

RECORDATION NO. 27434 - <sup>A</sup> FILED

MAY 18 '08 - 8 30 AM

SURFACE TRANSPORTATION BOARD

OF COUNSEL  
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ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

May 16, 2008

Anne K. Quinlan, Esquire  
Acting Secretary  
Surface Transportation Board  
395 E Street, S.W.  
Washington, D.C. 20423-0001

Dear Ms. Quinlan:

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 May 15, 2008, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Equipment Lease Agreement previously filed with the Board under Recordation Number 27434.

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

Bank: Sumitomo Mitsui Banking Corporation  
277 Park Avenue  
New York, NY 10172

Borrower: Mitsui Rail Capital, LLC  
71 South Wacker Drive, Suite 1800  
Chicago, IL 60606

Anne K. Quinlan, Esquire  
May 16, 2008  
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A description of the railroad equipment covered by the enclosed document  
is:

100 railcars within the series MBKX 400000 - MBKX 400239 as more  
particularly set forth in the attachment to the document

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

Security Agreement Supplement.

Also enclosed is a check in the amount of \$35.00 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,



Robert W. Alvord

RWA/sem  
Enclosures

MAY 16 '08 -8 30 AM

## MEMORANDUM OF SECURITY AGREEMENT

SURFACE TRANSPORTATION BOARD

This Memorandum of Security Agreement is made and entered into as of May 15, 2008, by and between SUMITOMO MITSUI BANKING CORPORATION (hereinafter referred to as the "Bank") and MITSUI RAIL CAPITAL, LLC (hereinafter referred to as the "Borrower").

The Borrower has delivered to the Bank that certain Promissory Note dated May 15, 2008 (the "Note").

As a condition precedent to the Bank making advances under the Note having a due date more than sixty days after the date of the applicable advance, the Bank has required the Borrower to execute a Security Agreement with the Bank dated as of May 15, 2008 (the "Security Agreement") and to grant to the Bank a security interest in all of the following property in which the Borrower has or may acquire an interest (collectively, the "Collateral"):

(a) the railcars described on Schedule 1 hereto and made a part hereof, together with all parts of any Equipment (except for loading devices or any accessories provided by the lessee or other user of any Equipment or any other party other than Borrower; other than any such parts which are required by applicable law or are essential to the operation of the Cars) (the "Equipment");

(b) all of the rights, powers, privileges, remedies and other benefits of the Borrower in, to and under any and all contracts, agreements and instruments with the manufacturers or vendors of any of the Equipment, including, without limitation, the right to enforce warranties and to receive, to collect all payments in respect thereof, and to commence, conduct and consummate legal, administrative or other proceedings, as shall be permitted thereby or by law;

(c) all property insurance and requisition proceeds with respect to the Equipment or any part thereof; and

(d) all other proceeds of any of the foregoing Collateral.

As contemplated by the Security Agreement, the Bank and the Borrower hereby make this Memorandum of Security Agreement to confirm and perfect the Bank's security interest in the Collateral. The Bank and Borrower further acknowledge and confirm that this Memorandum of Security Agreement is not a summary of the Security Agreement nor a complete recitation of the terms and provisions thereof. Accordingly, the Bank and the Borrower agree that in the event of a conflict between this Memorandum of Security Agreement and the provisions of the Security Agreement, the provisions of the Security Agreement shall control.

**IN WITNESS WHEREOF**, each of the parties thereto, pursuant to due authority, has caused this Memorandum of Security Agreement to be duly executed in its name by its officers, thereunto duly authorized, all as of the date first above written.

**BANK:**

**SUMITOMO MITSUI BANKING  
CORPORATION**

By:   
Yasuhiro Shirai  
Senior Vice President

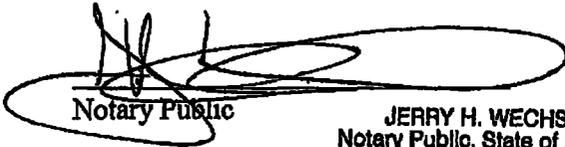
**BORROWER:**

**mitsui rail capital, llc**

By:   
Morihiro Aoki  
Vice President & Treasurer

STATE OF NEW YORK )  
 :SS  
COUNTY OF NEW YORK )

