RECORDATION NO. 32334-A
FILED OCTOBER 4, 2016 3:23 PM
SURFACE TRANSPORTATION BOARD

OSTER RESEARCHING SERVICES
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Mt. Airy, Maryland 21771
(301) 253-6040
www.osterresearchingservices.com
maryannoster@comcast.net

October 4, 2016

Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423

Dear Section Chief:

Enclosed for recording with the Surface Transportation Board are one original and one counterpart of the document described below to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code:

Amended and Restated Memorandum of Lease Agreement dated as of 10/3/16

Lessor: Varilease Finance, Inc.
6340 South 3000 East, 4th Floor
Salt Lake City, UT 84121

Lessees: Heritage Rail Leasing, LLC
Iowa Pacific Holdings, LLC
Permian Basin Railways, Inc.
Austin & Northwestern Railroad Company, Inc.
dba Texas-New Mexico Railroad
Grenada Railroad, LLC
Hoosier State Train, LLC
Piedmont Railway, LLC
West Texas and Lubbock Railroad Company, Inc.
San Luis & Rio Grande Railroad, Inc.
Saratoga and North Creek Railway, LLC
Chicago Terminal Railroad Company
Mt. Hood Railroad Company

Santa Cruz and Monterey Bay Railway Company
Cape Rail, Inc.
Isla Largo, LLC
Key Tours International
Rusk, Palestine & Pacific Railroad LLC
The Pullman Sleeping Car Company LLC
118 South Clinton Street, Suite 400
Chicago, IL 60661

Equipment:

41, Passenger Railcars and Locomotives
MH 02, 88, 89, 1070, 1080
SLRG 787, 788 (aka MNZX 787, 788)
SC 1101, 1102
SNC 5, 52, 56, 821
SLRG 18, 20, 508-510, 512-513, 551, 807-808,
1394, 1744, 2920, 2948, 2968,
2974, 3001-3010, 5461, 9163

Please record this agreement as a secondary document to STB Recordation #32334. The filing fee of $45 is enclosed. Thank you.

Sincerely,

Mary A Oster

Mary Ann Oster
Research Consultant

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SURFACE TRANSPORTATION BOARD

AMENDED AND RESTATED MEMORANDUM OF LEASE AGREEMENT

THIS AMENDED AND RESTATED MEMORANDUM OF LEASE AGREEMENT is made and entered into as of October 3, 2016 by and between VARILEASE FINANCE, INC. (the "Lessor") and HERITAGE RAIL LEASING, LLC ("Co-Lessee"); IOWA PACIFIC HOLDINGS, LLC ("Co-Lessee"); AUSTIN & NORTHWESTERN RAILROAD COMPANY, INC. D/B/A TEXAS-NEW MEXICO RAILROAD ("Co-Lessee"); CAPE RAIL, INC. ("Co-Lessee"); CHICAGO TERMINAL RAILROAD COMPANY ("Co-Lessee"); GRENADA RAILROAD, LLC ("Co-Lessee"); HOOSIER STATE TRAIN, LLC ("Co-Lessee"); ISLA LARGO, LLC ("Co-Lessee"); KEY TOURS INTERNATIONAL ("Co-Lessee"); MT. HOOD RAILROAD COMPANY ("Co-Lessee"); PERMIAN BASIN RAILWAYS, INC. ("Co-Lessee"); PIEDMONT RAILWAY, LLC ("Co-Lessee"); RUSK, PALESTINE & PACIFIC RAILROAD, LLC ("Co-Lessee"); SAN LUIS & RIO GRANDE RAILROAD, INC. ("Co-Lessee"); SANTA CRUZ AND MONTEREY BAY RAILWAY COMPANY ("Co-Lessee"); SARATOGA AND NORTH CREEK RAILWAY, LLC ("Co-Lessee"); THE PULLMAN SLEEPING CAR COMPANY, LLC ("Co-Lessee"); WEST TEXAS AND LUBBOCK RAILROAD COMPANY, INC. ("Co-Lessee") (Co-Lessees hereinafter referred to collectively as "Lessee") and replaces that Memorandum of Lease Agreement dated September 28, 2016, by and between VARILEASE FINANCE, INC. and HERITAGE RAIL LEASING, LLC, with reference to the following:

1. Lessor has agreed to purchase and lease to Lessee, and Lessee has agreed to lease from Lessor, that certain railroad equipment described in Exhibit A of two (2) pages attached hereto (the "Equipment").

