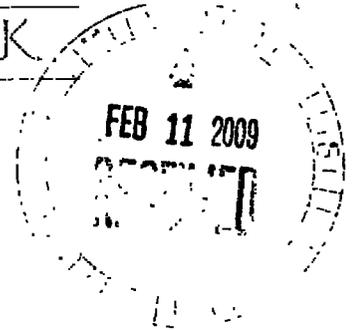


WCSB
WILCOX COUNTY STATE BANK

PO BOX 176
DORFERSVILLE
Rt 1, Box 176
DORFERSVILLE, GA 30535



January 20, 2009

RECORDATION NO 27814 FILED

Secretary of the STB
395 E Street, SW
Washington, DC 20423-0001

FEB 11 2009

4-41 PM

SURFACE TRANSPORTATION BOARD

To the Honorable Ann K. Quinlan:

Our bank recently financed the purchase of a locomotive for St. Marys Railway West, LLC. It is my understanding that we must file a notice with the STB in order to perfect our lien position. I have enclosed a copy of the promissory note and UCC in connection with this transaction. I have also enclosed the filing fee of \$41. Please record these documents in your records and return them to my attention. Please call or email me with any questions.

Thank You,

A handwritten signature in cursive script that reads "Shannon Vickers".

Shannon Vickers
Executive Vice President & CFO
Wilcox County State Bank
Email: shannonvickers@windstream.net

COMERCIAL PROMISSORY NOTE AND SECURITY AGREEMENT

ST MARYS RAILWAY WEST, LLC
PO BOX 605
OCILLA, GA 31774

Wilcox County State Bank
P O. Box 536
Rochelle, GA 31079-0536

Loan Number R19962
Date 01/09/2009
Maturity Date 01/09/2014
Loan Amount 150,253.00
Renewal Of

SURFACE TRANSPORTATION BOARD

FEB 11 '09

4:41 PM

RECORDED NO 27814 FILED

Debtor's Name and Address Secured Party's Name and Address
I, includes each Debtor above jointly and severally. You means the Secured Party its successors and assigns.

On or before the Maturity Date the undersigned promisor shall pay the principal amount together with interest and any other charges, including service charges, in the order of the Secured Party at the office at the address noted above or the holder. The undersigned further agrees to all terms and conditions below and on page two of this Note and Security Agreement. Words, numbers or phrases preceded by a box are applicable only if the box is marked.

PRINCIPAL AMOUNT One Hundred Fifty Thousand Two Hundred Fifty Three and 00/100 Dollars \$ 150,253.00
PAYMENT SCHEDULE [X] I agree to pay this note in 60 payment(s). The first payment is due 02/09/2009 in amount of 2,909.88

Payments will be due on the 9th day of each month the date of the maturity of 2,909.88. The final payment of the balance due (including interest and principal) will be due January 9, 2014.

Payment Amount [X] INCLUDES INTEREST or [] PLUS INTEREST
[] INTEREST DUE
[] PRINCIPAL DUE

PURPOSE OF LOAN PURCHASE LOCOMOTIVE
[] POST MATURITY INTEREST Interest will accrue at the rate of 16.00 % per year on the balance of this note not paid at maturity including maturity by acceleration.
This loan is subject to [] Fixed Interest Rate of % per annum [X] Variable Interest Rate which is [] % more [] % less than or [X] equal to the following interest rate WALL STREET JOURNAL PRIME RATE

Table with 5 columns: Initial Interest Rate, Variable Interest Index Rate, Interest Rate Minimum, Interest Rate Maximum, Interest Rates will Change. Values: 6.000, 3.250, 6.000, 9.000, AS INDEX RATE CHANGES.

Interest will be calculated [] on a 365 day basis [X] on a 360 day basis on the unpaid principal balance for the actual days outstanding.
LATE CHARGE I am not a member of 10 days late in making a payment, in addition to my payment I will pay a late charge of \$ N/A or 5.00 % whenever I am [] less or [] greater.

DEFAULT RATE Should note be in default the interest rate shall be [X] 16.00 % per annum [] % in excess of the Index.

PAY ON DEMAND [] Payment is due upon DEMAND [] Payment is due upon DEMAND but in any event no later than maturity date.

