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October 30, 2015

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

Dear Section Chief,

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Security Agreement – Chattel Mortgage, dated as of October 30, 2015, a primary document as defined in the Board's Rules for the Recordation of Documents.

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

Secured Party: BMO Harris Equipment Finance Company  
250 East Wisconsin Avenue  
Milwaukee, WI 53202

Debtor: ARL II Funding LLC  
100 Clark Street, Suite 201  
St. Charles, MO 63301

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

315 railcars: EAGX 286023 – EAGX 286027, inclusive, SHPX 454608 and cars within the series SHPX 208506 – SHPX 210495, SHPX 221912 – SHPX 222052, SHPX 432887 – SHPX 432926, SHPX 450498 – SHPX 450856, and SHPX 458931 – SHPX 458950 as more particularly set forth on the attachment to the document.

Section Chief  
October 30, 2015  
Page 2

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

Memorandum of Security Agreement – Chattel Mortgage.

Also enclosed is a check in the amount of \$43.00 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 "Claire E. Murphy". The signature is written in a cursive style with a large, looping "y" at the end.

Claire E. Murphy

CEM  
Enclosures

MEMORANDUM  
DATED AS OF OCTOBER 30, 2015  
OF  
SECURITY AGREEMENT - CHATTEL MORTGAGE  
DATED AS OF OCTOBER 30, 2015  
BETWEEN  
ARL II FUNDING LLC  
(“DEBTOR”)  
AND  
BMO HARRIS EQUIPMENT FINANCE COMPANY (“SECURED PARTY”)

WHEREAS, Debtor and the Secured Party entered into (i) a certain Security Agreement - Chattel Mortgage dated as of October 30, 2015 (the “Security Agreement”) and (ii) a Term Loan Agreement dated as of October 30, 2015 (“Loan Agreement”) pursuant to which the Secured Party and BMO HARRIS EQUIPMENT FINANCE COMPANY (the “Lender”) agreed to lend certain sums to the Debtor (the “Loan”); and it is a condition precedent to the obligation of the Secured Party and the Lender to make and maintain the Loan that a memorandum of the Security Agreement (the “Memorandum”) set forth herein is to be filed and recorded with the Surface Transportation Board and with the Registrar General of Canada.

1. Definitions. Except as otherwise defined in this Memorandum, terms defined in the Security Agreement or by reference therein are used herein as defined therein.

2. Security Interest. Subject to the terms, conditions, covenants and agreements set forth in the Security Agreement and pursuant to the Security Agreement, the Debtor assigned, mortgaged, pledged, hypothecated, transferred and set over to the Secured Party on behalf of the Lender and the Hedge Banks and granted to the Secured Party on behalf of the Lender and the Hedge Banks a first priority lien on and security interest in all of the Debtor’s right, title and interest in and to the Equipment and Equipment Leases (but only to the extent relating to the Equipment) including without limitation all railcars of Debtor and accessories used thereon, whether now owned or hereafter acquired, together with, but not limited to, the leases related thereto, more fully described on Schedule A hereto and to the Security Agreement, and all proceeds of each of the foregoing and all accessions to, substitutions and replacements for, and rents, profits and products of or in respect of any of the foregoing, and any and all proceeds of any insurance, indemnity, warranty or guaranty payable to Debtor from time to time with respect to the foregoing effective as of the date of the Security Agreement and all as further described and set forth in, and subject to the terms defined in, the Security Agreement, and agreed that such Equipment and Equipment Leases (but only to the extent relating to the Equipment) shall constitute Collateral subject to the grant of security by the Debtor set forth in Section 2.1 of the Security Agreement.

3. Counterparts. This Memorandum may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Memorandum by signing any such counterpart.

[signature page follows]

I certify that I hold the title set forth below, that this instrument was signed on behalf of ARL II FUNDING LLC by authority of its governing board of directors/managers and that I acknowledge that the execution of the foregoing instrument was the free act and deed of ARL II FUNDING LLC. I further declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

ARL II FUNDING LLC  
By: American Railcar Leasing LLC,  
its sole member

By: Steve Unger  
Name: Steve Unger  
Title: Chief Financial Officer and Treasurer

I certify that I hold the title set forth below, that this instrument was signed on behalf of BMO HARRIS EQUIPMENT FINANCE COMPANY by authority of its governing board of directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of BMO HARRIS EQUIPMENT FINANCE COMPANY. I further declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

BMO HARRIS EQUIPMENT FINANCE  
COMPANY

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

[Signature Page to Memorandum of Security Agreement - Chattel Mortgage]

I certify that I hold the title set forth below, that this instrument was signed on behalf of ARL II FUNDING LLC by authority of its governing board of directors/managers and that I acknowledge that the execution of the foregoing instrument was the free act and deed of ARL II FUNDING LLC. I further declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

ARL II FUNDING LLC  
By: American Railcar Leasing LLC,  
its sole member

By: \_\_\_\_\_  
Name: Steve Unger  
Title: Chief Financial Officer and Treasurer

I certify that I hold the title set forth below, that this instrument was signed on behalf of BMO HARRIS EQUIPMENT FINANCE COMPANY by authority of its governing board of directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of BMO HARRIS EQUIPMENT FINANCE COMPANY. I further declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

BMO HARRIS EQUIPMENT FINANCE  
COMPANY

By: Trish DiBernardo  
Name: Trish DiBernardo  
Title: Vice President

[Signature Page to Memorandum of Security Agreement - Chattel Mortgage]

