RECORDATION NO. 23580-B FILED

OCT 13 '04 3-04 PM

SURFACE TRANSPORTATION BOARD

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OF COUNSEL
URBAN A. LESTER

October 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 Partial Termination and Release, dated as of October 13, 2004, 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 was previously filed with the Board under Recordation Number 23580-A.

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

Lessor: Mitsui & Co (U S A) Inc.
200 Park Avenue
New York, New York 10017

Lessee: Mitsui Rail Capital, LLC
(f/k/a MRC Rail Services LLC)
One California Street
San Francisco, California 94111

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

50 two-unit articulated spine railcars: MHFX 516212 - MHFX 516236 (25 railcars); and 25 railcars within the series JAIX 99500 - JAIX 99549 as more particularly set forth in the equipment schedule attached to the document.

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

Partial Termination and Release.

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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SURFACE TRANSPORTATION BOARD

PARTIAL TERMINATION AND RELEASE

THIS PARTIAL TERMINATION AND RELEASE (this "Termination"), is made as of this 13th day of October, 2004, by and between Mitsui & Co. (U.S.A.), Inc., a New York corporation ("Mitsui USA") and Mitsui Rail Capital, LLC, a Delaware limited liability company (formerly known as MRC Rail Services, LLC) ("MRC").

WHEREAS, Mitsui USA and MRC are parties to a Memorandum of Lease Agreement dated as of April 10, 2001 (the "Memorandum"); and

WHEREAS, multiple copies of the Memorandum were duly filed for recordation with the Surface Transportation Board (the "STB") pursuant to 49 U.S.C. Section 11301, on August 3, 2001 and assigned Recordation Numbers 22738-B, 22739-B, 23044-B and 23580-A; and

WHEREAS, Mitsui USA and MRC desire to terminate and release from the Memorandum certain items of equipment and to record such termination and release with the STB.

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt of which is acknowledged, Mitsui USA and MRC, intending to be legally bound, agree as follows:

1. Mitsui USA and MRC hereby terminate and release the Memorandum, effective as of the date this Termination is filed with the STB, with respect to the equipment described on Schedule 1 attached hereto (hereinafter, the "Terminated Equipment"), and Mitsui USA and MRC hereby agree that no rights, duties or liabilities under the Memorandum with respect to such Terminated Equipment shall survive such termination and cancellation of the Memorandum, except with respect to acts, events, or omissions under the Memorandum occurring on or prior to the date hereof.

2. The parties agree to record this Termination with the STB so as to release any lien against the Terminated Equipment created by or arising out of the Memorandum.

3. Nothing herein contained shall be construed to terminate and release the Memorandum with respect to any equipment other than the Terminated Equipment hereinabove specifically described.

4. This Termination may be executed in any number of counterparts, each executed counterpart constituting an original but all together constituting only one and the same Termination.

IN WITNESS WHEREOF, Mitsui USA and MRC have caused this Partial Termination and Release to be executed as of the day and year first above written.

MITSUI & CO. (U.S.A.), INC.

By:_____
Name: Manabu Miyamoto
Title: General Manager of Transportation Project Department

MITSUI RAIL CAPITAL, LLC

By:_____
Name: Tasushi Imai
Title: President

~CHGO1:30492151.v3

STATE OF NEW YORK)
) SS:
COUNTY OF New York)

On this 28 day of September, 2004, before me personally appeared Manabu Miyamoto, to me personally known, who, being by me duly sworn, says that he is a General Manager of Transportation Project Dept. of **MITSUI & CO. (U.S.A.), INC.**, and that the foregoing instrument was signed on behalf of said corporation by authority of its directors. Further, he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Stephen M. Goldstein
Notary Public

[Notarial Seal]

STEPHEN M. GOLDSTEIN
Notary Public, State of New York
No. 4916555
Qualified in New York County
Term Expires December 2005

My commission expires:

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

On this 29 day of SEPTEMBER, 2004, before me personally appeared Yasushi Imai, to me personally known, who, being by me duly sworn, says that he is a PRESIDENT of **MITSUI RAIL CAPITAL, LLC**, and that the foregoing instrument was signed on behalf of said limited liability company by authority of its members and managers. Further, he acknowledged that the execution of the foregoing instrument was the free act and deed of said limited liability company.

Teresa Taylor
Notary Public

[Notarial Seal]

OFFICIAL SEAL
TERESA TAYLOR
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 6-24-2006

My commission expires:

~CHGO1:30492151.v3

SCHEDULE 1
TO PARTIAL TERMINATION AND RELEASE

TERMINATED EQUIPMENT

Type of Equipment	**Quantity**	**Car Marks and Numbers**
Two-unit articulated Spine Railcars	50	MHFX 516212 – MHFX 516236 (both inclusive) JAIX 99500 JAIX 99502 JAIX 99505 – JAIX 99507 (both inclusive) JAIX 99510 JAIX 99512 – JAIX 99520 (both inclusive) JAIX 99523 JAIX 99536 – JAIX 99541 (both inclusive) JAIX 99546 – JAIX 99547 (both inclusive) JAIX 99549