

Vernon A. Williams, Secretary
Surface Transportation Board
October 19, 2005
Page 2



(c) A description of the equipment covered by the document follows:

One (1) 1950 built Budd Dome passenger railcar with reporting mark and number HALX 507.

A recording fee of \$33.00 is being remitted. Please return the originals to:

Richard J. Schroeder
Davis Wright Tremaine LLP
2600 Century Square
1501 - 4th Avenue
Seattle WA 98101-1688

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

Primary Document: Memorandum of Security Agreement dated October 14, 2005, between Western Motor Coaches, Inc., as Creditor/Secured Party, and Loco Lease II, as Debtor, covering one (1) 1950 built Budd Dome passenger railcar with reporting mark and number HALX 507.

Very truly yours,

Davis Wright Tremaine LLP

A handwritten signature in black ink, appearing to read 'Richard J. Schroeder', with a long horizontal flourish extending to the right.

Richard J. Schroeder

RJS:mtk
Enclosures

RECORDATION NO. 25918 FILED

OCT 19 '05

5-27 PM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF SECURITY AGREEMENT

Dated as of October 14, 2005

between

LOCO LEASE II
Debtor

and

WESTOURS MOTOR COACHES, INC
Creditor

Filed with the Surface Transportation Board pursuant to
49 U.S.C. § 11301 on October __, 2005, at ____:____.M
Recordation Number _____

MEMORANDUM OF SECURITY AGREEMENT

THIS MEMORANDUM OF SECURITY AGREEMENT dated as of October 19, 2005 is made by and between LOCO LEASE II, a Colorado general partnership ("Debtor"), and WESTOURS MOTOR COACHES, INC., an Alaska corporation ("Creditor").

WITNESSETH

1 Pursuant to a Security Agreement of even date (the "Security Agreement"), Debtor has pledged to Creditor one (1) Budd Full Dome passenger railcar bearing the railroad reporting mark and number set forth on Exhibit A attached hereto

2 The Security Agreement shall be effective as of the date first set forth hereinabove and shall be subject to the term of the Promissory Note referred to in the Security Agreement.

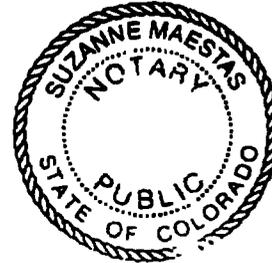
3 This Memorandum of Security Agreement may be executed in counterparts, and all such counterparts shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective officers as of the date and year first above written.

Debtor:

LOCO LEASE II

By: [Signature]
Name: Mark Greksa
Title: Managing Partner



Creditor:

WESTOURS MOTOR COACHES, INC.

By: [Signature]
Name: ~~Stein Kruse~~ Larry D. Calkins
Title: ~~President and CEO~~ V.P. Finance/CFO

STATE OF COLORADO)
) ss
COUNTY OF Clear Creek)

On this 14 day of October, 2005, before me personally appeared Mark Greksa, to me personally known, who being by me duly sworn, says that he is the managing partner of LOCO LEASE II, a Colorado general partnership, that the said instrument was signed on behalf of said corporation, by authority of its Board of Directors, and he acknowledges that the execution of the forgoing instrument was the free act and deed of said corporation.

Sanne Maestas
NOTARY PUBLIC

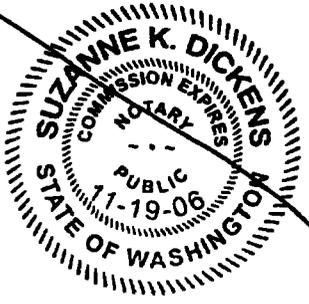
My Commission Expires: 1/31/06

STATE OF WASHINGTON)
) ss
COUNTY OF KING)

On this 17 day of October, 2005, before me personally appeared Stein Kruse, to me personally know, who being by me duly sworn, says, that he is the President and CEO of WESTOURS MOTOR COACHES, INC, an Alaska corporation, that the said instrument was signed on behalf of said corporation by authority of its Board of Directors, and that he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation

Suzanne K. Dickens
NOTARY PUBLIC

My Commission Expires:
11-19-06



STATE OF WASHINGTON)
) ss.
COUNTY OF KING)

On this 17 day of October, 2005, before me personally appeared Larry D. Calkins, to me personally know, who being by me duly sworn, says; that he is the Vice President, Finance and CFO of WESTOURS MOTOR COACHES, INC., an Alaska corporation, that the said instrument was signed on behalf of said corporation by authority of its Board of Directors, and that he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation.

Suzanne K. Dickens
NOTARY PUBLIC

My Commission Expires: 11-19-06

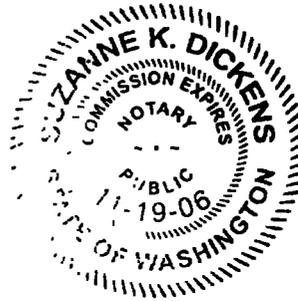


EXHIBIT "A"

Reporting Mark
Road No.

HALX
507