



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

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

24 Arrow III multiple unit passengers rail cars, numbers 1342A, 1343B, 1350A, 1351B, 1360A, 1361B, 1366A, 1367B, 1372A, 1373B, 1374A, 1375B, 1378A, 1379B, 1412A, 1413B, 1416A, 1417B, 1464A, 1465B, 1472A, 1473B, 1514A and 1515B.

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 1)

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 1) dated as of March 20, 1998 (the "Lease Agreement"), NJTC leased unto Wilmington twenty-four (24) 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 1) dated as of March 20, 1998 (the "Sublease Agreement"), Wilmington subleased unto NJTC the Railroad Equipment.

3. Pursuant to the Loan and Security Agreement (1998 - CCD 1) dated as of March 20, 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 1) dated as of March 20, 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 March 20, 1998 with the Surface Transportation Board pursuant to the provisions of 49 U.S.C. § 11301(a), receiving the following recordation numbers, respectively: 21289, 21289-A, 21289-B and 21289-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. 21289-D FILED

NOV 02 '04 2-18 PM

SURFACE TRANSPORTATION BOARD

#89212 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: H. Charles Wedel  
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:

ACKNOWLEDGMENT

STATE OF DELAWARE )  
 ) ss:  
COUNTY OF NEW CASTLE

On this, the 21 day of September, 2004, before me, a Notary Public, the undersigned officer, personally appeared \_\_\_\_\_, who acknowledged himself to be the Financial Services Officer of WILMINGTON TRUST COMPANY, and that he, as Financial Services Officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of said corporation as Financial Services Officer

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Kimberly E. Faulhaber  
KIMBERLY ELIZABETH FAULHABER  
NOTARY PUBLIC - DELAWARE  
(Print Name and Title) My Commission Expires April 9, 2005

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.

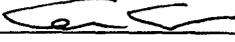
NEW JERSEY TRANSIT CORPORATION

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**

Twenty-Four (24) Arrow III Multiple Unit Passenger Rail Cars, Serial Numbers as set forth below:

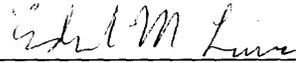
Serial Number

1. 1342A
2. 1343B
3. 1350A
4. 1351B
5. 1360A
6. 1361B
7. 1366A
8. 1367B
9. 1372A
10. 1373B
11. 1374A
12. 1375B
13. 1378A
14. 1379B
15. 1412A
16. 1413B
17. 1416A
18. 1417B
19. 1464A
20. 1465B
21. 1472A
22. 1473B
23. 1514A
24. 1515B

**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