On this 15<sup>th</sup> day of May, 2008, before me personally appeared YASUHIRO SHIRAI, to me personally known, who being duly sworn, says that he is a SENIOR VICE PRESIDENT of SUMITOMO MITSUI BANKING CORPORATION, that said instrument was signed on behalf of said corporation by an officer duly authorized to sign said instrument, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



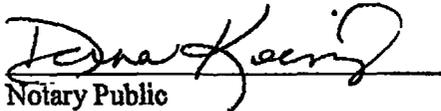
Notary Public

JERRY H. WECHSLER  
Notary Public, State of New York  
No. 01WE6046972  
Qualified In Kings County  
Commission Expires August 21, 20 10

[NOTARIAL SEAL]

STATE OF ILLINOIS )  
 :SS  
COUNTY OF COOK )

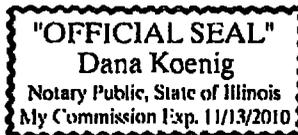
On this 15<sup>th</sup> day of MAY, 2008, before me personally appeared MORIHIRO AOKI, to me personally known, who being duly sworn, says that he is a VICE PRESIDENT AND TREASURER of MITSUI RAIL CAPITAL, LLC, a Delaware limited liability company, that said instrument was signed on behalf of said limited liability company by an officer duly authorized to sign said instrument, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said company.



Notary Public

[NOTARIAL SEAL]

My Commission Expires:



SCHEDULE 1

TO MEMORANDUM OF RAILCAR SECURITY AGREEMENT

**Railcars:**

**100-ton Rapid Discharge open top hoppers**

Car Count	Railcar Initial	Railcar Number	Car Count	Railcar Initial	Railcar Number	Car Count	Railcar Initial	Railcar Number
1	MBKX	400000	35	MBKX	400087	69	MBKX	400162
2	MBKX	400002	36	MBKX	400088	70	MBKX	400163
3	MBKX	400003	37	MBKX	400093	71	MBKX	400164
4	MBKX	400005	38	MBKX	400095	72	MBKX	400165
5	MBKX	400008	39	MBKX	400097	73	MBKX	400168
6	MBKX	400008	40	MBKX	400099	74	MBKX	400173
7	MBKX	400011	41	MBKX	400100	75	MBKX	400175
8	MBKX	400012	42	MBKX	400101	76	MBKX	400177
9	MBKX	400013	43	MBKX	400106	77	MBKX	400179
10	MBKX	400015	44	MBKX	400108	78	MBKX	400180
11	MBKX	400019	45	MBKX	400109	79	MBKX	400182
12	MBKX	400025	46	MBKX	400110	80	MBKX	400183
13	MBKX	400028	47	MBKX	400112	81	MBKX	400184
14	MBKX	400029	48	MBKX	400113	82	MBKX	400185
15	MBKX	400030	49	MBKX	400115	83	MBKX	400186
16	MBKX	400031	50	MBKX	400120	84	MBKX	400191
17	MBKX	400034	51	MBKX	400123	85	MBKX	400194
18	MBKX	400035	52	MBKX	400124	86	MBKX	400198
19	MBKX	400036	53	MBKX	400126	87	MBKX	400199
20	MBKX	400040	54	MBKX	400127	88	MBKX	400201
21	MBKX	400046	55	MBKX	400131	89	MBKX	400202
22	MBKX	400047	56	MBKX	400132	90	MBKX	400204
23	MBKX	400051	57	MBKX	400134	91	MBKX	400205
24	MBKX	400053	58	MBKX	400138	92	MBKX	400209
25	MBKX	400055	59	MBKX	400139	93	MBKX	400211
26	MBKX	400058	60	MBKX	400140	94	MBKX	400215
27	MBKX	400060	61	MBKX	400141	95	MBKX	400220
28	MBKX	400061	62	MBKX	400143	96	MBKX	400224
29	MBKX	400063	63	MBKX	400145	97	MBKX	400229
30	MBKX	400065	64	MBKX	400151	98	MBKX	400231
31	MBKX	400072	65	MBKX	400154	99	MBKX	400238
32	MBKX	400077	66	MBKX	400156	100	MBKX	400239
33	MBKX	400083	67	MBKX	400157			
34	MBKX	400086	68	MBKX	400158			

**CERTIFICATION**

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, 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: 5/16/08



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Robert W. Alvord