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December 24, 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 12/2/14

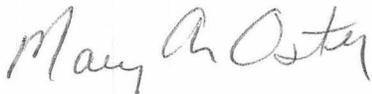
Secured Party: Wells Fargo Equipment Finance, Inc.
733 Marquette Avenue
Minneapolis, MN 55402

Debtor: Iowa Interstate Railroad, Ltd.
5900 6th Street SW
Cedar Rapids, IA 52404

Equipment: 3, GE ES44AC Locomotives
IAIS 514, 515, 516

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 Equipment Finance, Inc. | 733 Marquette Avenue, Suite 700 | MAC N9306-070 | Minneapolis, MN 55402

THIS MEMORANDUM OF SECURITY AGREEMENT (this "Memorandum") is made this 2nd day of December, by and between Iowa Interstate Railroad, Ltd., a Delaware Corporation ("Debtor"), and WELLS FARGO EQUIPMENT FINANCE, INC., a Minnesota Corporation ("Secured Party").

A. The Debtor is indebted to the Secured Party pursuant to that certain Promissory Note dated as of December 2, 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 2, 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) Three (3) GE ES44AC Locomotives with the following markings IAIS 514 SN 62486, IAIS 515 SN 62487, IAIS 516 SN 62488 (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 Locomotives 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 Locomotives (or any component thereof) or any other Person, by contract of otherwise, in respect of any defect in the Locomotives 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 EQUIPMENT FINANCE, INC.

By: Kathleen Hestelle

Title: VP

Iowa Interstate Railroad, Ltd.

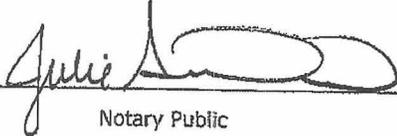
By: James P. [Signature]

Title: PRESIDENTIAL CEO

Locomotives
STATE OF Iowa
COUNTY OF Linn

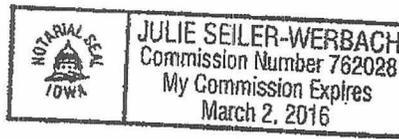
On this 19th day of Dec, 2014 before me, a Notary Public of the City and State aforesaid, personally appeared Jerome P. Lipka, to me personally known, who being by me duly sworn, says that he is the President & CEO of Iowa Interstate Railroad, the foregoing instrument was signed on behalf of said corporation 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.


Notary Public

My commission expires:

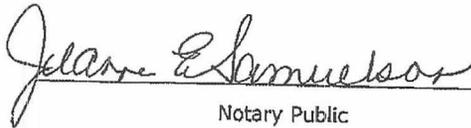
STATE OF Minnesota
COUNTY OF Minnesota



On this 23 day of December, 2014, before me a Notary Public of the City and State aforesaid, personally appeared Kathleen Hatells, to me personally known who being by me duly sworn, says that (he/she) is a Vice President of Wells Fargo Equipment Finance, Inc. 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)


Notary Public

My commission expires:

