



Mr. Vernon A. Williams  
November 2, 2004  
Page 2

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

48 Arrow III multiple unit passengers rail cars with numbers between 1388A and 1347B.

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

Memorandum of Termination of Lease Agreement, Sublease Agreement, Loan and Security Agreement and Leasehold Pledge Agreement.

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

MEMORANDUM OF TERMINATION OF LEASE AGREEMENT, SUBLEASE  
AGREEMENT, LOAN AND SECURITY AGREEMENT AND LEASEHOLD  
PLEDGE AGREEMENT  
(1998 - CCD 3)

THIS MEMORANDUM OF TERMINATION OF LEASE AGREEMENT, SUBLEASE AGREEMENT, LOAN AND SECURITY AGREEMENT AND LEASEHOLD PLEDGE AGREEMENT is made and entered into as of September 22, 2004 between NEW JERSEY TRANSIT CORPORATION ("NJTC"), WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Trustee ("Wilmington") and AIG-FP Funding (Cayman) Limited ("AIG").

1. Pursuant to the Lease Agreement (1998 - CCD 3) dated as of April 3, 1998 (the "Lease Agreement"), NJTC leased unto Wilmington forty-eight (48) Arrow III Multiple Unit Passenger Rail Cars, bearing serial numbers as set forth on Schedule A (the "Railroad Equipment").

2. Pursuant to the Sublease Agreement (1998 - CCD 3) dated as of April 3, 1998 (the "Sublease Agreement"), Wilmington subleased unto NJTC the Railroad Equipment.

3. Pursuant to the Loan and Security Agreement (1998 - CCD 3) dated as of April 3, 1998 (the "Loan and Security Agreement"), Wilmington granted unto AIG (i) a security interest in the sublease of the Railroad Equipment, (ii) the Leasehold Pledge Agreement (defined below), and (iii) certain other collateral as more fully described in the Loan and Security Agreement, to secure Wilmington's performance of its obligations under the Loan and Security Agreement.

4. Pursuant to the Leasehold Pledge Agreement (1998 - CCD 3) dated as of April 3, 1998 (the "Leasehold Pledge Agreement"), NJT pledged unto Wilmington its leasehold in the Railroad Equipment to secure NJT's performance of its obligations under the Leasehold Pledge Agreement.

5. A Memorandum of each of the Lease Agreement, Sublease Agreement, Loan and Security Agreement and Leasehold Pledge Agreement was filed on April 3, 1998 with the Surface Transportation Board pursuant to the provisions of 49 U.S.C. § 11301(a), receiving the following recordation numbers, respectively: 21313, 21313-A, 21313-B and 21313-C

6. Pursuant to the Termination and Release Agreement dated September 22, 2004 (the "Termination Agreement"), NJT, Wilmington and AIG have terminated the Lease Agreement, Sublease Agreement, Loan and Security Agreement and Leasehold Pledge Agreement, all effective September 22, 2004, under the terms and conditions provided in each agreement.

RECORDATION NO. 21313-D FILED

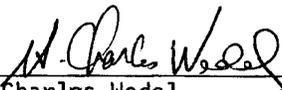
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SURFACE TRANSPORTATION BOARD

#89249 v1  
060391-52199

IN WITNESS WHEREOF, the parties hereto have duly executed this Memorandum of Termination of Lease Agreement, Sublease Agreement, Loan and Security Agreement and Leasehold Pledge Agreement as of the day and year first written above.

NEW JERSEY TRANSIT CORPORATION

By:   
Name: H. Charles Wedel  
Title: Chief Financial Officer and Treasurer

WILMINGTON TRUST COMPANY, not  
in its individual capacity but solely as  
Trustee

By: \_\_\_\_\_  
Name:  
Title:

AIG-FP Funding (Cayman) Limited

By: \_\_\_\_\_  
Name:  
Title:



IN WITNESS WHEREOF, the parties hereto have duly executed this Memorandum of Termination of Lease Agreement, Sublease Agreement, Loan and Security Agreement and Leasehold Pledge Agreement as of the day and year first written above.

NEW JERSEY TRANSIT CORPORATION

By: \_\_\_\_\_  
Name:  
Title:

WILMINGTON TRUST COMPANY, not  
in its individual capacity but solely as  
Trustee

By:  \_\_\_\_\_  
Name: **Tira L. Johnson**  
Title: **Financial Services Officer**

AIG-FP Funding (Cayman) Limited

By: \_\_\_\_\_  
Name:  
Title:



IN WITNESS WHEREOF, the parties hereto have duly executed this Memorandum of Termination of Lease Agreement, Sublease Agreement, Loan and Security Agreement and Leasehold Pledge Agreement as of the day and year first written above.

NEW JERSEY TRANSIT CORPORATION

By: \_\_\_\_\_  
Name:  
Title:

WILMINGTON TRUST COMPANY, not  
in its individual capacity but solely as  
Trustee

By: \_\_\_\_\_  
Name:  
Title:

AIG-FP Funding (Cayman) Limited

By: \_\_\_\_\_  
Name: **COLUM CARR**  
Title: **AUTHORIZED SIGNATORY**



**SCHEDULE A**  
**RAILROAD EQUIPMENT**

Forty-Eight (48) Arrow III Multiple Unit Passenger Rail Cars, Serial Numbers as set forth below:

Serial Number

1.	1388A	37.	1478A
2.	1389B	38.	1479B
3.	1454A	39.	1336A
4.	1455B	40.	1337B
5.	1430A	41.	1398A
6.	1431B	42.	1399B
7.	1348A	43.	1482A
8.	1349B	44.	1483B
9.	1460A	45.	1422A
10.	1461B	46.	1423B
11.	1414A	47.	1346A
12.	1415B	48.	1347B
13.	1486A		
14.	1487B		
15.	1404A		
16.	1405B		
17.	1362A		
18.	1363B		
19.	1492A		
20.	1493B		
21.	1406A		
22.	1407B		
23.	1506A		
24.	1507B		
25.	1504A		
26.	1505B		
27.	1502A		
28.	1503B		
29.	1356A		
30.	1357B		
31.	1516A		
32.	1517B		
33.	1358A		
34.	1359B		
35.	1450A		
36.	1451B		

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: November 2, 2004

  
\_\_\_\_\_  
Edward M. Luria