

RECORDATION NO. 31023 FILED

DEC 30 '13 -10 05 AM

SURFACE TRANSPORTATION BOARD

December 19, 2013

Chief  
Section of Administration Office of Proceedings  
Surface Transportation Board (the "Board")  
395 E Street, S.W.  
Washington, D.C. 20423-0001

Re: Las Vegas Railway Express, Inc.  
Memorandum of Security Agreement

Dear Chief:

I am enclosing for recording pursuant to Section 11301 of Title 49 of the United States Code, two (2) executed copies of the Memorandum of Security Agreement, effective as of November 22, 2013, among Las Vegas Railway Express, Inc., as grantor (the "Grantor"), and Cowen Overseas Investment LP, as Secured Party (the "Secured Party"), a primary document as defined in the Board's Rules for the Recordation of Documents.

The Memorandum of Security Agreement covers all rail equipment now owned and hereafter acquired (and all leases of such equipment) by the Borrower. The names and addresses of the parties to the enclosed document are:

Grantor: Las Vegas Railway Express, Inc.  
6650 Via Austi Parkway, Suite 140  
Las Vegas, Nevada 89119

Secured Party: Cowen Overseas Investment LP  
599 Lexington Avenue  
New York, NY 10022



The equipment covered as of the date hereof by the aforesaid Memorandum of Security Agreement consists of all gondolas, boxcars, tankers, locomotives and railcars of any type now owned or hereafter acquired by the Grantor, including the 16 railcars bearing the road numbers and reporting marks within the series set forth below, all as specifically described in the Memorandum of Security Agreement attached hereto.

MJRS 7711  
MJRX 7719  
WSOR 7718  
WSOR 7720  
FRYX 7770  
WSOR 7726  
FRYX 7766  
FRYX 7767  
FRYX 7768  
FRYX 7769  
FRYX 7771  
FRYX 7778  
METX 7880  
METX 7671  
MTDX 8709  
MTDX 8713

A short summary of the document to appear in the index is: Memorandum of Security Agreement.

A fee of forty-four dollars (\$44.00) is enclosed. Please time and date stamp the enclosed copy of the enclosed document along with the extra copy of this letter as proof of filing and recordation of the enclosed document and return the original and any extra copies of such document and this letter not needed by the Board for recordation to:

Kyle I. Miller, Esq.  
Pryor Cashman LLP  
7 Times Square  
New York, NY 10036-6569

If you have any questions or need further information, please do not hesitate to contact the undersigned (212) 326-0412.

Sincerely,

A handwritten signature in black ink that reads "Kyle I. Miller".

KYLE I. MILLER

Enclosure

DEC 30 '13 -10 05 AM

**MEMORANDUM OF SECURITY AGREEMENT****SURFACE TRANSPORTATION BOARD**

MEMORANDUM OF SECURITY AGREEMENT, dated as of November 22, 2013, between **LAS VEGAS RAILWAY EXPRESS, INC.**, a Delaware corporation (the "Grantor"), and **COWEN OVERSEAS INVESTMENT LP**, a Cayman Islands partnership (the "Secured Party") (the Grantor and Secured Party hereinafter together referred to as the "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

**WHEREAS**, (i) Grantor has delivered its 10% Senior Secured Convertible Promissory Note of even date herewith (the "Note") to Secured Party which evidences a loan in the principal sum of One Million Seven Hundred Fifty Thousand Dollars (\$1,750,000) (the "Loan") and (ii) the Parties have entered into that certain Security Agreement, dated as of November 22, 2013, among the Parties (said agreement, as it may hereafter be amended, amended and restated, supplemented or otherwise modified from time to time, being the "Security Agreement"; capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Security Agreement), whereby the Grantor has assigned, conveyed, mortgaged, pledged, hypothecated, transferred and set over to the Secured Party, a first priority Lien on and security interest in all of the Grantors' right, title and interest now held or hereafter acquired in and to the following (collectively, the "Rolling Stock Collateral"):

(a) all gondolas, boxcars, tankers, locomotives and railcars of any type (collectively "Rolling Stock") including (without limitation) as listed on Schedule A, which is attached hereto;

(b) all proceeds and products of the Rolling Stock Collateral.

