

RECORDATION NO. 27009-A FILED

JUL 13 '07 -10 59 AM

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SURFACE TRANSPORTATION BOARD

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July 13, 2007

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 Full Service Railcar Lease, dated as of July 3, 2007, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Full Service Railcar Lease previously filed with the Board under Recordation Number 27009.

The names and addresses of the parties to the enclosed document are:

Lessor: Babcock & Brown Rail Funding LLC
1 Dag Hammarskjold Plaza
885 Second Avenue, 49th Floor
New York, New York 10017

Lessee: BNSF Railway Company
2500 Lou Menk Drive
Fort Worth, Texas 76131

Mr. Vernon A. Williams
July 13, 2007
Page 2

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

125 railcars: BNBX 121020 - BNBX 121144.

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

Memorandum of Full Service Railcar Lease.

Also enclosed is a check in the amount of \$35.00 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,

A handwritten signature in black ink, appearing to read "Alvord", with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/sem
Enclosures

MEMORANDUM OF FULL SERVICE RAILCAR LEASE JUL 13 '07 -10 59 AM

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF FULL SERVICE RAILCAR LEASE dated as of this 3rd of July 2007, to that certain Master Full Service Railcar Lease made as of August 8, 2005, and Schedule No. 03 thereto, between BABCOCK & BROWN RAIL FUNDING LLC, a Delaware limited liability company (the "Lessor") and BNSF Railway Company a Delaware 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 Full Service Railcar Lease dated August 8, 2005 and Schedule No. 03 thereto (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 Full Service 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 Full Service 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:



LARRY LITTLEFIELD

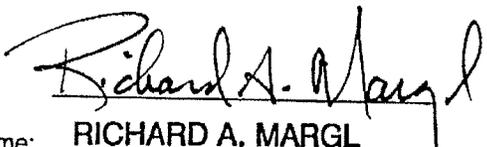
Title:

VICE PRESIDENT

BNSF RAILWAY COMPANY, as Lessee

By:

Name:



RICHARD A. MARGL

Title:

AVP Carload Equipment

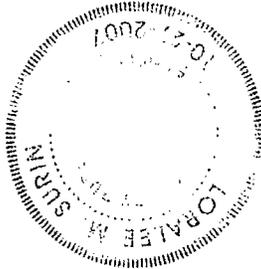
STATE OF TEXAS)

) SS:
COUNTY OF TARRANT)

On July 3, 2007, before me, LORALEE M. SURIN, Notary Public, personally appeared RICHARD A. MARGI personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Loralee M Surin



STATE OF New York)

) SS:
COUNTY OF New York)

On 7/12, 2007, before me, Indra Bedasie, Notary Public, personally appeared Harry Littlefield personally known to me to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Indra Bedasie

INDRA BEDASIE
Notary Public, State of New York
No. 01BE6014602
Qualified in Queens County
Certificate Filed in New York County
Commission Expires October 19, 2010

EXHIBIT A
MEMORANDUM OF FULL SERVICE RAILCAR LEASE

<u>Quantity</u>	<u>Car Description</u>	<u>Reporting Marks and Numbers</u>
One hundred twenty-five (125)	Aluminum body AutoFlood III rotary dump open top hoppers, 286,000 lbs GRL, 4200 CF, AAR car type code K341 built by FreightCar American, Inc. in 2007	BNBX 121020 – BNBX 121144

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: 7/13/07



Robert W. Alvord