LINE OF CREDIT TERMS AND CONDITIONS
[] DRAW LINE OF CREDIT This is a closed-end non-revolving draw note. The Debtor at the sole discretion of the Secured Party may receive a single advance or incremental multiple advances up to the maximum aggregate amount of principal one time only up to the final maturity date and subject to all other conditions.
[] Single Advance I have received the entire principal sum indicated above. No additional advances are contemplated under this note.
[] Multiple Advance The principal sum indicated above is the maximum aggregate amount of principal I can borrow under this note one time only. As of today I have received the amount of \$ are additional principal advances are contemplated.

[] OPEN END LINE OF CREDIT This is a revolving line of credit. The Debtor may borrow, repay and reborrow funds on a continuing basis up to the maximum aggregate amount outstanding at any one time equal to the principal sum indicated above up to the final maturity date of this line of credit and subject to the sole discretion of the Secured Party. However, Secured Party shall be under no obligation to make any additional advances. This option is subject to all other conditions and we agree to include the following conditions:
[] Conditions The conditions apply for additional advances are

[] LINE OF CREDIT TERMS AND CONDITIONS The Secured Party shall be under no obligation to make advances under the Line of Credit. All advances made by the Secured Party all payments made on the account of principal and interest and the agreed payment schedule and maturity date for each advance made shall be according to the Secured Party on a schedule attached to or otherwise maintained by Secured Party which is a part of the Master Note and which endorsement with the Secured Party's records and system of logging shall be conclusive evidence of the advances, payments or agreed repayment schedule and maturity date(s) as the case may be and shall be binding on the Debtor. It is being understood however that Secured Party's failure to make any such endorsement or any other failure on the Secured Party's part in making such an endorsement shall not affect the undersigned's obligation hereunder.

ADDITIONAL NOTE PROVISIONS

This Note is secured by the SECURITY AGREEMENT on and or page two and subsequent pages of the terms of the note which are incorporated by reference.

SECURITY INTEREST I give you a security interest in all of the Property described below that I own and have full control over in which I transfer an interest now or in the future whenever the property is sold or conveyed and proceeds are products of the Property. Proceeds include all gains, advances, repairs, repairs, improvements and accessories to the Property, any claims, documents, title or ownership and all obligations that support the payment or performance of the Property. Proceeds include anything acquired upon the lease or license exchange sale or other disposition of the Property, any claims and rights arising from the Property, and any collections and distributions on account of the Property.
[] Collateral securing other loans with you also secure this loan.

- DESCRIPTION OF COLLATERAL The collateral secured by this Agreement is described below to which all applicable boxes have been marked: whether the Debtor now owns or may hereafter acquire, create and may include but shall not be limited to any items listed on any attached schedule attached.
[] Accounts and Other Rights to Payment All rights of payment whether or not earned by performance including but not limited to payment for property or services assigned, leased, licensed, rented or sold and health care receivables. This includes any interests and any rights which I have by law or agreement against any current or former debtor or obligor.
[] Deposit Accounts All deposit accounts including but not limited to demand, passbook, savings, time and similar accounts. [] Control document agreement.
[] Documents All documents of title including but not limited to bills of lading, check, receipts and warrants and warehouse receipts.
[] Equipment All equipment including but not limited to farm equipment and machinery, tools, vehicles, machinery, manufacturing equipment, shop equipment, vehicles, office and record keeping equipment, parts and tools. The Property includes any equipment described in a list of schedule I give you but such a list is not intended to create a valid security interest in all of my equipment.

SPECIFIC DESCRIPTION OF COLLATERAL Collateral includes crops and vines, provide the usual designation of the real estate concerned. Use [] Security Agreement Anticipation of non-payment is needed. PURCHASE MONEY SECURITY INTEREST IN ONE (1) USED 1953 SW 1400, 1200 HP RAILROAD LOCOMOTIVE. LOCOMOTIVE MARK SMM NUMBER 1401

[X] If checked loan proceeds are being used to purchase the collateral, the security interest in the purchase money nature and you may include the name of the seller to check for credit to the loan.
This loan will be used to: [] Personal [X] Business [] Agricultural Purpose.
I agree to all terms and conditions of this note and security agreement including those on page two of this form and acknowledge receipt of a fully completed copy signed as set out below by me on this date January 9 2009. ST MARYS RAILWAY WEST, LLC 14-1908442

