

RECORDATION NO.

26538-A
FILED

NOV 27 '06

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SURFACE TRANSPORTATION BOARD

Law Offices of
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November 27, 2006

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Dear Secretary Williams:

I have enclosed for e-filing the document described below, to be recorded pursuant to 49 U.S.C. § 11301.

The document is a Memorandum of Loan and Security Agreement, a secondary document, dated as of November 15, 2006. The primary document to which this is connected is recorded under Recordation No. 26538. We request that the copy of this document be recorded under Recordation No. 26538-A.

The names and addresses of the parties to the Memorandum of Loan and Security Agreement are:

Secured Party:

LaSalle National Leasing Corporation
One West Pennsylvania Avenue, Suite 1000
Towson MD 21204

Debtor:

ATEL Leasing Corporation, successor-in-interest to
ATEL Capital Equipment Fund VIII, LLC
600 California Street, 6th Floor
San Francisco, California 94108

A description of the equipment covered by the Memorandum of Loan and Security Agreement consists of 199 covered hopper cars numbered AEQX 810051-810250, inclusive (excluding AEQX 810223).

Honorable Vernon A. Williams

November 27, 2006

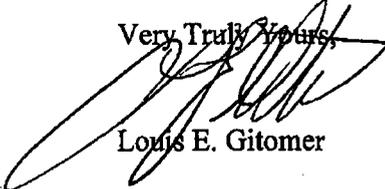
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A fee of \$34.00 is enclosed. Please return one copy to:

Louis E. Gitomer
600 Baltimore Avenue
Suite 301
Towson, MD 21204

A short summary of the document to appear in the index follows: a Memorandum of Loan and Security Agreement between LaSalle National Leasing Corporation, One West Pennsylvania Avenue, Suite 1000, Towson MD 21204, and ATEL Leasing Corporation, successor-in-interest to ATEL Capital Equipment Fund VIII, LLC, 600 California Street, 6th Floor, San Francisco, CA 94108, covering 199 covered hopper cars numbered AEQX 810051-810250, inclusive (excluding AEQX 810223).

Very Truly Yours,



Louis E. Gitomer

Enclosures

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF LOAN AND SECURITY AGREEMENT

Dated as of November 15, 2006

between

LASALLE NATIONAL LEASING CORPORATION,
as Secured Party

and

ATEL LEASING CORPORATION,
In its Capacity as Trustee,

as Debtor

Filed with the Surface Transportation Board pursuant to
49 U.S.C. § 11301 on _____, 2006, at _____:_____.M
Recordation Number _____

MEMORANDUM OF SECURITY AGREEMENT

THIS MEMORANDUM OF SECURITY AGREEMENT dated as of November 15, 2006 is made by and between LASALLE NATIONAL LEASING CORPORATION, together with its successors and assigns ("Secured Party"), and ATEL LEASING CORPORATION, in its capacity as Trustee, as Debtor, and its successors and permitted assigns ("Debtor").

WITNESSETH

1. Pursuant to a Loan and Security Agreement dated as of November 15, 2006 and Promissory Note Nos. 1 and 2 executed pursuant thereto both dated as of November 15, 2006, Debtor has pledged to Secured Party a first priority security interest in: (a) all of the rail equipment described in Exhibit A attached hereto (the "Railcars"); (b) to the extent related to the Railcars, the Master Lease Agreement (Full Service) dated as of March 14, 2005 (the "Master Lease") between Debtor, as successor in interest to ATEL Equipment Fund VIII, LLC ("Trustor"), not in its individual capacity, but solely as Trustee under Inter-Company Trust Agreement dated as of March 1, 2004 between Debtor, as Trustee and Trustor; and (c) Lease Schedule No. 1 dated as of March 14, 2005, and Lease Schedule No. 2 dated as of May 24, 2005, each of which incorporates by reference the terms and conditions of the Master Lease and are two separate leases (the "Leases").

2. The Security Agreement shall be effective as of the date first set forth hereinabove and shall be subject to the Term as defined in the Security Agreement.

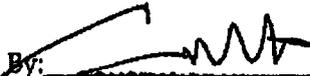
3. This Memorandum of Security Agreement may be executed in duplicate originals and any number of counterparts and by different parties in separate counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

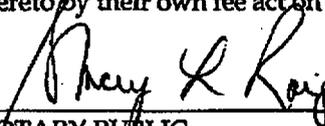
Secured Party:

LASALLE NATIONAL LEASING CORPORATION

By: 
Name: CONSTANCE W. LANCASTER
Title: SENIOR VICE PRESIDENT

STATE OF MARYLAND)
) ss.:
COUNTY OF BALTIMORE)

On this 20th day of November, 2006, before me the subscriber personally appeared Constance Lancaster, who being by me duly sworn, did depose and say: that (s)he is the SVP of LASALLE NATIONAL LEASING CORPORATION the corporation described in and which executed the foregoing instrument and that (s)he signed his/her name thereto by their own free act on behalf of said corporation.


NOTARY PUBLIC

My Commission Expires: August 4, 2009



EXHIBIT A
TO MEMORANDUM OF LOAN AND SECURITY AGREEMENT
DATED AS OF NOVEMBER 15, 2006

**One hundred ninety-nine covered hopper cars numbered AEQX 810051-810250,
inclusive (excluding AEQX 810223).**