

**OSTER RESEARCHING SERVICES**

12897 Colonial Drive  
Mt. Airy, Maryland 21771  
(301) 253-6040  
www.osterresearchingservices.com  
maryannoster@comcast.net

December 22, 2014

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:

Memorandum of Security Agreement dated as of 12/16/14

Secured Party: Wells Fargo Bank, National Association  
733 Marquette Avenue  
Minneapolis, MN 55402

Debtor: Northern Plains Railroad, Inc.  
100 Railroad Avenue  
Fordville, ND 58231

Equipment: 2, GP-9 Locomotives  
NPR 1518, 1685

Please record this agreement as a primary document. The filing fee of \$43 is enclosed.  
Thank you.

Sincerely,



Mary Ann Oster  
Research Consultant



# Memorandum of Security Agreement

Wells Fargo Bank, National Association | 733 Marquette Avenue, Suite 700 | MAC N9306-070 | Minneapolis, MN 55402

THIS MEMORANDUM OF SECURITY AGREEMENT (this "Memorandum") is made this 16th day of December, by and between Northern Plains Railroad, Inc., a North Dakota corporation ("Debtor"), and WELLS FARGO BANK, NATIONAL ASSOCIATION, ("Secured Party").

A. The Debtor is indebted to the Secured Party pursuant to that certain Promissory Note dated as of December 16, 2014 (the "Note") executed by the Debtor in favor of the Secured Party.

B. To secure the Debtor's obligations to the Secured Party, the Debtor executed and delivered to the Secured Party a Security Agreement dated December 16, 2014 pursuant to which the Debtor granted to the Secured Party a continuing, first priority security interest in and to, and lien on, the following collateral:

(a) Two (2) Locomotives NPR 1518 SN A782 and NPR 1685 SN A513 with the following markings described on Schedule A attached hereto (each, a "Locomotive", collectively, the "Locomotives") and all replacements and substitutions thereof;

(b) all improvements, additions, modifications, accessions, attachments, appurtenances and parts appertaining or attached to the Railcars, whether now owned or hereafter acquired;

(c) all logs, books and records pertaining to the use, operation and/or maintenance of the Railcars or otherwise relating to any of the collateral described herein;

(d) all rights, claims and causes of action, if any, which the Debtor may have now or in the future against any manufacturer, rebuilder or seller of the Railcars (or any component thereof) or any other Person, by contract of otherwise, in respect of any defect in the Railcars or any part thereof;

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

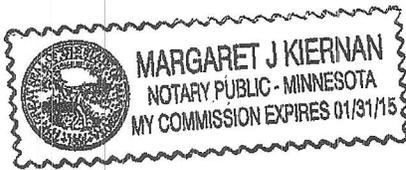
WELLS FARGO BANK, NATIONAL ASSOCIATION

By: Kathleen Heitell  
Title: VP

Northern Plains Railroad, Inc.

By: E. Ben  
Title: CFO

STATE OF Minnesota  
COUNTY OF St. Louis



On this 2nd day of Dec, 2014 before me, a Notary Public of the City and State aforesaid, personally appeared Walter J. Kelly to me personally known, who being by me duly sworn, says that he is the VP of N.P.R.R., the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.

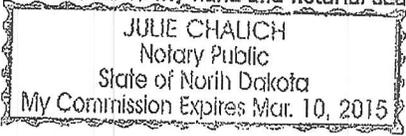
Margaret J. Kiernan  
Notary Public

My commission expires: 1-31-2015

STATE OF North Dakota  
COUNTY OF Walsh

On this 17 day of December, 2014 before me a Notary Public of the City and State aforesaid, personally appeared Eric Berg to me personally known who being by me duly sworn, says that (he/she) is a CFO of Northern Plains Railroad, that foregoing instrument is/was signed on behalf of said corporation 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.

AS WITNESS my hand and notarial seal.



(Seal)

Julie Chalich  
Notary Public

My commission expires:  
March 10<sup>th</sup>, 2015