

RECORDATION NO. 25145 FILED

AUG 13 '04 12-06 PM

SURFACE TRANSPORTATION BOARD

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
1050 SEVENTEENTH STREET, N.W.  
SUITE 301  
WASHINGTON, D.C.  
20036  
\_\_\_\_\_  
(202) 393-2266  
FAX (202) 393-2156  
E-MAIL alvordlaw@aol.com

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

OF COUNSEL  
URBAN A. LESTER

August 13, 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 August 13, 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:	Lloyds TSB Equipment Leasing (No.5) Limited c/o Lloyds TSB Bank plc 25 Gresham Street London EC2V 7HN U.K.
Head Lessee:	North American Rail Leasing #2 LLC (d/b/a Babcock & Brown Rail Leasing) 230 Park Avenue, 32 <sup>nd</sup> Floor New York, New York 10169

---

Mr. Vernon A. Williams  
August 13, 2004  
Page 2

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

550 railcars:

WC 22100 – WC 22249 (150),

WEPX 3025 – WEPX 3324 (300), and

SOO 600125 – SOO 600224 (100)

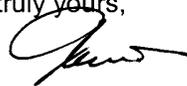
A short summary of the document to appear in the index is:

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

RECORDATION NO. 25145 D  
FILED

AUG 13 '04 12-06 PM

EXECUTION VERSION

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF HEAD LEASE

THIS MEMORANDUM OF HEAD LEASE, dated as of this 13<sup>th</sup> day of August, 2004, made by Lloyds TSB Equipment Leasing (No. 5) Limited, a limited liability company incorporated under the laws of England and Wales (the "Head Lessor") and North America Rail Leasing #2 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 Master Railcar Head Lease Agreement (COMBI I) dated as of December 19, 2003 (as amended, supplemented and modified, the "Head Lease"), as further supplemented by Supplement No. 6 to Master Railcar Head Lease (COMBI I) dated as of August 13, 2004 covering the equipment listed on Schedule 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.

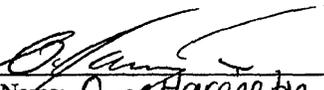
[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

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

NORTH AMERICA RAIL LEASING #2 LLC  
(d/b/a BABCOCK & BROWN RAIL LEASING),  
as the Head Lessee

By:   
Name: Bruce Carusi  
Title: Vice President

LLOYDS TSB EQUIPMENT LEASING (NO. 5)  
LIMITED, as the Head Lessor

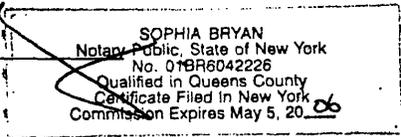
By:   
Name: Owen Flannery  
Title: Attorney-in-Fact

State of New York        )  
                                  )  
County of New York        )

On this, the 12<sup>th</sup> day of August, 2004, before me, a Notary Public in and for said County and State, personally appeared Bruce Carusi, a Vice President of North America Rail Leasing #2 LLC (d/b/a Babcock & Brown Rail Leasing), who acknowledged himself to be a duly authorized officer of North America Rail Leasing #2 LLC (d/b/a Babcock & Brown Rail Leasing), and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name: Sophia  
Notary Public



My Commission Expires:

Residing in: New York

State of New York            )  
  )  
County of New York         )

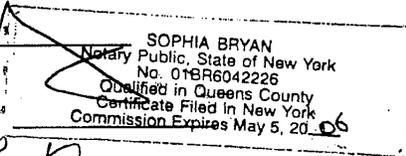
On this, the 12<sup>th</sup> day of August, 2004, before me, a Notary Public in and for said County and State, personally appeared Owen Harrington, a Attorney-In-Fact of Lloyds TSB Equipment Leasing (No. 5) Limited, who acknowledged himself to be a duly authorized officer of Lloyds TSB Equipment Leasing (No. 5) Limited, and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name: Sophi  
Notary Public

My Commission Expires: \_\_\_\_\_

Residing in: New York



MEMO OF HEAD LEASE

---

**SCHEDULE A**

Equipment

<u>Lessee</u>	<u>No. of Units</u>	<u>Unit Type</u>	<u>Reporting Marks</u>	<u>Casualty Marks</u>
Soo Line Railroad Company	100	Centerbeams	SOO 600125-600224, inclusive	None
Wisconsin Central Ltd.	150	Boxcars	WC 22100-22249, inclusive	None
Wisconsin Electric Power Company	300	Coal Gondolas	WEPX 3025-3324, inclusive	None

**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: \_\_\_\_\_

*8/24/04*



\_\_\_\_\_  
Robert W. Alvord