

RECORDATION NO. 25054 FILED

JUL 09 '04 4-00 PM

SURFACE TRANSPORTATION BOARD

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

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 Head Lease, dated as of July 9, 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:

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

Head Lessee: North America Rail Leasing #34 LLC
(d/b/a Babcock & Brown Rail Leasing)
230 Park Avenue, 32nd Floor
New York, New York 10169
Attention: Rail Operating Lease Group

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

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

1,120 railcars within the following series:

CEFX 12021 - CEFX 13779
CEFX 40988 - CEFX 43214
CEFX 75711 - CEFX 75819
CEFX 80000 - CEFX 80199
CEFX 95520 - CEFX 95619
CHTT 503000 - CHTT 503480
JTSX 300115 - JTSX 300224
RGCX 1118 - RGCX 1142

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

Memorandum of Head Lease.

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

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF HEAD LEASE

THIS MEMORANDUM OF HEAD LEASE is dated as of July 9, 2004, made by The Freight Leasing Partnership, LLP, a Delaware limited liability partnership (the "Head Lessor") and North America Rail Leasing #34 LLC (d/b/a Babcock & Brown Rail Leasing), a Delaware limited liability company (the "Head Lessee" and, together with the Head Lessor, the "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Head Lessor and the Head Lessee entered into that certain Railcar Lease Agreement (INTOL IV Interim Restructuring) dated as of the date hereof (as amended, supplemented and modified, the "Head Lease") covering the equipment listed on Exhibit A hereto (the "Equipment");

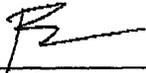
WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Head Lease, and the respective interests therein of the Parties, including, but not limited to, the leasehold interest of the Head Lessee in the Equipment, and accordingly the Parties have caused this memorandum to 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, by this instrument the Head Lessor hereby leases and confirms the lease of the Equipment to the Head Lessee in accordance with the terms and conditions of the Head Lease, and the Head Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, this instrument has been duly executed by the Parties hereto as of the date first above written.

NORTH AMERICA RAIL LEASING #34 LLC
(d/b/a BABCOCK & BROWN RAIL LEASING),
as the Head Lessee

By: 
Name: Bruce Carusi
Title: Vice President

THE FREIGHT LEASING PARTNERSHIP, LLP,
as the Head Lessor

By: Train Leasing Limited, its General Partner

By: _____
Name:
Title:

MEMO OF HEAD LEASE

IN WITNESS WHEREOF, this instrument has been duly executed by the Parties hereto as of the date first above written.

NORTH AMERICA RAIL LEASING #34 LLC
(d/b/a BABCOCK & BROWN RAIL LEASING),
as the Head Lessee

By: _____
Name:
Title:

THE FREIGHT LEASING PARTNERSHIP, LLP,
as the Head Lessor

By: Train Leasing Limited, its General Partner

By: _____
Name: Guy Major
Title: Director

MEMO OF HEAD LEASE

EQUIPMENT

<u>Lessee</u>	<u># of Cars</u>	<u>Unit Type</u>	<u>Reporting Marks</u>	<u>Casualty Marks</u>
Louis Dreyfus Corporation	117	Covered Hoppers	1999 built: CEFX 12021, 12023, 12035, 12038-12040, inclusive; 12044, 12048, 12053, 12056, 12090, 12093, 12095, 12097, 12100-12101, inclusive; 12104, 12106-1207, inclusive; 12109-12110, inclusive; 12112, 12114, 12116, 12121, 13051-13052, inclusive; 13054, 13056, 13057, 13059, 13063, 13123, 13127, 13128, 13131-13135, inclusive; 13137, 13145, 13147-13148, inclusive; 13150, 13153, 13161, 13166, and 13185 2000 built: 13711-13753, inclusive; and 13755-13779, inclusive	None
ConAgra, Inc. #1	30	Covered Hoppers	CEFX 75711, 75715-75716, inclusive; 75725-75750, inclusive, and 75755	None

<u>Lessee</u>	<u># of Cars</u>	<u>Unit Type</u>	<u>Reporting Marks</u>	<u>Casualty Marks</u>
ConAgra, Inc. #2	20	Covered Hoppers	CEFX 75768- 75770, inclusive; 75781-75784, inclusive; 75787, 75793, 75796, 75799-75800, inclusive; 75803, 75811-75814, inclusive; 75816- 75817, inclusive; and 75819	None
GCC Rio Grande, Inc. (f/k/a Rio Grande Portland Cement Corporation)	200	Covered Hoppers	CEFX 80000- 80199, inclusive	None
Boral Material Technologies, Inc.	100	Covered Hoppers	CEFX 95520- 95619, inclusive	None
Kansas City Power and Light Company	125	Aluminum Coal Gondolas	1995 built: CEFX 43191 and 43214 1999 built: CEFX 40988, 41007, 41058, 41060- 41115, inclusive; 41117-41129, inclusive; 41133, 41136, 41143- 41158, inclusive; 41160-41179; inclusive; 41181- 41189, inclusive; 41227, 41255, and 41316-41317, inclusive	None

<u>Lessee</u>	<u># of Cars</u>	<u>Unit Type</u>	<u>Reporting Marks</u>	<u>Casualty Marks</u>
Union Pacific Railroad Company #1	227	Autoflood Coal Car	CHTT 503001- 503240, inclusive	CHTT 503004, 503024, 503033, 503035, 503041, 503098, 503099, 503106, 503147, 503207, 503214, 503231 and 503232
Union Pacific Railroad Company #2	167	Bethgon Coal Car	CHTT 503241, 503246, 503248- 503252, inclusive; 503255-503257, inclusive; 503261- 503264, inclusive; 503268-503280, inclusive; 503282, 503284, 503285, 503287-503296, inclusive; 503298- 503303, inclusive; 503309, 503312, 503313, 503316, 503318, 503319, 503321-503324, inclusive; 503326- 503343, inclusive; 503345, 503348- 503350, inclusive; 503354, 503357, 503362-503389, inclusive; 503391- 503449, inclusive; 503451-503458, inclusive; 503460- 503465, inclusive; and 503467- 503480, inclusive	CHTT 503242-503245, inclusive; 503247, 503252-503254, inclusive; 503258- 503260, inclusive; 503262, 503265- 503267, inclusive; 503270, 503271, 503281, 503283, 503286, 503297, 503300, 503304- 503311, inclusive; 503314, 503315, 503317, 503318, 503320, 503323, 503325, 503339, 503344, 503346, 503347, 503351- 503353, inclusive; 503355, 503356, 503358-503361, inclusive; 503364, 503369, 503375, 503384, 503387, 503390, 503395, 503399, 503402, 503409, 503410, 503417, 503429, 503430, 503432, 503433, 503437, 503438, 503444, 503450, 503459, 503466 and 503479
Lone Star Industries, Inc.	24	Covered Hoppers	RGCX 1118-1142, inclusive	RGCX 1134

<u>Lessee</u>	<u># of Cars</u>	<u>Unit Type</u>	<u>Reporting Marks</u>	<u>Casualty Marks</u>
Marathon Ashland Petroleum, LLC	110	Open-Top Hoppers	JTSX 300115- 300224, inclusive	None

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, 2004

Edward M. Luria
Edward M. Luria