Signature of Debtor: HUGH W ROBERTS MEMBER
Signature of Secured Party: CLAUDIUS R STRICKLAND MEMBER
NAME:
X Date:

UCC FINANCING STATEMENT

FOLLOW INSTRUCTIONS (front and back) CAREFULLY

A NAME & PHONE OF CONTACT OF FILER (optional)	
LOAN DEPT WENDY PATTERSON	229-365-2285
B SEND ACKNOWLEDGEMENT TO (Name and Address)	
LOAN DEPT PATSY HAWKINS Wilcox County State Bank P.O. Box 536 Rochelle, GA 31079-0536	



01/26/2009 09:30AM
UCC Control #: 1562009000043

Wanda F Hawkins, Wilcox County Clerk of Court

1 DEBTOR'S EXACT FULL LEGAL NAME - Insert only one debtor (1a or 1b) - do not abbreviate or combine names

OR				
1a ORGANIZATION NAME ST. MARYS RAILWAY WEST, LLC				
1b INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
1c MAILING ADDRESS PO BOX 605		CITY OCILLA	STATE GA	POSTAL CODE 31774
1d TAX ID# SSN OR EIN 14-1908442	ADD'L INFO RE- ORGANIZATION DEBTOR	1e TYPE OF ORGANIZATION LLC	1f JURISDICTION OF ORGANIZATION GA	1g ORGANIZATIONAL ID# if any <input checked="" type="checkbox"/> NONE

2 ADDITIONAL DEBTOR'S EXACT FULL LEGAL NAME - Insert only one debtor (2a or 2b) - do not abbreviate or combine names

OR				
2a ORGANIZATION NAME				
2b INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
2c MAILING ADDRESS		CITY	STATE	POSTAL CODE
2d TAX ID# SSN OR EIN	ADD'L INFO RE- ORGANIZATION DEBTOR	2e TYPE OF ORGANIZATION	2f JURISDICTION OF ORGANIZATION	2g ORGANIZATIONAL ID# if any <input type="checkbox"/> NONE

3 SECURED PARTY'S NAME (or NAME OF TOTAL ASSIGNEE of ASSIGNOR S/P) - Insert only one secured party name (3a or 3b)

OR				
3a ORGANIZATION NAME Wilcox County State Bank				
3b INDIVIDUAL'S LAST NAME		FIRST NAME	MIDDLE NAME	SUFFIX
3c MAILING ADDRESS P.O. Box 536		CITY Rochelle	STATE GA	POSTAL CODE 31079-0536

4 This FINANCING STATEMENT covers the following collateral

PURCHASE MONEY SECURITY INTEREST IN ONE (1) 1953 SW 1400, 1200 HP RAILROAD LOCOMOTIVE
LOCOMOTIVE MARK: SMW
NUMBER: 1402

5 ALTERNATIVE DESIGNATION (if applicable) <input type="checkbox"/> LESSEE/LESSOR <input type="checkbox"/> CONSIGNEE/CONSIGNOR <input type="checkbox"/> BAILEE/BALOR <input type="checkbox"/> SELLER/BUYER <input type="checkbox"/> AGENT <input type="checkbox"/> NON-JCC FILING				
6 <input type="checkbox"/> This FINANCING STATEMENT is to be filed (for record) (or recorded) in the REAL ESTATE RECORDS Attach Addendum (if applicable)		7 Check to REQUEST SEARCH REPORT(S) on Debtor(s) [ADDITIONAL FEE] (optional) <input type="checkbox"/> All Debtors <input type="checkbox"/> Debtor 1 <input type="checkbox"/> Debtor 2		
8 OPTIONAL FILER REFERENCE DATA				

Acknowledgement Copy

NATIONAL JCC FINANCING STATEMENT (FORM UCC1) (REV 7/29/98)

Purchase /
Sale
Agreement

FAX

St Marys Railway West, LLC.
P. O. Box 66
Wareboro, Ga. 31564

Ph#: 912-285-3855
Fax#: 912-285-3857

Date: 12/31/2008

To:	Shirley Meeks, Roberts, Ashley, Sumner
FAX:	229-468-7018
RE:	Purchase and Sale Agreement Engine 1401

Shirley;

Please get this info to Hugh.

