

RECORDATION NO. 26083 FILED

DEC 28 '05 3-22 PM

SURFACE TRANSPORTATION BOARD

OF COUNSEL
URBAN A. LESTER

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)

December 20, 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 Net Railcar Lease, dated as of December 19, 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:

Lessor:	Babcock & Brown Rail Funding LLC 885 Second Avenue New York, New York 10017
Lessee:	The Empire District Electric Company 602 Joplin Avenue PO Box 127 Joplin, Missouri 64802-0127

Mr. Vernon A. Williams
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A description of the railroad equipment covered by the enclosed document
is:

15 BethGon II Coal Porter railcars: EDEX 99424 – EDEX 99438.

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

Memorandum of Net Railcar Lease.

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

MEMORANDUM OF NET RAILCAR LEASE DEC 28 '05 3:22 PM

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF NET RAILCAR LEASE dated as of this 19th day of December, 2005, to that certain Master Net Railcar Lease between BABCOCK & BROWN RAIL FUNDING LLC, a Delaware limited liability company (the "Lessor") and THE EMPIRE DISTRICT ELECTRIC COMPANY a Kansas corporation (the "Lessee" and together with the Lessor, the "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Lessor and Lessee have entered into that certain Master Net Railcar Lease and Schedule No. 01 thereto effective as of December 19, 2005 (hereinafter as the same may from time to time be amended, modified or supplemented, the "Agreement"), covering the equipment listed on Exhibit A hereto (the "Cars");

WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Agreement, and the respective interests therein of the Parties and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written.

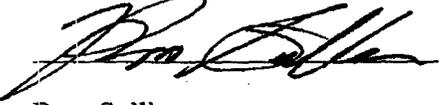
NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Lessor hereby leases and confirms the lease of the Cars to the Lessee in accordance with the terms and conditions of the Agreement, and the Lessee confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

This Memorandum of Net Railcar Lease may be executed by the Parties in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned has caused this Memorandum of Net Railcar Lease to be executed by a duly authorized officer as of the day and year first above written.

BABCOCK & BROWN RAIL FUNDING LLC, as Lessor

By: 

Name: Ross Sullivan

Title: Vice President

THE EMPRIRE DISTRICT ELECTRIC COMPANY, as Lessee

By: B. P. Beecher

Name: BRAD BEECHER

Title: VP Energy Supply

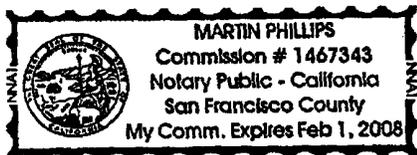
STATE OF CALIFORNIA)

) SS:

COUNTY OF SAN FRANCISCO)

On this 20 day of December, 2005 before me personally appears Ross Sullivan, to me personally known, who by me duly sworn, says that he is the Vice President of Babcock & Brown Rail Funding LLC (the "Company"), that the foregoing instrument was signed on behalf of the said Company by authority of its Officers, and he acknowledged that the execution of the foregoing instrument was the free act and deed of the said Company.

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



Martin Phillips

Notary Public

[SEAL]

My Commission expires:

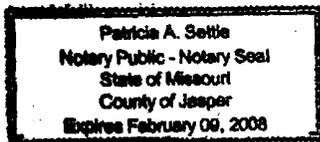
STATE OF Missouri)

) SS:

COUNTY OF Jasper)

On this 21st day of December, 2005 before me personally appears B. P. Beecher, to me personally known, who by me duly sworn, says that he/she is the Vice President - Energy Supply of The Empire District Electric Company (the "Company"), that the foregoing instrument was signed on behalf of the said 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 the said Company.

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



Patricia A. Settle

Notary Public

[SEAL]

My Commission expires:

EXHIBIT A TO MEMORANDUM OF NET RAILCAR LEASE

<u>Quantity</u>	<u>Car Description</u>	<u>Reporting Marks and Numbers</u>
Fifteen (15)	4520 CF Aluminum body rotary dump BethGon II Coal Porter railcars, 286,000 lbs. GRL, AAR car type code J311, built in 2005 by FreightCar America, Inc.	EDEX 99424-99438, inclusive.

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: December 28, 2005



Robert W. Alvord