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August 5, 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, dated as of July 31, 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: Fifth Third Bank
38 Fountain Square Plaza
Cincinnati, Ohio 45263

Debtor: Progressive Rail Incorporated
21778 Highview Avenue
Lakeville, MN 55044

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

1 piece of maintenance of way equipment: Knox Kershaw, Inc. KSF940-171 Regulator, s/n 940-171-15.

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

Memorandum of Security Agreement.

Section Chief
August 5, 2015
Page 2

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,



Edward M. Luria

EML/sem
Enclosures

MEMORANDUM OF SECURITY AGREEMENT

Dated as of July 31, 2015

between

FIFTH THIRD BANK,
as Secured Party

and

PROGRESSIVE RAIL INCORPORATED,
as Debtor

Filed with the Surface Transportation Board pursuant to
49 U.S.C. § 11301 on _____, 2015, at ____:____.M
Recordation Number _____

MEMORANDUM OF SECURITY AGREEMENT

THIS MEMORANDUM OF SECURITY AGREEMENT dated as of July 31, 2015 is made by and between FIFTH THIRD BANK, together with its successors and assigns ("Secured Party"), and PROGRESSIVE RAIL INCORPORATED, and its successors and permitted assigns ("Debtor").

WITNESSETH

1. Pursuant to a Master Loan and Security Agreement dated as of July 31, 2015 and Promissory Note No. 001 executed pursuant thereto dated as of July 31, 2015 (collectively, the "Security Agreement"), Debtor has pledged to Secured Party a first priority security interest in all of the rail equipment described in Exhibit A attached hereto (the "Rail Equipment").

2. The Security Agreement shall be effective as of the date first set forth hereinabove and Debtor's use of the Rail Equipment shall be subject to the terms and conditions as set forth in the Security Agreement.

3. This Memorandum of Security Agreement may be executed in duplicate originals and any number of counterparts and by different parties in separate counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

[Signature page follows]

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

Secured Party:

FIFTH THIRD BANK

By: 

Name: Robert Krefting, VP

Title: _____

STATE OF Ohio)
) ss.:
COUNTY OF Hamilton)

On this 4 day of August, 2015, before me the subscriber personally appeared Robert Krefting, VP, who being by me duly sworn, did depose and say: that (s)he is the VP of FIFTH THIRD BANK the Ohio banking corporation described in and which executed the foregoing instrument and that (s)he signed his/her name thereto by their own free act on behalf of said corporation.


NOTARY PUBLIC

My Commission Expires:



Ellen J. Ratney
Notary Public, State of Ohio
My Commission Expires 02-20-2019

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

Debtor:

PROGRESSIVE RAIL INCORPORATED

By: [Signature]

Name: Dave Fellon, President

Title: Dave Fellon

STATE OF Minnesota)
COUNTY OF Scott) ss.:

On this 3 day of August, 2015, before me the subscriber personally appeared Dave Fellon, who being by me duly sworn, did depose and say: that (s)he is the Owner/President of PROGRESSIVE RAIL INCORPORATED, the Minnesota corporation described in and which executed the foregoing instrument and that (s)he signed his/her name thereto by their own free act on behalf of said corporation.

[Signature]
NOTARY PUBLIC

My Commission Expires:
1-31-20



EXHIBIT A
TO MEMORANDUM OF SECURITY AGREEMENT
DATED AS OF JULY 31, 2015

Asset Description:
Knox Kershaw Inc. KSF940-171 Regulator with serial number 940-171-15

CERTIFICATION

I, Edward M. Luria, an attorney licensed to practice in the District of Columbia, the State of Delaware and the Commonwealth of Pennsylvania, 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: August 5, 2015

Edward M Luria

Edward M. Luria