Thanks,
Dorsey Thigpen
SMW

FAX

St Marys Railway West, L.L.C.
P. O. Box 66
Wareboro, Ga. 31564

Ph#: 912-285-3855
Fax#: 912-285-3857

Date: 12/31/2008

To: Shirley Meeks, Roberts, Ashley, Sumner	
FAX: 229-468-7018	RE: Purchase and Sale Agreement Engine 1401

Shirley;

Please get this info to Hugh.

Thanks,
Dorsey Thigpen
SMW

Page 1 of 13

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (the "Agreement") is made as of this 24th day of November, 2008, by and between **Progress Rail Services Corporation** (the "Seller") and **St. Mary's Railway West, LLC** (the "Buyer"). Seller is the owner of certain railroad rolling stock, which Buyer desires to purchase and Seller desires to sell.

Now, therefore, for and in consideration of the premises and the mutual representations, warranties, and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Seller hereby agree as follows:

1. PURCHASE AND SALE OF ASSETS

1.1 The Transaction. At the Closing (as hereinafter defined), subject to the terms and conditions hereof, Seller shall sell, transfer, and deliver to Buyer, and Buyer shall purchase and accept from Seller, all right, title and interest of Seller, both legal and equitable, in, to or arising from the Equipment (as hereinafter defined); the transactions described above collectively are referred to as the "Transaction".

1.2 Equipment. The "Equipment" is one locomotive identified on Schedule 1 hereto and incorporated herein by this reference ("Locomotive"). The Equipment shall not include any Locomotive which on or prior to the Closing Date (as hereinafter defined) has been destroyed, damaged beyond economic repair, lost, stolen or requisitioned by governmental authority (hereinafter "Casualty Locomotive") and any Casualty Locomotive shall be deemed deleted from this Agreement.

2. PURCHASE PRICE; PAYMENT; PURCHASE PRICE ADJUSTMENTS

2.1 Purchase Price. The purchase price to be paid by Buyer for the Locomotive shall be an amount in immediately available United States funds equal to One Hundred Fifty Thousand Dollars (\$150,000.00), subject to reduction with respect to any Casualty Locomotive in accordance with the provisions of Section 1.2 hereof (the "Purchase Price").

2.2 Taxes. All federal, state and local sales, use, stamp, transfer, documentary or other similar taxes, fees, or duties arising out of the Transaction ("the Taxes") shall be the responsibility of Buyer.

3. THE CLOSING AND TRANSFER OF LOCOMOTIVE

3.1 Closing.

The "Closing" for the Transaction is defined as the time when the conditions precedent to closing, the exchange of relevant documents, and the payment of the Purchase Price have all been completed. The date on which the Closing actually occurs shall be defined as the "Closing Date", and shall be at the office of Seller and may occur by fax and overnight courier,



as the parties hereto shall agree, on a date agreed to by Buyer and Seller, which in any case shall be on or before November 28, 2008. In the event the Transaction does not close on or before November 28, 2008, this Agreement shall remain in full force and effect unless the Seller provides notice of termination to the Buyer, in which event this Agreement shall become null and void.

3.2 Conditions Precedent to Closing by Buyer. The obligation of Buyer to consummate the Transaction is subject to the satisfaction of all of the following conditions precedent, in each case to the satisfaction of Buyer:

- (a) **This Agreement.** Seller shall have executed and delivered this Agreement to Buyer.
- (b) **Absence of Default.** On the Closing Date, no default or event with which notice or the passage of time or both would become a default on the part of Seller, shall exist under this Agreement, any certificate, document, instrument or agreement delivered hereunder or in connection herewith.

3.3 Conditions Precedent to Closing by Seller. The obligation of Seller to consummate the Transaction is subject to the satisfaction of all of the following conditions precedent, in each case to the satisfaction of Seller:

- (a) **This Agreement.** Buyer shall have executed and delivered this Agreement to Seller.
- (b) **Purchase Price.** Seller shall have received the Purchase Price by wire transfer to the following:

Bank Name:	Wachovia Bank
Address:	Addison, TX
ABA#:	111 025 013
Account #:	200063 803 8772
Account Name:	Progress Rail Services Corporation

or such other account or payee as Seller may designate in writing at least 24 hours prior to Closing.

