

JUN 04 '07 -10 00 AM

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
1050 SEVENTEENTH STREET, N.W.  
SUITE 301

SURFACE TRANSPORTATION BOARD

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

WASHINGTON, D.C.

20036

OF COUNSEL  
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June 4, 2007

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 Lease and Security Agreement, dated as of May 22, 2007, 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:

Lessor: Regions Equipment Finance Corporation  
1900 Fifth Avenue North, 12<sup>th</sup> Floor  
Birmingham, AL 35203

Lessee: Pan American Railway Company  
14019 SW Freeway, Suite 301  
Sugar Land, TX 77478

Mr. Vernon A. Williams  
June 4, 2007  
Page 2

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

175 railcars within the following series: CITX 13729 – CITX 14370; CITX 73557 – CITX 75467; DCTX 13747 – DCTX 76157; NCTX 17358 – NCTX 24424; PLEX 1501 – PLEX 1528, PLMX 702 – PLMX 722; and PLMX 13866 – PLMX 75480 as more particularly set forth in the equipment schedule attached to the document.

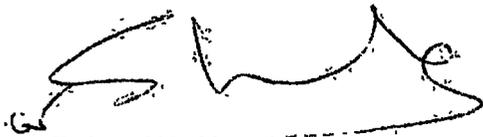
A short summary of the document to appear in the index is:

Memorandum of Lease and Security Agreement.

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,

A handwritten signature in black ink, appearing to read 'Robert W. Alvord', with a large, stylized flourish at the end.

Robert W. Alvord

RWA/sem  
Enclosures

JUN 04 '07 -10 00 AM

MEMORANDUM OF LEASE AND SECURITY AGREEMENT

SURFACE TRANSPORTATION BOARD

1. Pursuant to Schedule No. 2, dated May 22, 2007, to that certain Master Equipment Lease Agreement, dated January 10, 2007 between "Regions Equipment Finance Corporation", as Lessor, and "Pan American Railway Co.", as Lessee (such Schedule, as it incorporates the terms of the Master Equipment Lease Agreement is hereinafter referred to as the "Lease"), Lessor has leased to Lessee the railroad cars identified on Exhibit A attached hereto and made part hereof (the "Railcars") pursuant to a leased intended as security pursuant to which Lessee grants to Lessor a security interest in all of the Railcars to secure Lessee's obligations to Lessor.

2. The addressees of the parties are as follows:

Lessor: "Regions Equipment Finance Corporation  
1900 Fifth Avenue North, 12th Floor  
Birmingham, Alabama 35203

Lessee: Pan American Railway Co.  
14019 SW Freeway, Suite 301  
Sugar Land, TX 77478  
Attention: \_\_\_\_\_

3. The terms and provisions of the Lease, including the commencement date and termination date, are more particularly set forth in the Lease Agreement.

4. This Memorandum of Lease and Security Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same document, which may be evidenced by any such signed counterpart.

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

"REGIONS EQUIPMENT FINANCE CORPORATION"

By *Scott McClain*

Name: Scott McClain

Title: Senior Vice President

"PAN AMERICAN RAILWAY CO.."

By \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF Alabama  
COUNTY OF Jefferson ) ss:

On this 31st day of May, 2007, before me personally appeared Scott McClain, to me personally known, who, being by me duly sworn, says that he/she is Service President of "Regions Equipment Finance Corporation", and that he/she executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the corporation.

Linda B. Pryel  
NOTARY PUBLIC

My commission expires:

NOTARY PUBLIC STATE OF ALABAMA AT LARGE  
MY COMMISSION EXPIRES: Oct 12, 2008  
BONDED THRU NOTARY PUBLIC UNDERWRITERS

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_ ) ss:

On this \_\_\_\_\_ day of \_\_\_\_\_, 2007, before me personally appeared \_\_\_\_\_, to me personally known, who, being by me duly sworn, says that he/she is a \_\_\_\_\_ of "Pan American Railway Co.," and that he/she executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the corporation.

\_\_\_\_\_  
NOTARY PUBLIC

My commission expires:

{00008927;2 1031780.000067}



"PAN AMERICAN RAILWAY CO.."

By [Signature]

Name: Gerardo Saavedra

Title: Vice President

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) ss:

On this \_\_\_\_\_ day of \_\_\_\_\_, 2007, before me personally appeared \_\_\_\_\_, to me personally known, who, being by me duly sworn, says that he/she is \_\_\_\_\_ of "Regions Bank", and that he/she executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the corporation.

\_\_\_\_\_  
NOTARY PUBLIC

My commission expires:

STATE OF Mexico City )  
COUNTY OF \_\_\_\_\_ ) ss:

On this 29 day of May, 2007, before me personally appeared Gerardo Saavedra, to me personally known, who, being by me duly sworn, says that he/she is a vice president of "Pan American Railway Co.," and that he/she executed the foregoing instrument on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the corporation.

\_\_\_\_\_  
NOTARY PUBLIC



My commission expires:

{00008927:2 1031780.000067}



NOTARIA 184  
LIC. MARIO GARCÍADIEGO G. C.