   All of such Equipment is more fully described in that certain Schedule No. 01 dated August 22, 2016, as amended by Amendment No. 1 dated October 3, 2016 and executed pursuant to, and incorporating by reference the terms of conditions of that certain Master Lease Agreement dated August 22, 2016, as amended by Amendment No. 1 dated October 3, 2016 (together with all of the riders, schedules and other attachments thereto, collectively, the "Lease"), each between Lessor and Lessee.

2. The Lease shall be effective as of August 22, 2016 and shall be subject to the term specified in the Lease, and any extension of such term to the extent provided for in the Lease.

3. The Lease contains by option of Lessee to purchase the Equipment on the terms set forth in the Lease.

This Amended and Restated Memorandum of Lease Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Amended and Restated Memorandum of Lease Agreement.

Dated: October 3, 2016

LESSOR:
VARILEASE FINANCE, INC.

By: Sherrie Copier

Name: Sherrie Copier

Title: Senior Vice President

CO-LESSEE:
HERITAGE RAIL LEASING, LLC

By: _____

Name: Edwin E. Ellis

Title: President

CO-LESSEE:
IOWA PACIFIC HOLDINGS, LLC

By: _____

Name: Edwin E. Ellis

Title: President

CO-LESSEE:
CAPE RAIL, INC.

By: _____

Name: Edwin E. Ellis

Title: President

CO-LESSEE:
GRENADA RAILROAD, LLC

By: _____

Name: Edwin E. Ellis

Title: President

CO-LESSEE:
ISLA LARGO, LLC

By: _____

Name: Edwin E. Ellis

Title: President

CO-LESSEE:
MT. HOOD RAILROAD COMPANY

By: _____

Name: Edwin E. Ellis

Title: President

CO-LESSEE:
AUSTIN & NORTHWESTERN RAILROAD COMPANY, INC.
D/B/A TEXAS NEW MEXICO RAILROAD

By: _____

Name: Edwin E. Ellis

Title: President

CO-LESSEE:
CHICAGO TERMINAL RAILROAD COMPANY

By: _____

Name: Edwin E. Ellis

Title: President

CO-LESSEE:
HOOSIER STATE TRAIN, LLC

By: _____

Name: Edwin E. Ellis

Title: President

CO-LESSEE:
KEY TOURS INTERNATIONAL

By: _____

Name: Edwin E. Ellis

Title: President

CO-LESSEE:
PERMIAN BASIN RAILWAYS, INC.

By: _____

Name: Edwin E. Ellis

Title: President

CO-LESSEE:
PIEDMONT RAILWAY, LLC

By: _____

Name: Edwin E. Ellis

Title: President

CO-LESSEE:
RUSK, PALESTINE & PACIFIC RAILROAD, LLC

By: IOWA PACIFIC HOLDINGS, LLC
Its Member

By: _____

Name: Edwin E. Ellis

Title: President

CO-LESSEE:
SAN LUIS & RIO GRANDE RAILROAD, INC.
COMPANY

By: _____

Name: Edwin E. Ellis

Title: President

CO-LESSEE:
SANTA CRUZ AND MONTEREY BAY RAILWAY

By: _____

Name: Edwin E. Ellis

Title: President

CO-LESSEE:
SARATOGA AND NORTH CREEK RAILWAY, LLC

By: SAN LUIS & RIO GRANDE RAILROAD, INC.
Its Member

By: _____

Name: Edwin E. Ellis

Title: President

CO-LESSEE:
THE PULLMAN SLEEPING CAR COMPANY, LLC

By: _____

Name: Edwin E. Ellis

Title: President

CO-LESSEE:
WEST TEXAS AND LUBBOCK RAILROAD COMPANY, INC.

