

RECORDATION NO. 25305 FILED

NOV 23 '04

3-07 PM

SURFACE TRANSPORTATION BOARD

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

November 22, 2004

Mr. Vernon A. Williams  
Secretary Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

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 November 22, 2004, a primary document as defined in the Board's Rules for the Recordation of Documents.

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

Debtor: Smith Railroad Company, Inc.  
2001 Kenilworth Avenue  
Capital Heights, MD 20743

Secured Party: United Bank  
Two Bethesda Metro Center  
Suite 1500  
Bethesda, MD 20814

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

32 railcars SRXX 4152 through SRXX 4184, inclusive (formerly within the series SEMX 84200 – SEMX 84297 and SEMX 84905).

Mr. Vernon A. Williams  
November 22, 2004  
Page Two

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

Memorandum of Security Agreement

Also enclosed is a check in the amount of \$32.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/anm  
Enclosures

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SURFACE TRANSPORTATION BOARD

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**MEMORANDUM OF SECURITY AGREEMENT**

dated as of November 22<sup>nd</sup>, 2004,

by and among

**SMITH RAILROAD COMPANY, INC.**  
as Debtor

and

**UNITED BANK**  
as Secured Party

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FILED WITH THE SURFACE TRANSPORTATION BOARD  
PURSUANT TO 49 U.S.C. § 11301  
on November \_\_, 2004, at \_\_: \_\_.m.

## MEMORANDUM OF SECURITY AGREEMENT

THIS MEMORANDUM OF SECURITY AGREEMENT is made and entered into as of November 22<sup>nd</sup> 2004, by and among UNITED BANK, its successors and assigns ("Secured Party"), and SMITH RAILROAD COMPANY, INC., its successors and assigns ("Borrower"), with reference to the following:

1. Secured Party has agreed to make a loan to Borrower, and Borrower has agreed to give Secured Party a security interest in those certain rail cars described on Schedule A attached hereto.

All of such rail cars are more fully described in that certain Loan and Security Agreement dated July 8, 2004, as amended by that certain Second Amendment to Loan and Security Agreement of even date herewith (together with all of the riders, schedules, other attachments, amendments or modifications thereto, collectively, the "Security Agreement"), by and between Secured Party and Borrower.

2. The Second Amendment to the Loan and Security Agreement shall be effective as of the date hereof and shall be subject to the term specified in the Security Agreement.

This Memorandum of Security Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Memorandum of Security Agreement.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Security Agreement to be duly executed as of the date first above written.

UNITED BANK

By:   
Name: Joseph C. LaMase  
Title: Executive Vice President

SMITH RAILROAD COMPANY, INC.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



IN WITNESS WHEREOF, the parties have caused this Amendment to be duly executed under seal on the day and year first above written.

ATTEST/WITNESS:

SMITH RAILROAD COMPANY, INC.

O. Louis Alwell

By:  (SEAL)

Its: \_\_\_\_\_

UNITED BANK

\_\_\_\_\_

By: \_\_\_\_\_ (SEAL)

Its: \_\_\_\_\_

STATE OF \_\_\_\_\_ :

ss:

COUNTY OF \_\_\_\_\_ :

I HEREBY CERTIFY THAT on this \_\_\_\_ day of November, 2004, before the undersigned, a Notary Public of the State and County aforesaid, personally appeared \_\_\_\_\_ who acknowledged himself/herself to be the \_\_\_\_\_ of United Bank, and that he/she, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

[Seal]

\_\_\_\_\_  
Notary Public

My Commission Expires:

STATE OF Maryland :

ss:

COUNTY OF Pine-George :

I HEREBY CERTIFY THAT on this 19 day of November, 2004, before the undersigned, a Notary Public of the State and County aforesaid, personally appeared R. Paul Smith, who acknowledged himself/herself to be the President of Smith Railroad Company, Inc., and that he/she, as such officer, being authorized so to do, executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

[Seal]

Jean Renee Miller  
Notary Public

My Commission Expires:

JEAN RENEE' MILLER  
NOTARY PUBLIC STATE OF MARYLAND  
My Commission Expires November 20, 2006

SCHEDULE A  
TO MEMORANDUM OF SECURITY AGREEMENT

**DESCRIPTION OF RAILCARS AND REPORTING MARKS**

DESCRIPTION	CAR MARK	CAR NOS.
Ortner 100 ton Railcars	SRXX	4152 through 4184, inclusive
Also known as	SEMXX	84200, 84208-10, 84212-16, 84218, 84221, 84223-24, 84227, 84230, 84233, 84245, 84248, 84256, 84259, 84262, 84265, 84267, 84269-71, 84273, 84275, 84285, 84290, 84291, 84297, 84905

**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: \_\_\_\_\_

11/23/04



\_\_\_\_\_  
Robert W. Alvord