST COMPANY, not in its individual capacity, but solely as Trustee under the Trust Agreement (MTA 2003-C)

By: _____
Name:
Title:

THE ROYAL BANK OF SCOTLAND PLC, NEW YORK BRANCH, as Lender

By: _____
Name: J.S. Godier
Title: Senior Vice President

STATE OF **DE**)
)ss.:
COUNTY OF **New Castle**)

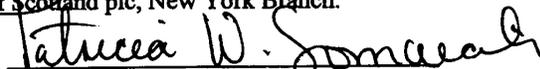
On this 22 day of September, 2003, before me personally appeared Joanna A. Rocelle, to me personally known, who, by me being duly sworn, says that he/she is the Financial Services Officer Wilmington Trust Company, that the foregoing instrument was signed on behalf of MTA 2003-C Trust by Wilmington Trust Company, as Trustee under the Trust Agreement (2003-C), and he/she acknowledges that the execution of the foregoing instrument was the free act and deed of said MTA 2003-C Trust and Wilmington Trust Company.


Notary Public

HEATHER L. MAIER
NOTARY PUBLIC - DELAWARE
My Commission Expires: ~~My Commission Expires June 12, 2005~~

STATE OF)
)ss.:
COUNTY OF)

On this 18th day of September, 2003, before me personally appeared John Godier, to me personally known, who, by me being duly sworn, says that he/she is the Senior Vice President of The Royal Bank of Scotland plc, New York Branch, that the foregoing instrument was signed on behalf of said The Royal Bank of Scotland plc, New York Branch by authority of its Board of Directors, and he/she acknowledges that the execution of the foregoing instrument was the free act and deed of said The Royal Bank of Scotland plc, New York Branch.


Notary Public

My Commission Expires: _____

PATRICIA W. SOMALIAH
Notary Public, State of New York
No. 01SO6013756
Qualified in Nassau County
Commission Expires November 9, 2006

NYMTA / Bank of New York

AAA Cost Per Car: \$2,487,000
 Number of Cars: 68
 Total Transaction Value: \$169,116,000

Car Numbers	Model	Date of Cond. Accep.
8221	R-143	9/30/2002
8222	R-143	9/30/2002
8223	R-143	9/30/2002
8224	R-143	9/30/2002
8225	R-143	9/30/2002
8226	R-143	9/30/2002
8227	R-143	9/30/2002
8228	R-143	9/30/2002
8229	R-143	10/28/2002
8230	R-143	10/28/2002
8231	R-143	10/28/2002
8232	R-143	10/28/2002
8233	R-143	10/28/2002
8234	R-143	10/28/2002
8235	R-143	10/28/2002
8236	R-143	10/28/2002
8237	R-143	11/26/2002
8238	R-143	11/26/2002
8239	R-143	11/26/2002
8240	R-143	11/26/2002
8241	R-143	11/13/2002
8242	R-143	11/13/2002
8243	R-143	11/13/2002
8244	R-143	11/13/2002
8245	R-143	11/13/2002
8246	R-143	11/13/2002
8247	R-143	11/13/2002
8248	R-143	11/13/2002
8249	R-143	11/26/2002
8250	R-143	11/26/2002
8251	R-143	11/26/2002
8252	R-143	11/26/2002
8253	R-143	12/4/2002
8254	R-143	12/4/2002
8255	R-143	12/4/2002
8256	R-143	12/4/2002
8257	R-143	12/4/2002
8258	R-143	12/4/2002
8259	R-143	12/4/2002
8260	R-143	12/4/2002
8261	R-143	1/14/2003
8262	R-143	1/14/2003
8263	R-143	1/14/2003
8264	R-143	1/14/2003
8265	R-143	1/14/2003
8266	R-143	1/14/2003
8267	R-143	1/14/2003
8268	R-143	1/14/2003
8269	R-143	1/23/2003
8270	R-143	1/23/2003
8271	R-143	1/23/2003
8272	R-143	1/23/2003
8277	R-143	1/23/2003
8278	R-143	1/23/2003
8279	R-143	1/23/2003
8280	R-143	1/23/2003

9/25/2003

R143 Car Acceptance Report

Car Numbers	Model	Date of Cond. Accep.
8281	R-143	2/25/2003
8282	R-143	2/25/2003
8283	R-143	2/25/2003
8284	R-143	2/25/2003
8285	R-143	2/25/2003
8286	R-143	2/25/2003
8287	R-143	2/25/2003
8288	R-143	2/25/2003
8309	R-143	3/18/2003
8310	R-143	3/18/2003
8311	R-143	3/18/2003
8312	R-143	3/18/2003

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 of a Memorandum of Loan and Security Agreement with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: September 25, 2003

Edward M. Luria
Edward M. Luria