By: _____

Name: Edwin E. Ellis

Title: President

EXHIBIT A
Page 1 of 2 Pages

Lessee: Heritage Rail Leasing, LLC
ML dated: August 22, 2016
Schedule No.: 01

$ 5,010,000.00

Locations	Auth No.	Qty	Description	Reporting Mark	Total
Saratoga, 3 Railroad Place, North Creek, NY 12853	1	1	1991 Tokyu Car Corporation C1 bi-level passenger rail car-160 seat	SLRG 3001	$ 225,000.00
Saratoga, 3 Railroad Place, North Creek, NY 12853	1	1	1991 Tokyu Car Corporation C1 bi-level passenger rail car-160 seat	SLRG 3002	$ 225,000.00
Saratoga, 3 Railroad Place, North Creek, NY 12853	1	1	1991 Tokyu Car Corporation C1 bi-level passenger rail car-160 seat	SLRG 3003	$ 225,000.00
Saratoga, 3 Railroad Place, North Creek, NY 12853	1	1	1991 Tokyu Car Corporation C1 bi-level passenger rail car-160 seat	SLRG 3004	$ 225,000.00
Saratoga, 3 Railroad Place, North Creek, NY 12853	1	1	1991 Tokyu Car Corporation C1 bi-level passenger rail car-160 seat	SLRG 3005	$ 225,000.00
Saratoga, 3 Railroad Place, North Creek, NY 12853	1	1	1991 Tokyu Car Corporation C1 bi-level passenger rail car-160 seat	SLRG 3006	$ 225,000.00
Cape Cod, 3065 Cranberry Highway, Suite 5, Ease Wareham,	1	1	1991 Tokyu Car Corporation C1 bi-level passenger rail car-160 seat	SLRG 3007	$ 225,000.00
Cape Cod, 3065 Cranberry Highway, Suite 5, Ease Wareham,	1	1	1991 Tokyu Car Corporation C1 bi-level passenger rail car-160 seat	SLRG 3008	$ 225,000.00
Colorado, 610 State Avenue, Alamosa, CO 81101	1	1	1991 Tokyu Car Corporation C1 bi-level passenger rail car-160 seat	SLRG 3009	$ 225,000.00
Colorado, 610 State Avenue, Alamosa, CO 81101	1	1	1991 Tokyu Car Corporation C1 bi-level passenger rail car-160 seat	SLRG 3010	$ 225,000.00
Saratoga, 3 Railroad Place, North Creek, NY 12853	1	1	1954 Budd full dome passenger rail car - Canyon View	SLRG 508	$ 200,000.00
Colorado, 610 State Avenue, Alamosa, CO 81101	1	1	1954 Budd full dome passenger rail car - Cascade View	SLRG 509	$ 200,000.00
Colorado, 610 State Avenue, Alamosa, CO 81101	1	1	1954 Budd full dome passenger rail car - Sunset View	SLRG 510	$ 200,000.00
Saratoga, 3 Railroad Place, North Creek, NY 12853	1	1	1954 Budd full dome passenger rail car - Alpine View	SLRG 512	$ 200,000.00
Oregon, 110 Railroad Street, Hood River, OR 97031	1	1	1954 Budd full dome passenger rail car - Columbia View	SLRG 513	$ 200,000.00
Chicago, 2511 Pratt Blvd., Elk Grove Village, IL 60007	1	1	1954 Budd full dome passenger rail car - Sky View	SLRG 551	$ 200,000.00
Chicago, 2511 Pratt Blvd., Elk Grove Village, IL 60007	1	1	1955 Budd full dome passenger rail car - Priarie View	SLRG 1394	$ 200,000.00
Oregon, 110 Railroad Street, Hood River, OR 97031	1	1	1910 Pullman 60-seat open window passenger rail car - Katherine	MH 1070	$ 75,000.00
Oregon, 110 Railroad Street, Hood River, OR 97031	1	1	1911 Pullman 48-seat café/coach passenger rail car - Timberline	MH 1080	$ 90,000.00
Oregon, 110 Railroad Street, Hood River, OR 97031	1	1	1955 Pullman 100-seat passenger rail car - Wahkeena Falls	SLRG 2920	$ 50,000.00
Oregon, 110 Railroad Street, Hood River, OR 97031	1	1	1955 Pullman 100-seat passenger rail car - Bridal Veil Falls	SLRG 2948	$ 50,000.00
Oregon, 110 Railroad Street, Hood River, OR 97031	1	1	1955 Pullman dance car passenger rail car - Lewis and Clark	SLRG 2968	$ 75,000.00
Oregon, 110 Railroad Street, Hood River, OR 97031	1	1	1955 Pullman 100-seat passenger rail car - Oneonta Falls	SLRG 2974	$ 40,000.00
Oregon, 110 Railroad Street, Hood River, OR 97031	1	1	1947 Pullman kitchen passenger rail car	SLRG 5461	$ 40,000.00
Colorado, 610 State Avenue, Alamosa, CO 81101	1	1	American Locomotive Company (ALCO) 2-8-0 steam locomotive	SLRG 18	$ 150,000.00
Colorado, 610 State Avenue, Alamosa, CO 81101	1	1	Baldwin Locomotive Works (BLW) 2-6-0 steam locomotive	SLRG 1744	$ 150,000.00