3.4 Transfer of Title. Transfer of title will occur on the Closing Date at the location the Locomotive is then to be found.

3.5 Waiver. Each party hereto may waive in writing any of the conditions precedent specified for such party above; provided, however, that such waiver shall not be deemed to constitute the relinquishment by such party of any claim against the other party hereto subsequent to the Closing for the breach of any representation, warranty or covenant except with respect to which and to the extent such waiver is expressly given.

2

4. ALLOCATION OF REVENUES AND EXPENSES

All revenues and expenses derived from or attributable to the Locomotive for any period prior to the Closing Date shall be for the account of Seller, and all revenues and expenses derived from or attributable to the Locomotive on and after the Closing Date shall be for the account of Buyer. The parties agree to make the appropriate payment to each other to the extent that any revenue has been received or any expense has been paid by one party that is the right or obligation of the other.

5. REPRESENTATIONS AND WARRANTIES OF SELLER AND BUYER

5.1 **Seller Representations.** Seller hereby represents, warrants and declares to and in favor of Buyer that as of the date hereof:

- (a) Seller holds title to the Locomotive free and clear of all indentures, deeds of trusts, mortgages, security interests, liens, claims, demands, encumbrances, privileges, pledges or other permitted charges of every nature and kind whatsoever created or permitted to exist by Seller;
- (b) Seller is the lawful owner of the Locomotive and has all necessary rights and good title to sell the same to Buyer;
- (c) Upon Closing, Seller shall have conveyed to Buyer and Buyer shall hold, good and marketable title to the Locomotive, free and clear of all liens created or permitted to exist by Seller;
- (d) Seller is duly organized and validly existing in the state of its incorporation, has all power and authority necessary to consummate the Transaction, and the person executing this Agreement for the Seller has all rights and authority necessary to sign this Agreement and has been authorized by the Seller to do so; and
- (e) This Agreement and all certificates, documents, instruments and agreements delivered hereunder or in connection herewith, constitute legal, valid and binding obligations of the Seller, enforceable in accordance with the provisions hereof and thereof, except as the enforcement thereof may be limited by bankruptcy or other laws, judicial decisions or principles of equity relating to or affecting the enforcement of creditors' rights.

5.2 **Buyer Representations.** The Buyer hereby represents, warrants and declares to and in favor of the Seller that:

- (a) Buyer is duly organized and validly existing in the state of its organization, has all power and authority necessary to consummate the Transaction, and the person executing this Agreement for the Buyer has all rights and authority necessary to sign this Agreement and has been authorized by the Buyer to do so;



- (b) This Agreement and all certificates, documents, instruments and agreements delivered by Buyer hereunder or in connection herewith, constitute legal, valid and binding obligations of Buyer, enforceable in accordance with the provisions hereof and thereof, except as the enforcement thereof may be limited by bankruptcy or other laws, judicial decisions or principles of equity relating to or affecting the enforcement of creditors' rights; and
- (c) Buyer has, previously to entering into this Transaction, inspected the Locomotive, which inspection was sufficient to determine any and all other criteria determined to be appropriate by the Buyer. Buyer therefore expressly acknowledges the state of repair and maintenance of said Locomotive for which it agrees that Seller shall not be liable for any hidden or latent defect that may appear at any time in the future in any of the Locomotive.

6. CONDITION OF LOCOMOTIVE

6.1 GENERAL DISCLAIMER OF WARRANTY. THE LOCOMOTIVE IS TRANSFERRED "AS IS", "WHERE IS", "WITH ALL FAULTS". EXCEPT FOR THE REPRESENTATION AND WARRANTIES CONTAINED IN SECTION 5.1 ABOVE, SELLER DOES NOT MAKE AND SHALL NOT BE DEEMED TO HAVE MADE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, NOW OR HEREAFTER AS TO THE VALUE, CONDITION, DESIGN, OPERATION, MERCHANTABILITY, FITNESS FOR USE OR FOR A PARTICULAR PURPOSE, MAINTENANCE OR MARKETABILITY OF THE LOCOMOTIVE OR THE QUALITY OF THE MATERIAL OR WORKMANSHIP IN, OR THE ABSENCE OF ANY DEFECT IN, THE LOCOMOTIVE, OR ANY WARRANTIES ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE.

