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May 28, 2014

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

Re: SMBC Rail  
Assignment and Assumption

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 Assignment and Assumption Agreements, dated as of May 28, 2014, but effective as of October 30, 2013, among SMBC Rail Services LLC (f/k/a Flagship Rail Services, LLC) ("*Seller*"), SMRS SPV II Holdings LLC (f/k/a Flagship Rail SPV II Holdings, LLC) (the "*Pledgor*") and SMRS SPV II LLC (f/k/a Flagship Rail SPV II, LLC) (the "*Assignee*"), a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Security Agreement, dated as of October 30, 2013, among the Borrower, the Administrative Agent and the Collateral Agent which was recorded on October 30, 2013 at 4:20 P.M. under recordation number 30963.

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

Seller: SMBC Rail Services LLC  
(f/k/a Flagship Rail Services, LLC)  
300 South Riverside Plaza, Suite 1925  
Chicago, Illinois 60606

Chapman and Cutler LLP

Pledgor: SMRS SPV II Holdings LLC  
(f/k/a Flagship Rail SPV II Holdings, LLC)  
300 South Riverside Plaza, Suite 1925  
Chicago, Illinois 60606

Assignee: SMRS SPV II LLC  
(f/k/a Flagship Rail SPV II, LLC)  
300 South Riverside Plaza, Suite 1925  
Chicago, Illinois 60606

The equipment covered as of the date hereof by the aforesaid Assignment and Assumption Agreements consists of 100 railcars bearing the road numbers and reporting marks within the series SOXX 660000 through SOXX 660099, inclusive, all as specifically described in Exhibit A attached hereto.

A short summary of the document to appear in the index is: Assignment and Assumption Agreements.

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:

Edward M. Luria, Esq.  
Alvord and Alvord  
1050 Seventeenth Street, N.W.  
Suite 301  
Washington, D.C. 20036

If you have any questions or need further information, please do not hesitate to contact the undersigned at (312) 845-2991.

Very truly yours,

CHAPMAN AND CUTLER LLP

By Michael D. Robson  
Michael D. Robson

Enclosure

**MEMORANDUM OF ASSIGNMENT AND ASSUMPTION AGREEMENTS**

Memorandum of Assignment and Assumption Agreements, dated as of May 28, 2014, but effective as of October 30, 2013, by and among SMBC RAIL SERVICES LLC (F/K/A FLAGSHIP RAIL SERVICES, LLC), a Delaware limited liability company ("*Seller*"), SMRS SPV II HOLDINGS LLC (F/K/A FLAGSHIP RAIL SPV II HOLDINGS, LLC) a Delaware limited liability company ("*Pledgor*") and SMRS SPV II LLC (F/K/A FLAGSHIP RAIL SPV II, LLC), a Delaware limited liability company ("*Assignee*").

**WITNESSETH:**

1. The Seller and Pledgor have entered into that certain Assignment and Assumption Agreement dated as of May 28, 2014, but effective as of October 30, 2013 (as amended, amended, supplemented or modified, the "*Pledgor Assignment Agreement*") whereby the Pledgor assumed all of the Seller's right, title and interest in and to the leases described on Schedule I hereto (the "*Leases*") to the extent (but only to the extent) that such Leases relate to the railcars set forth on Schedule II hereto (the "*Railcars*") and all Related Assets (as defined therein) with respect thereto, any and all income and proceeds thereof and any and all obligations of the Seller thereunder arising on and after the date hereof.

2. The Pledgor and Assignee have entered into that certain Assignment and Assumption Agreement dated as of dated as of May 28, 2014, but effective as of October 30, 2013 (as amended, amended, supplemented or modified, the "*Assignee Assignment Agreement*"; together with the Pledgor Assignment Agreement, the "*Assignment and Assumption Agreements*") whereby the Assignee assumed all of the Pledgor's right, title and interest in and to the Leases to the extent (but only to the extent) that such Leases relate to the Railcars and all Related Assets with respect thereto, any and all income and proceeds thereof and any and all obligations of the Pledgor thereunder arising on and after the date hereof.