Lessor_____ Co-Lessees_____

EXHIBIT A
Page 2 of 2 Pages

Locations	Auth No.	Qty	Description	Reporting Mark	Total
Oregon, 110 Railroad Street, Hood River, OR 97031	1	1	Electro-Motive Diesel (EMD) GP38 locomotive	MH 02	$ 75,000.00
Oregon, 110 Railroad Street, Hood River, OR 97031	1	1	Electro-Motive Diesel (EMD) GP9 locomotive	MH 88	$ 65,000.00
Santa Cruz, 11 Alexander Street, Suite H, Watsonville, CA 95076	1	1	Electro-Motive Diesel (EMD) GP9 locomotive	MH 89	$ 65,000.00
Colorado, 610 State Avenue, Alamosa, CO 81101	1	1	Electro-Motive Diesel (EMD) F7A locomotive	MNZX a/k/a SLRG 787	$ 50,000.00
Colorado, 610 State Avenue, Alamosa, CO 81101	1	1	Electro-Motive Diesel (EMD) F7A locomotive	MNZX a/k/a SLRG 788	$ 50,000.00
Santa Cruz, 11 Alexander Street, Suite H, Watsonville, CA 95076	1	1	Electro-Motive Diesel (EMD) F9A locomotive	SC 1101	$ 50,000.00
Santa Cruz, 11 Alexander Street, Suite H, Watsonville, CA 95076	1	1	Electro-Motive Diesel (EMD) F9A locomotive	SC 1102	$ 50,000.00
Saratoga, 3 Railroad Place, North Creek, NY 12853	1	1	Electro-Motive Diesel (EMD) F7A locomotive	SLRG 9163	$ 50,000.00
Saratoga, 3 Railroad Place, North Creek, NY 12853	1	1	Electro-Motive Diesel (EMD) E8A locomotive	SLRG 807	$ 50,000.00
Saratoga, 3 Railroad Place, North Creek, NY 12853	1	1	Electro-Motive Diesel (EMD) E8A locomotive	SLRG 808	$ 50,000.00
Colorado, 610 State Avenue, Alamosa, CO 81101	1	1	American Locomotive Company (ALCO) 2-8-0 steam locomotive	SLRG 20	$ 25,000.00
Saratoga, 3 Railroad Place, North Creek, NY 12853	1	1	Electro-Motive Diesel (EMD) BL2 locomotive	SNC 52	$ 20,000.00
Saratoga, 3 Railroad Place, North Creek, NY 12853	1	1	Electro-Motive Diesel (EMD) BL2 locomotive	SNC 56	$ 20,000.00
Saratoga, 3 Railroad Place, North Creek, NY 12853	1	1	American Locomotive Company (ALCO) S2 locomotive	SNC 5	$ 10,000.00
Saratoga, 3 Railroad Place, North Creek, NY 12853	1	1	American Locomotive Company (ALCO) S2 locomotive	SNC 821	$ 10,000.00

together with all additions, alterations, accessions and modifications thereto and replacements of any part thereof, and substitutions therefore, all accessories, and attachments, in whole or in part. Any related software (embedded therein or otherwise), all intangibles and other rights associated with such equipment, including without limitation any licenses to use or own such equipment, any manufacturer's or other warranties with respect to such equipment, all goods, refunds, rebates, remittances, insurance and insurance proceeds, and all rights related thereto, and other property or rights to which the Lessee may be or become entitled by reason of Lessee's interest in the equipment, software or personal property.

INDIVIDUAL

STATE OF Illinois }
ss:
COUNTY OF Cook }

On 10/3/2016, before me personally came Edwin E. Ellis, to me known to be the individual described in and who executed the foregoing instrument, who acknowledged to me that he/she executed the same.

OFFICIAL SEAL
BLANCA L MARTINEZ
Notary Public - State of Illinois
My Commission Expires Oct 10, 2018

Blanca L Martinez
Notary Public

My commission expires: Oct 10, 2018

INDIVIDUAL

STATE OF Utah)
ss:
COUNTY OF Salt Lake)

On October 4, 2019, before me personally came Sherrie Copier, to me known to be the individual described in and who executed the foregoing instrument, who acknowledged to me that he/she executed the same.

LAUREN VICTORIA PHILLIPS
Notary Public
Commission # 686972
State of Utah
Commission Expires:
January 13, 2020

Notary Public

My commission expires: January 13, 2020