

RECORDATION NO. 26046 FILED

DEC 21 2005 3-24 PM

SURFACE TRANSPORTATION BOARD

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

December 21, 2005

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 Equipment Lease Agreement And Trust Indenture And Security Agreement, dated as of December 22, 2005, 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:

Indenture Trustee: Wells Fargo Bank Northwest, National
Association
299 South Main Street, 12th Floor
Salt Lake City, Utah 84111

Owner Trustee: KCSR Trust 2005-1
Wilmington Trust Company, not in its individual
capacity but solely as Trustee
Rodney Square North
1100 North Market Street
Wilmington, Delaware 19890-0001

Lessee: The Kansas City Southern Railway Company
427 West 12th Street
Kansas City, Missouri 64105

Mr. Vernon A. Williams
December 21, 2005
Page 2

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

54 SD70MAC locomotives within the series TFM 1600 - TFM 1674 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:

Memorandum Of Equipment Lease Agreement And Trust Indenture And Security Agreement.

Also enclosed is a check in the amount of \$33.00 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

DEC 21 '05 3:24 PM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF EQUIPMENT LEASE AGREEMENT AND TRUST INDENTURE AND SECURITY AGREEMENT dated as of December 22, 2005, between KCSR TRUST 2005-1, a Delaware statutory trust (the "Trust", or the "Owner Trustee", which term includes, if the context requires, Wilmington Trust Company, not in its individual capacity, but solely as Owner Trustee), THE KANSAS CITY SOUTHERN RAILWAY COMPANY, a Missouri corporation (the "Lessee") and WELLS FARGO BANK NORTHWEST, NATIONAL ASSOCIATION, a national association (the "Indenture Trustee"). Capitalized terms used herein which are not defined herein shall have their respective meanings ascribed thereto in the Lease and the Indenture (referred to below).

WHEREAS, Owner Trustee and Lessee have entered into that certain Equipment Lease Agreement (KCSR 2005-1) dated as of December 20, 2005 (the "Lease") and that certain Lease Supplement No. 1 (KCSR 2005-1) dated as of December 22, 2005 ("Lease Supplement No. 1") (the terms of each of which are incorporated herein by reference), covering the railroad equipment identified in Schedule A hereto, bearing the equipment numbers of the Lessee shown in said Schedule A, and all additions and alterations thereof, replacements thereof and substitutions therefor;

WHEREAS, Owner Trustee and Indenture Trustee have entered into that certain Trust Indenture and Security Agreement (KCSR 2005-1) dated as of December 20, 2005 (the "Indenture") and that certain Trust Indenture Supplement No. 1 (KCSR 2005-1) dated as of December 22, 2005 ("Indenture Supplement No. 1"), to witnesseth that to secure the prompt payment of the principal of, and interest, Make-Whole Amount, if any, with respect to the Equipment Notes, and all other amounts due with respect to the Equipment Notes from time to time outstanding under the Indenture and all other amounts due under the Indenture or under any Operative Agreement and the performance and observance by Owner Trustee, Owner Participant and Lessee of all the agreements, covenants and provisions in the Indenture and in the Equipment Notes all for the benefit of the holders of the Equipment Notes, and for the uses and purposes and subject to the terms and provisions of the Indenture, and in consideration of the premises and of the covenants therein contained, and of the acceptance of the Equipment Notes by the Loan Participants, Owner Trustee does hereby sell, assign, transfer, convey, mortgage, pledge, and confirm unto Indenture Trustee, its successors and assigns, for the security and benefit of the holders of the Equipment Notes from time to time, a first priority security interest in and mortgage lien on all right, title and interest of Owner Trustee in and to the following described property, rights, interests and privileges insofar as it does not constitute Excepted Property (which collectively, including all property hereafter specifically subjected to the lien of the Indenture by any instrument supplemental hereto, but excluding Excepted Property, being herein called the "Indenture Estate") (and subject always to Owner Trustee's and Owner Participant's rights under Sections 4.04 and 9.05 of the Indenture), to wit:

- (a) the Lease, including, without limitation, all amounts of Basic Rent, Rent, Supplemental Rent, insurance proceeds and other payments of any kind for or with respect to the

Equipment, subject to Lessee's rights under the Lease, including, without limitation, Lessee's right of quiet enjoyment; and

(b) the Equipment identified in Schedule A hereto, and all replacements of any Units thereof and substitutions therefor in which Owner Trustee shall from time to time acquire an interest under the Lease, all as more particularly described in the Indenture Supplement and Lease Supplement executed and delivered on the Delivery Date with respect to the applicable Units or any such replacements thereof or substitutions therefor, as provided in the Indenture and the Lease; and

(c) all requisition proceeds with respect to the Equipment or any Unit thereof (to the extent of Owner Trustee's interest therein pursuant to the terms of the Lease); and

(d) all monies and securities now or hereafter paid or deposited or required to be paid or deposited with Indenture Trustee pursuant to any term of the Indenture, the Lease or the Participation Agreement or required to be held by Indenture Trustee hereunder or thereunder; and

(e) all right of Owner Trustee to restitution from any party to any Operative Agreement (other than the Tax Indemnity Agreement) in respect of any determination of invalidity thereof; all moneys and securities now or hereafter paid to or deposited with (or required to be paid to or deposited with) Indenture Trustee by or for the account of Owner Trustee pursuant to the Indenture; and all instruments, documents of title, books and records of Owner Trustee concerning the Indenture Estate (other than income tax and other similar financial records relating to the Owner Participant's Commitment); and

(f) the Participation Agreement and each Bill of Sale (including, without limitation, all rights to amounts paid or payable to Owner Trustee thereunder and all rights to enforce payments); and

(g) all proceeds, rents, issues, profits, products, revenues and other income from or on account of the property, rights and privileges subjected or required to be subjected to the lien of the Indenture.

WHEREAS, the Lease and the Indenture shall be effective as of the date thereof;

WHEREAS, Lease Supplement No. 1 and Indenture Supplement No. 1 shall be effective as of the date thereof; and

WHEREAS, this memorandum may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one such memorandum.

IN WITNESS WHEREOF, the parties wish to show for the public record the ownership of the said railroad equipment by Owner Trustee, the leasehold interest therein of the Lessee, the assignment and mortgage of and security interest in the aforesaid property in favor of Indenture Trustee, and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

THE KANSAS CITY SOUTHERN RAILWAY
COMPANY

By: 
Name: Ronald G. Russ
Title: Executive Vice President and CFO

KCSR TRUST 2005-1, acting through
WILMINGTON TRUST COMPANY, not in its
individual capacity, except where otherwise
expressly provided, but solely as Owner Trustee

By: _____
Name:
Title:

WELLS FARGO BANK NORTHWEST,
NATIONAL ASSOCIATION,
as Indenture Trustee

By: _____
Name:
Title:

IN WITNESS WHEREOF, the parties wish to show for the public record the ownership of the said railroad equipment by Owner Trustee, the leasehold interest therein of the Lessee, the assignment and mortgage of and security interest in the aforesaid property in favor of Indenture Trustee, and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

THE KANSAS CITY SOUTHERN RAILWAY
COMPANY

By: _____
Name:
Title:

KCSR TRUST 2005-1, acting through
WILMINGTON TRUST COMPANY, not in its
individual capacity, except where otherwise
expressly provided, but solely as Owner Trustee

By: _____
Name: **Michele C. Harra**
Title: **Financial Services Officer**

WELLS FARGO BANK NORTHWEST,
NATIONAL ASSOCIATION,
as Indenture Trustee

By: _____
Name:
Title:

STATE OF Delaware)
) ss.:
COUNTY OF NEW CASTLE

On this 19th day of December, 2005, before me personally appeared Michele C. Harra, to me personally known, who, by me being duly sworn, says that he/she is Financial Services Officer of WILMINGTON TRUST COMPANY, and that the foregoing instrument was signed on behalf of said Delaware limited purpose trust company by authority of its board of directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

AMANDA E. BURGER
Notary Public - State of Delaware
My Comm. Expires Mar. 7, 2007

My commission expires

IN WITNESS WHEREOF, the parties wish to show for the public record the ownership of the said railroad equipment by Owner Trustee, the leasehold interest therein of the Lessee, the assignment and mortgage of and security interest in the aforesaid property in favor of Indenture Trustee, and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

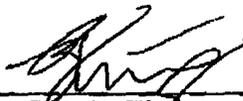
THE KANSAS CITY SOUTHERN RAILWAY
COMPANY

By: _____
Name:
Title:

KCSR TRUST 2005-1, acting through
WILMINGTON TRUST COMPANY, not in its
individual capacity, except where otherwise
expressly provided, but solely as Owner Trustee

By: _____
Name:
Title:

WELLS FARGO BANK NORTHWEST,
NATIONAL ASSOCIATION,
as Indenture Trustee

By: 
Name: Brett R. King
Title: Vice President

STATE OF UTAH)
) ss.:
COUNTY OF Salt Lake)

On this ____ day of December, 2005, before me personally appeared Brett R. King, to me personally known, who, by me being duly sworn, says that he/she is Vice President of WELLS FARGO BANK NORTHWEST, NATIONAL ASSOCIATION, and that the foregoing instrument was signed on behalf of said national association by authority of its board of directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Notary Public

My commission expires



**Schedule A to
Memorandum of Lease and Indenture**

DESCRIPTION OF ITEMS OF EQUIPMENT

<u>Description of Equipment</u>	<u>Unit Numbers</u>
54 SD70MAC Locomotives	TFM 1600 - TFM 1610 TFM 1614 - TFM 1618 TFM 1622 - TFM 1629 TFM 1631 - TFM 1635 TFM 1637 - TFM 1641 TFM 1643 - TFM 1646 TFM 1648 TFM 1650 TFM 1653 - TFM 1655 TFM 1658 - TFM 1662 TFM 1664 TFM 1666 TFM 1669 TFM 1671 - TFM 1672 TFM 1674

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: 12/21/05



Robert W. Alvord