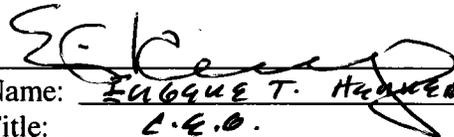
3. The undersigned acknowledge and agree that (i) this Memorandum of Assignment and Assumption Agreements is not a complete summary of the Assignment and Assumption Agreements nor a complete recitation of the terms and provisions thereof and (ii) in the event of a conflict between this Memorandum of Assignment and Assumption Agreements and the provisions of the Assignment and Assumption Agreements, the provisions of the Assignment and Assumption Agreements shall control.

4. This Memorandum of Assignment and Assumption Agreements is being recorded with the Surface Transportation Board pursuant to Section 11301 of Title 49 of the United States Code.

IN WITNESS WHEREOF, each of the parties hereto has caused this Memorandum of Assignment and Assumption Agreements to be duly executed in its name as of the date set forth below and effective as of the date first above written.

SELLER:

SMBC RAIL SERVICES LLC (F/K/A FLAGSHIP RAIL SERVICES, LLC)

By   
Name: EUGENE T. HANNEBERRY  
Title: C.E.O.

Executed on this 20<sup>th</sup> day of May, 2014.

PLEDGOR:

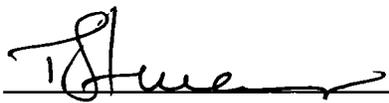
SMRS SPV II HOLDINGS LLC (F/K/A FLAGSHIP RAIL SPV II HOLDINGS, LLC)

By   
Name: EUGENE T. HANNEBERRY  
Title: C.E.O.

Executed on this 20<sup>th</sup> day of May, 2014.

ASSIGNEE:

SMRS SPV II LLC (F/K/A FLAGSHIP RAIL SPV II, LLC)

By   
Name: TIMOTHY D. STEUKAS  
Title: CHIEF RISK OFFICER

Executed on this 20<sup>th</sup> day of May, 2014.

STATE OF ILLINOIS )  
 ) SS:  
COUNTY OF COOK )

On this, the 20<sup>th</sup> day of May, 2014, before me, a Notary Public in and for said County and State, personally appeared EUGENE T. HENNEBERRY, who being by me duly sworn, says that (s)he is the C.C.O. of SMBC RAIL SERVICES LLC (F/K/A FLAGSHIP RAIL SERVICES, LLC), that said instrument was signed on May 20, 2014, on behalf of said limited liability company by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

  
Notary Public

My Commission Expires: 10/5/16



STATE OF ILLINOIS )  
 ) SS:  
COUNTY OF COOK )

On this, the 20<sup>th</sup> day of May, 2014, before me, a Notary Public in and for said County and State, personally appeared EUGENE T. HENNEBERRY, who being by me duly sworn, says that (s)he is the C.C.O. of SMRS SPV II HOLDINGS LLC (F/K/A FLAGSHIP RAIL SPV II HOLDINGS, LLC), that said instrument was signed on May 20, 2014, on behalf of said limited liability company by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

  
Notary Public

My Commission Expires: 10/5/16



STATE OF ILLINOIS            )  
  ) SS:  
COUNTY OF COOK            )

On this, the 20<sup>th</sup> day of May, 2014, before me, a Notary Public in and for said County and State, personally appeared TIMOTHY D. STEUER, who being by me duly sworn, says that (s)he is the CHIEF RISK OFFICER of SMRS SPV II LLC (F/K/A FLAGSHIP RAIL SPV II, LLC), that said instrument was signed on May 20, 2014, on behalf of said limited liability company by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said limited liability company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

  
Notary Public

My Commission Expires: 10/5/16



**SCHEDULE I TO ASSIGNMENT AND ASSUMPTION AGREEMENT**

**LEASE**

None

**SCHEDULE II TO ASSIGNMENT AND ASSUMPTION AGREEMENT**

**LIST OF RAILCARS**

EQUIPMENT	QUANTITY	REPORTING MARKS
66' Mill Gondola Cars	100	SOXX 660000 through SOXX 660099, inclusive

**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: May 29, 2014

*Edward M. Luria*

\_\_\_\_\_  
Edward M. Luria