7. INDEMNITY OF BUYER

Buyer shall defend, indemnify and hold Seller harmless from and against any and all costs, claims, liabilities, loss and causes of action, including but not limited to attorney's and paralegal fees (collectively, the "Seller's Claims") arising from events occurring on the Closing Date or at any time thereafter, with respect to the condition, repair, leasing, sale, operation, utility, use, cleaning, destruction, scrapping, ownership or management of the Locomotive, including without limitation any liability arising from the transportation, storage or release from the Locomotive of any substance. Upon payment of such indemnity, Buyer shall be subrogated to Seller's rights against any third parties respecting such Seller's Claims, and Seller shall cooperate with Buyer, at Buyer's expense, in all reasonable respects to enable Buyer to obtain the benefits of such subrogation. Buyer's obligations under this Section 7 shall survive any sale or other transfer of the Locomotive to any other party.



8. FURTHER ASSURANCES AND ACTIONS

8.1 Acts. Seller shall make, do and execute or cause to be made, done and executed, in any case at Buyer's expense, all such further reasonable acts, deeds and assurances as Buyer or Buyer's counsel may, at any time or from time to time, deem requisite for more effectively conveying the Locomotive to Buyer as aforesaid and according to the intent and meaning of this Agreement.

8.2 Execution of Documents. Without limiting the generality of the foregoing, Seller shall execute all documents with respect to the Locomotive as may be reasonably required and as provided by Buyer, necessary to transfer the UMLER records with respect to the Locomotive to Buyer, it being understood that the execution of any such document or certificate shall not be deemed to constitute any warranty or representation with respect to the Locomotive.

9. RUNNING MARK

The Buyer shall be responsible for the cost and expense of removing the current running mark RMPX from the Locomotive, re-stenciling the Locomotive with new running mark provided by Buyer, and applying re-programmed AEI tags to the Locomotive, where located and prior to any movement of the Locomotive. Buyer shall not acquire any interest in the running mark currently found on Locomotive. Buyer shall defend, indemnify and hold Seller harmless from any and all Seller's Claims arising from or related to Buyer's failure to remove the RMPX mark from the Locomotive or any use by Buyer of such mark.

10. DELIVERY

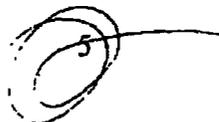
At Closing, the Locomotive shall be deemed delivered and title to the Locomotive shall be deemed to pass to the Buyer at the location the Locomotive is then to be found. Buyer shall be responsible for any and all costs to transport the Locomotive from such location. The Locomotive is currently located on the St. Mary's Railway West, LLC yard, Waresboro, Georgia.

11. BILL OF SALE

Upon receipt by Seller of the Purchase Price as provided herein, Seller will issue Buyer a Bill of Sale substantially in the form of Exhibit A attached hereto evidencing the purchase and sale of the Locomotive.

12. BROKER'S COMMISSIONS

Each party hereto represents and warrants that it has not entered into any agreement with any broker, finder or other person or entity relating to the arranging of the sale of the Locomotive and that no commission is due and payable by Seller or Buyer (as the case may be) with respect to the Transactions contemplated herein. Each party agrees to indemnify and hold the other party harmless from and against any claims for commissions arising out of the acts of such party and for expenses (including reasonable attorney's and paralegal fees) and



costs relating to such claims as a result of a breach of the representation contained in this Section.

13. SURVIVAL

The covenants, representations, warranties, and indemnities herein contained shall be deemed remade as of the Closing with respect to the Locomotive and the Transaction and shall survive such Closing.

14. SUCCESSORS AND ASSIGNS

This Agreement shall inure to the benefit of and be binding upon, and be enforceable by the parties hereto, and their respective successors, administrators and permitted assigns.