**WHEREAS**, the Parties find it desirable to place of record the existence of the Security Agreement in the public files maintained by the Surface Transportation Board under the provisions of Title 49 of the United States Code.

**NOW THEREFORE**, this Memorandum of Security Agreement is entered into by the Parties for the purpose of placing of record the existence of the aforesaid Security Agreement.

**[Signature Pages Follow]**

**LAS VEGAS RAILWAY EXPRESS, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**COWEN OVERSEAS INVESTMENT LP**

By: \_\_\_\_\_  
Name:  
Title:



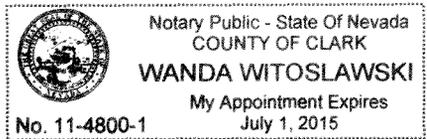
ACKNOWLEDGEMENT

State of NEVADA )  
County of CLARK ) ss.:

On the 17 day of DECEMBER in the year 2013 before me, the undersigned, personally appeared MICHAEL BARRON, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(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 capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Witness My Hand and Official Seal.

[Signature]  
Signature  
My Commission expires on 7/1/15



DEC 27 2013



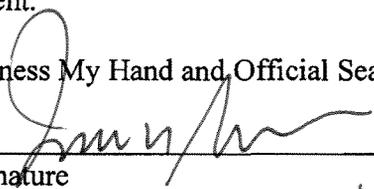
**ACKNOWLEDGEMENT**

State of New York)

County of Nassau) ss.:

On the 20 day of November in the year 2013 before me, the undersigned, personally appeared \_\_\_\_\_, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(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 capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

Witness My Hand and Official Seal.

  
\_\_\_\_\_

Signature

My Commission expires on 12/31/17

James R. Simmons  
Notary Public, State of New York  
No. 4771240  
Certified in Nassau County  
Commission Expires \_\_\_\_\_

1811211611

**SCHEDULE A TO MEMORANDUM OF SECURITY AGREEMENT**

**[See Attached]**

Las Vegas Railway Express, Inc  
 Passenger Car Roster  
 Car Numbers and Car Locations  
 as of  
 November 13, 2013

Car Initial Number	Purchase Date	Car Type	Car Builder	Purchased From	Current Location
MJRS 7711	10/4/2012	Coach	P/S	RE	Madison, IL
MJRX 7719	10/4/2012	Coach	P/S	RE	Madison, IL
WSOR 7718	8/16/2012	Coach	P/S	RE	Horicon, WI
WSOR 7720	8/16/2012	Coach	P/S	RE	Horicon, WI
FRYX 7770	8/16/2012	Coach	P/S	RE	Horicon, WI
WSOR 7726	8/16/2012	Coach	P/S	RE	Horicon, WI
FRYX 7766	8/16/2012	Coach	P/S	RE	Horicon, WI
FRYX 7767	8/16/2012	Coach	P/S	RE	Horicon, WI
FRYX 7768	8/16/2012	Coach	P/S	RE	Horicon, WI
FRYX 7769	8/16/2012	Coach	P/S	RE	Horicon, WI
FRYX 7771	8/16/2012	Coach	P/S	RE	Horicon, WI
FRYX 7778	8/16/2012	Coach	P/S	RE	Horicon, WI
METX 7880	10/29/2012	Coach	P/S	RE	Elk Grove Village, IL
METX 7671	10/29/2012	Coach	P/S	RE	Elk Grove Village, IL
MTDX 8709	10/29/2012	Cab Car	P/S	RE	Elk Grove Village, IL
MTDX 8713	10/29/2012	Cab Car	P/S	RE	Elk Grove Village, IL

Definitions

METX=Metra Reporting Remarks

Car Builder: P/S=Pullman Standard

Purchased From: RE=Rail Enterprises