SCHEDULE A

CAR MARK AND NUMBER						
EAGX286023	EAGX286024	EAGX286025	EAGX286026	EAGX286027	SHPX208506	SHPX208507
SHPX208508	SHPX208509	SHPX208658	SHPX208691	SHPX208880	SHPX208881	SHPX208882
SHPX208883	SHPX208884	SHPX208886	SHPX208887	SHPX208889	SHPX208892	SHPX208893
SHPX208894	SHPX208895	SHPX208897	SHPX208898	SHPX208899	SHPX208900	SHPX208901
SHPX208902	SHPX208903	SHPX208904	SHPX208905	SHPX208906	SHPX208907	SHPX208908
SHPX208910	SHPX208911	SHPX208912	SHPX208913	SHPX208914	SHPX209059	SHPX209114
SHPX209115	SHPX209116	SHPX209117	SHPX209118	SHPX209147	SHPX209148	SHPX209149
SHPX209150	SHPX209151	SHPX209152	SHPX209154	SHPX209160	SHPX209163	SHPX209165
SHPX209387	SHPX209394	SHPX209395	SHPX209400	SHPX209738	SHPX209739	SHPX209740
SHPX209741	SHPX209742	SHPX209743	SHPX209744	SHPX209745	SHPX209746	SHPX209747
SHPX209748	SHPX209749	SHPX209770	SHPX209771	SHPX209772	SHPX209773	SHPX209774
SHPX209775	SHPX209776	SHPX209777	SHPX209778	SHPX209779	SHPX209780	SHPX209781
SHPX209782	SHPX209783	SHPX209784	SHPX209785	SHPX209786	SHPX209787	SHPX209788
SHPX209789	SHPX209790	SHPX209791	SHPX209792	SHPX209793	SHPX209794	SHPX209795
SHPX209796	SHPX210267	SHPX210268	SHPX210269	SHPX210270	SHPX210271	SHPX210272
SHPX210273	SHPX210274	SHPX210275	SHPX210290	SHPX210291	SHPX210292	SHPX210294
SHPX210295	SHPX210296	SHPX210297	SHPX210298	SHPX210299	SHPX210300	SHPX210343
SHPX210344	SHPX210345	SHPX210346	SHPX210347	SHPX210348	SHPX210349	SHPX210350
SHPX210489	SHPX210490	SHPX210491	SHPX210492	SHPX210493	SHPX210494	SHPX210495
SHPX221912	SHPX221913	SHPX221916	SHPX221922	SHPX221925	SHPX221926	SHPX221927
SHPX221928	SHPX221929	SHPX221931	SHPX221932	SHPX221933	SHPX221934	SHPX221935
SHPX221936	SHPX221937	SHPX221942	SHPX221943	SHPX221945	SHPX221946	SHPX221947
SHPX221948	SHPX221949	SHPX221950	SHPX221951	SHPX221952	SHPX221953	SHPX221954
SHPX221955	SHPX221956	SHPX221957	SHPX221958	SHPX221959	SHPX221960	SHPX221961
SHPX221990	SHPX221991	SHPX221992	SHPX221993	SHPX221994	SHPX221995	SHPX221996
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SHPX432916	SHPX432917	SHPX432918	SHPX432919	SHPX432920	SHPX432921	SHPX432922
SHPX432923	SHPX432924	SHPX432925	SHPX432926	SHPX450498	SHPX450645	SHPX450646
SHPX450647	SHPX450648	SHPX450649	SHPX450650	SHPX450651	SHPX450652	SHPX450653
SHPX450654	SHPX450655	SHPX450656	SHPX450657	SHPX450795	SHPX450796	SHPX450797
SHPX450798	SHPX450799	SHPX450800	SHPX450801	SHPX450802	SHPX450803	SHPX450804
SHPX450805	SHPX450806	SHPX450807	SHPX450808	SHPX450809	SHPX450810	SHPX450811
SHPX450812	SHPX450813	SHPX450814	SHPX450815	SHPX450816	SHPX450817	SHPX450818
SHPX450819	SHPX450820	SHPX450821	SHPX450822	SHPX450823	SHPX450824	SHPX450825
SHPX450843	SHPX450844	SHPX450845	SHPX450846	SHPX450847	SHPX450848	SHPX450849
SHPX450850	SHPX450851	SHPX450852	SHPX450853	SHPX450854	SHPX450855	SHPX450856
SHPX454608	SHPX458931	SHPX458932	SHPX458933	SHPX458934	SHPX458935	SHPX458936
SHPX458937	SHPX458938	SHPX458939	SHPX458940	SHPX458941	SHPX458942	SHPX458943
SHPX458944	SHPX458945	SHPX458946	SHPX458947	SHPX458948	SHPX458949	SHPX458950
SHPX210276	SHPX210277	SHPX210279	SHPX432887	SHPX432888	SHPX432889	SHPX450633
SHPX450634	SHPX450765	SHPX450766	SHPX450767	SHPX450768	SHPX450769	SHPX450770
SHPX450771	SHPX450772	SHPX450773	SHPX450774	SHPX450832	SHPX450833	

**CERTIFICATION**

I, Claire E. Murphy, an attorney licensed to practice in the State of New York and the State of New Jersey, 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: October 30, 2015

  
\_\_\_\_\_  
Claire E. Murphy