

RECORDATION NO. 24766-8 FILED

JAN 12 '04

3-41 PM

SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)
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OF COUNSEL
URBAN A. LESTER

January 12, 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 three (3) copies of a Memorandum of Loan and Security Agreement (VTA-2003-FT2), dated as of December 30, 2003, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Head Lease Agreement (VTA-2003-FT2) which is being filed with the Board under Recordation Number _____.

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

Trust: VTA Rail Statutory Trust VTA-2003-FT2
c/o U.S. Bank, National Association
633 West Fifth Street
24TH Floor
Los Angeles, CA 90071

Lender: Commerzbank Aktiengesellschaft,
New York Branch
2 World Financial Center
34th Floor
New York, NY 10282

Mr. Vernon A. Williams
January 12, 2004
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A description of the railroad equipment covered by the enclosed document is:

10 light rail vehicles bearing SCVTA reporting marks and road numbers 958-967.

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

Memorandum of Loan and Security Agreement (VTA-2003-FT2).

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/anr
Enclosures

MEMORANDUM OF LOAN AND SECURITY AGREEMENT (VTA-2003-FT2)

Memorandum of Loan and Security Agreement (VTA-2003-FT2), made and entered into on December 30, 2003 by and between **VTA RAIL STATUTORY TRUST VTA-2003-FT2**, a Connecticut statutory trust, having its principal place of business at U.S. Bank National Association, 633 West Fifth Street, 24th Floor, Los Angeles, California ("**Trust**") and **COMMERZBANK AKTIENGESELLSCHAFT**, acting through its New York Branch, a branch of a corporation organized under the laws of Germany, having its principal office at 2 World Financial Center, 34th Floor, New York, New York, as Lender ("**Lender**").

WITNESSETH:

The undersigned have entered into that certain Loan and Security Agreement (VTA-2003-FT2), dated as of December 30, 2003, whereby in consideration of a loan made under said agreement, the Trust has granted to the Lender a first priority security interest in the Collateral as defined in such agreement, including without limitation, the Trust's interest in certain railroad equipment bearing car numbers as listed on Exhibit A attached hereto.

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SURFACE TRANSPORTATION BOARD

COMMERZBANK AKTIENGESELLSCHAFT,
acting through its New York Branch, as Lender

By: Edward Chen
Name: Edward C. Chen
Title: Vice President

ACKNOWLEDGEMENT

STATE OF New York)
COUNTY OF New York) ss.

On 12/30, 2003, before me, Judy Ziskowitz, personally came Edward C. Chen, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity and that by her signature on the instrument, the person or the entity upon behalf of which the person acted, executed the instrument.

Witness my hand and official seal.

Judy Ziskowitz
Notary Public

My commission expires on 12/31, 2005

JUDY ZISKOWITZ
Notary Public, State of New York
No. 4794201
Qualified in Suffolk County
Certificate Filed in New York County
Commission Expires 12-31-05

EXHIBIT A

DESCRIPTION OF RAILCARS; EQUIPMENT VALUES

Item of Equipment	Serial No.	Equipment Value
Kinki Sharyo Light Rail Vehicle	958	\$4,400,000
Kinki Sharyo Light Rail Vehicle	959	\$4,400,000
Kinki Sharyo Light Rail Vehicle	960	\$4,400,000
Kinki Sharyo Light Rail Vehicle	961	\$4,400,000
Kinki Sharyo Light Rail Vehicle	962	\$4,400,000
Kinki Sharyo Light Rail Vehicle	963	\$4,400,000
Kinki Sharyo Light Rail Vehicle	964	\$4,400,000
Kinki Sharyo Light Rail Vehicle	965	\$4,400,000
Kinki Sharyo Light Rail Vehicle	966	\$4,400,000
Kinki Sharyo Light Rail Vehicle	967	\$4,400,000