

RECORDATION NO 29878-B FILED  
December 12, 2013 04:15 PM  
SURFACE TRANSPORTATION BOARD

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ROBERT W. ALVORD (2011)

December 12, 2013

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 Release and Termination, dated as of December 9, 2013, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the documents previously filed with the Board under Recordation Number 29878.

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

Secured Party:	Federal Railroad Administration 1200 New Jersey Avenue, SE Washington, DC 20590
Borrowers:	Permian Basin Railways, Inc. Central Car Repair, LLC Isla Largo, LLC San Luis & Rio Grande Railroad, Inc. Chicago Terminal Railroad Company High Iron Travel Company Mt. Hood Railway Company West Texas & Lubbock Railroad Company, Inc. Austin & Northwestern Railroad Company, Inc. Heritage Rail Leasing, LLC

Chief, Section of Administration  
December 12, 2013  
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Iowa Pacific Holdings, LLC  
118 South Clinton Street, Suite 400  
Chicago, IL 60661

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

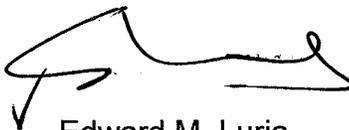
All rail equipment covered by the primary and secondary documents filed under Recordation Number 29878 are RELEASED.

Release and Termination.

Also enclosed is a check in the amount of \$44.00 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 'Edward M. Luria', with a checkmark at the end of the signature.

Edward M. Luria

EML/sem  
Enclosures

**RELEASE AND TERMINATION**

THIS RELEASE AND TERMINATION is dated as of December [9], 2013 (the "Release and Termination"), by and among Permian Basin Railways, Inc. ("Permian"), Central Car Repair, LLC, San Luis & Rio Grande Railroad, Inc., High Iron Travel Company, West Texas & Lubbock Railroad Company, Inc., Isla Largo, LLC, Chicago Terminal Railroad Company, Mt. Hood Railway Company, Austin & Northwestern Railroad Company, Inc., (together with Permian, the "Borrowers") and Heritage Rail Leasing, LLC ("Heritage") and Iowa Pacific Holdings, LLC ("IPH"), each with its principal address at 118 South Clinton Street, Suite 400, Chicago, Illinois 60661, and the United States of America, represented by the Administrator of the Federal Railroad Administration, (the "Lender"), whose address is 1200 New Jersey Ave., SE, Washington, D.C. 20590.

WHEREAS, Lender and Permian entered into that certain Security Agreement, dated as of September 22, 2009, as amended by (i) that certain Amendment No. 1 to the Security Agreement dated as of September 1, 2011 by and among Lender, Borrowers, and IPH and (ii) that certain Amendment No. 2 to the Security Agreement dated as of November 1, 2013 by and among Lender, Borrowers, IPH and Heritage (collectively the "Agreements"); and

WHEREAS, Lender, Borrowers and IPH have entered into (i) that certain Memorandum of Security Agreement, which was filed and recorded on August 31, 2011 at 5:00 p.m. with the Surface Transportation Board and has been assigned Recordation Number 29878 and (ii) that certain Memorandum of Amendment No. 2 to Security Agreement, which was filed and recorded on November 19, 2013 at 11:05 a.m. and has been assigned Recordation Number 29878-A (the "Memorandums"), which filings and recordings perfected the security interest in certain railroad equipment described on Exhibit A thereto (the "Units") that Borrowers granted to Lender; and

WHEREAS, the Lender, Borrowers, Heritage and IPH desire to execute this Release and Termination to evidence for the public record the satisfaction and release of all rights and obligations under the Agreements and Memorandums.

NOW, THEREFORE, in consideration of the premises, Lender, Borrowers, Heritage and IPH agree as follows:

1. All right, title and interest of Lender in and to the Collateral and Replacement Collateral (as those terms are defined in the Agreements) arising from and through the Agreements, including, but not limited to, any and all liens and security interests in the Units, are hereby terminated and released, and the Agreements and Memorandums are hereby terminated except for liabilities and obligations, contingent or otherwise, which by their terms or as a matter of law survive the termination of the Agreements.
2. Lender, Borrowers, IPH and Heritage each represent and warrant that this Release and Termination constitutes its legal and binding obligation. Lender has full authority to terminate and release all of its right, title and interest in and to the Agreements, the Memorandums, the Collateral, the Replacement Collateral and the Units.
3. This Release and Termination may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one release.

[Signature Page for Release and Termination.]

IN WITNESS WHEREOF, Lender, Borrowers, Heritage and IPH have caused this Release and Termination to be duly executed by its authorized officers as of the day and year first above written.

PERMIAN BASIN RAILWAYS, INC., an Illinois corporation

By: EDWIN E. ELLIS  
Its: PRESIDENT

SAN LUIS & RIO GRANDE RAILROAD, INC., a Delaware corporation

By: EDWIN E. ELLIS  
Its: PRESIDENT

ISLA LARGO, LLC., an Illinois limited liability company

By: Iowa Pacific Holdings, LLC  
Its: Manager

By: EDWIN E. ELLIS  
Its: PRESIDENT

CENTRAL CAR REPAIR, LLC, an Illinois limited liability company

By: Iowa Pacific Holdings, LLC

By: EDWIN E. ELLIS  
Its: PRESIDENT

WEST TEXAS & LUBBOCK RAILROAD COMPANY, INC., a Texas corporation

By: EDWIN E. ELLIS  
Its: PRESIDENT

HIGH IRON TRAVEL COMPANY, a Minnesota corporation

By: EDWIN E. ELLIS  
Its: PRESIDENT

AUSTIN & NORTHWESTERN RAILROAD COMPANY, INC., a Texas corporation

By: EDWIN E. ELLIS  
Its: PRESIDENT

CHICAGO TERMINAL RAILROAD COMPANY, an Illinois corporation

By: EDWIN E. ELLIS  
Its: PRESIDENT

MT. HOOD RAILWAY COMPANY, an Oregon corporation

By: EDWIN E. ELLIS  
Its: PRESIDENT

HERITAGE RAIL LEASING, LLC

By: Iowa Pacific Holdings, LLC  
Its: Member

By: EDWIN E. ELLIS  
Its: PRESIDENT

IOWA PACIFIC HOLDINGS, LLC, an Illinois limited liability company

By: EDWIN E. ELLIS  
Its: PRESIDENT

STATE OF ILLINOIS )  
 ) ss  
COUNTY OF COOK )

On this 7<sup>th</sup> day of December, 2013, before me, a Notary Public of the County and State aforesaid, personally appeared Edwina E. Ellis to me personally known, who being by me duly sworn, says that he is the President or Manager or Authorized Agent of Permian Basin Railways, Inc., Central Car Repair, LLC, San Luis & Rio Grande Railroad, Inc., High Iron Travel Company, West Texas & Lubbock Railroad Company, Inc., Isla Largo, LLC, Iowa Pacific Holdings, LLC, Chicago Terminal Railroad Company, Mt. Hood Railway Company, Austin & Northwestern Railroad Company, Inc., and Heritage Rail Leasing, Inc., that said instrument was signed on behalf of said companies by authority of their directors or managers, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said companies.

AS WITNESS my hand and notarial seal.



Mary K. Karnes  
Notary Public for State of Illinois  
My Commission expires 11/23/15



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: 12/12/13

Edward M Luria

Edward M. Luria