15. SEVERABILITY

Any term, condition or provision of this Agreement which is, or is deemed to be, void, prohibited, or unenforceable in any jurisdiction is, as to such jurisdiction, severable herefrom, and is ineffective to the extent of such avoidance, prohibition and unenforceability without in any way invalidating the remaining terms, conditions and provisions hereof. Any such avoidance, prohibition and unenforceability in any jurisdiction does not invalidate or render unenforceable such term, condition or provision in any other jurisdiction.

16. HEADINGS

The article, section and paragraph headings contained in this Agreement are for reference purposes only, and shall not affect in any way the meaning or interpretation of this Agreement.

17. WAIVERS

This Agreement shall not be waived, altered, modified, amended, supplemented or terminated in any manner whatsoever except by written instrument signed by Buyer and by Seller, and such alteration, modification, amendment, supplement or termination shall only be effective in the specific instance and for the specific purpose given.

18. GOVERNING LAW

THIS AGREEMENT SHALL BE DEEMED TO HAVE BEEN MADE IN THE STATE OF ALABAMA, SHALL BE CONSTRUED IN ACCORDANCE WITH, AND THE RIGHTS AND LIABILITIES OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, THE INTERNAL LAWS OF SUCH STATE WITHOUT REFERENCE TO CONFLICT OF LAWS, AND THIS AGREEMENT SHALL BE DEEMED IN ALL RESPECTS TO BE A CONTRACT OF SUCH STATE. SELLER AND BUYER HEREBY CONSENT TO THE JURISDICTION OF THE FEDERAL COURTS SITUATED IN SUCH STATE, EXPRESSLY WAIVING TO ANY OTHER JURISDICTION THAT MAY CORRESPOND TO THEM BY REASON OF THEIR PRESENT OR THEIR FUTURE DOMICILE OR ANY OTHER REASON.



19. NOTICES

All notices, claims, requests and other communications under this Agreement shall be in writing and shall be deemed received three business days after being mailed by Federal Express. The addresses for notice, unless changed by notice in accordance herewith, are as follows:

If to Seller:

Progress Rail Services Corporation
1600 Progress Drive
P.O. Box 1037
Albertville, AL 35950
Attn: Bob Grace

If to Buyer:

St. Mary's Railway West, LLC
4310B Albany Avenue
P.O. Box 66
Waresboro, GA 31564
Attention: Pete Strickland

20. ENTIRE AGREEMENT

This Agreement, the Schedules and Exhibits hereto (collectively, "Agreement Documents") contain the entire agreement and understanding among the parties hereto with respect to the subject matter contained herein and supersedes all prior agreements, understanding and representations, oral or written. No modification, addition, limitation, or release of any of the terms or conditions contained herein shall be made except by a written agreement to that effect and signed by both Buyer and Seller, expressly referencing this Agreement. If there are any additions, deletions, differences, variations, or conflicts among the terms and conditions of the Agreement Documents and the terms and conditions described in any Sales Order, Purchase Order, or similar document (collectively, "Additional Documents") issued by either party in connection with this transaction, the Additional Documents shall be deemed to be null and void and the terms and conditions of the Agreement Documents shall control. This Agreement is solely for the benefit of the Seller and Buyer and their successors and permitted assigns, and no term, condition or provision of this Agreement shall be deemed to create or confer upon any other person any remedy, claim, liability, obligation, cause of action or other right whatsoever.

21. COUNTERPARTS

This Agreement may be executed in any number of counterparts, but all of such counterparts together shall constitute one and the same agreement.



22. ASSIGNMENT.

Neither party may assign any of its rights or obligations hereunder without the prior written consent of the other party.

IN WITNESS WHEREOF, Seller and Buyer have executed this Agreement as of the day and year first hereinabove set forth.

SELLER:

PROGRESS RAIL SERVICES CORPORATION

By: Bob Grace

Printed Name: Bob Grace

Title: Senior Vice President

BUYER:

ST. MARY'S RAILWAY WEST, LLC

By: Claudio A. S. ...

Printed Name: Claudio A. S. ...

Title: Managing Partner

8

SCHEDULE 1

for Purchase and Sale Agreement
List of Equipment

Description: One (1) Used 1953 SW 1400, 1200 HP Railroad Locomotive

Purchase Price: \$150,000.00 USD

Reporting Mark & Number:

(Buyer is not acquiring any interest in the reporting mark currently found on Locomotive and such reporting mark shall be changed prior to use of Locomotive by Buyer)

<u>Locomotive Mark</u>	<u>Number</u>
RMPX	1401

new
Smw 1402



EXHIBIT A

Form of Bill Of Sale

IN CONSIDERATION of the receipt of the sum of One Dollars (\$1.00), in hand paid, and for other good and valuable consideration, PROGRESS RAIL SERVICES CORPORATION, an Alabama corporation, with an address at 1600 Progress Drive, P.O. Box 1037, Albertville, AL 35950 ("Seller"), does hereby sell, assign, transfer and convey absolutely to ST. MARY'S RAILWAY WEST, LLC, with an address at 4310B Albany Avenue, P.O. Box 66, Waresboro, GA 31564 ("Buyer"), all right, title, and interest in and to the railway rolling stock more specifically described on Schedule 1 attached hereto and made a part hereof (the "Locomotive"), and all appurtenant rights relating thereto. Seller is the lawful owner of the Locomotive and title to the Locomotive is transferred to Buyer free and clear of all liens, claims, demands, encumbrances, privileges, pledges or other charges of any nature and kind whatsoever created or permitted to exist by Seller. The Locomotive is sold pursuant to the terms of a Purchase and Sale Agreement between Buyer and Seller dated November ____, 2008 (the "Agreement"). Reference is made to the Agreement for all terms and conditions regarding the sale of the Locomotive.

THE LOCOMOTIVE IS TRANSFERRED "AS IS", "WHERE IS", "WITH ALL FAULTS". SELLER DOES NOT MAKE AND SHALL NOT BE DEEMED TO HAVE MADE ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, NOW OR HEREAFTER AS TO THE VALUE, CONDITION, DESIGN, OPERATION, MERCHANTABILITY, FITNESS FOR USE OR FOR A PARTICULAR PURPOSE, MAINTENANCE OR MARKETABILITY OF ANY LOCOMOTIVE OR THE QUALITY OF THE MATERIAL OR WORKMANSHIP IN, OR THE ABSENCE OF ANY DEFECT IN, ANY LOCOMOTIVE, OR ANY WARRANTIES ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USE OF TRADE.

Provide however, Seller warrants that it is the lawful owner of the Locomotive and has full right and authority to sell the Locomotive to Buyer, and it is hereby transmitting to Buyer legal, good and marketable title to the aforesaid Locomotive, free from any security interest, tax, lien, claim or encumbrance created by, through or under Seller.

Dated as of this ____ day of _____, 2008.

PROGRESS RAIL SERVICES CORPORATION

By: _____

Printed Name: _____

Title: _____

CORPORATE SEAL

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SCHEDULE 1

Locomotive

One (1) Used 1953 SW 1400, 1200 HP Railroad Locomotive

(Buyer is not acquiring any interest in the reporting mark currently found on Locomotive and such reporting mark shall be changed prior to use of Locomotive by Buyer)

<u>Locomotive Mark</u>	<u>Number</u>
RMPX	1401

- Smw 1402 -

Meshell Parrish

From: Doug Creech
Sent: Monday, November 24, 2008 10:09 AM
To: Meshell Parrish
Cc: John H. Murray
Subject: RE: Locomotive Purchase and Sale Agreement Draft (RMPX 1401)

Meshell

John Murray reports customer has no issue with draft agreement and has requested we forward him final agreement for signature. Let me know when you send and when we receive payment.

From: Meshell Parrish
Sent: Monday, November 10, 2008 10:31 AM
To: No1pete@aol.com; dorsey.thigpen@smwrail.com
Cc: Bob Grace; Doug Creech; John H. Murray
Subject: Locomotive Purchase and Sale Agreement Draft (RMPX 1401)

Good morning sir,

Attached is a proposed draft of a Locomotive Purchase And Sale Agreement between Progress Rail Services Corporation and St Mary's Railway West, LLC regarding Locomotive RMPX 1401 that is currently located at St. Mary's Railway West in Waresboro, GA.

Please review the attached draft Agreement and, if acceptable to you, we will prepare two (2) original copies for execution after your acceptance.

We appreciate your assistance with this Agreement and the opportunity to transact business with you.

*Thank you,
Meshell*

Please Note New Contact Numbers