MÉXICO, DISTRITO FEDERAL, MÉXICO, **MARIO GARCÍADIEGO GONZALEZ COS,** Notario, titular de la notaría número ciento ochenta y cuatro del Distrito Federal,

C E R T I F I C O: Que el presente documento fue firmado ante mí y ratificado su contenido por el señor Licenciado **GERARDO SAAVEDRA KURI,** a quien doy fe de conocer y de su capacidad legal, quien además manifestó conocer y hablar el idioma inglés, razón por la cual conoce el contenido del documento que ratifica todo lo cual consta en el acta número TREINTA MIL DOSCIENTOS SESENTA Y CUATRO, levantada por mí, con esta fecha. - - - - -

México, Distrito Federal a veintinueve de mayo de dos mil siete.- DOY FE . - - - - -



EXHIBIT A TO MEMORANDUM OF LEASE  
Description of Railcars

This is Exhibit A to the Memorandum of Lease between "Regions Equipment Finance Corporation" and "Pan American Railway Co."

Count	Car Mark	Car Number	Old Car Mark (if Different)	Old Car Number (if Different)	AAR Code	DOT Code	Build Date	Price
1	NCTX	20755			T105	111A100W1	8/1/75	\$7,000.00
2	NCTX	20854			T105	111A60W1	11/1/74	\$7,000.00
3	NCTX	20706			T105	111A100W1	8/1/74	\$7,000.00
4	NCTX	20713			T105	111A100W1	8/1/74	\$7,000.00
5	NCTX	20714			T105	111A100W1	8/1/74	\$7,000.00
6	NCTX	20718			T105	111A100W1	8/1/74	\$7,000.00
7	NCTX	20757			T105	111A100W1	8/1/75	\$7,000.00
8	NCTX	20801			T105	111A60W1	5/1/74	\$7,000.00
9	NCTX	20824			T105	111A100W1	5/1/74	\$7,000.00
10	NCTX	20833			T105	111A60W1	5/1/74	\$7,000.00
11	NCTX	20851			T105	111A60W1	11/1/74	\$7,000.00
12	NCTX	20861			T105	111A60W1	1/1/74	\$7,000.00
13	NCTX	20866			T105	111A60W1	11/1/74	\$7,000.00
14	NCTX	22562			T105	111A60W1	8/1/72	\$7,000.00
15	NCTX	22571			T105	111A60W1	8/1/72	\$7,000.00
16	NCTX	23025			T105	111A60W1	4/1/73	\$7,000.00
17	PLMX	75462			T105	111A100W1	11/1/74	\$7,000.00
18	NCTX	20768			T105	111A100W1	8/1/75	\$7,000.00
19	NCTX	20770			T105	111A100W1	8/1/75	\$7,000.00
20	NCTX	20845			T105	111A60W1	5/1/74	\$7,000.00
21	NCTX	20850			T105	111A60W1	11/1/74	\$7,000.00
22	NCTX	24180			T105	111A100W1	3/1/74	\$7,000.00
23	CITX	75091			T105	111A100W1	1/1/73	\$7,000.00
24	NCTX	20761			T105	111A100W1	8/1/75	\$7,000.00
25	NCTX	20779			T105	111A100W1	8/1/75	\$7,000.00
26	NCTX	20815			T105	111A60W1	5/1/74	\$7,000.00
27	NCTX	20828			T105	111A60W1	5/1/74	\$7,000.00
28	NCTX	20857			T105	111A60W1	11/1/74	\$7,000.00

29	NCTX	20867	T105	111A60W1	2/1/74	\$7,000.00
30	NCTX	24190	T105	111A100W1	3/1/74	\$11,000.00
31	NCTX	24191	T105	111A100W1	4/1/74	\$11,000.00
32	NCTX	24192	T105	111A100W1	4/1/74	\$11,000.00
33	NCTX	23083	T105	111A100W1	10/1/73	\$11,000.00
34	NCTX	24183	T105	111A100W1	3/1/74	\$11,000.00
35	DCTX	71951	T105	111A100W1	12/1/73	\$11,000.00
36	DCTX	73449	T105	111A100W1	9/1/74	\$11,000.00
37	DCTX	73450	T105	111A100W1	9/1/74	\$11,000.00
38	NCTX	24184	T105	111A100W1	3/1/74	\$11,000.00
39	DCTX	71794	T105	111A100W1	7/1/73	\$11,000.00
40	CITX	75130	T105	111A100W1	3/1/73	\$11,000.00
41	CITX	75437	T105	111A100W1	10/1/74	\$11,000.00
42	CITX	75467	T105	111A100W1	11/1/74	\$11,000.00
43	PLMX	75480	T105	111A100W1	12/1/74	\$11,000.00
44	NCTX	20731	T105	111A100W1	5/1/74	\$11,000.00
45	NCTX	20785	T105	111A100W1	11/1/74	\$11,000.00
46	NCTX	20790	T105	111A100W1	11/1/74	\$11,000.00
47	NCTX	20795	T105	111A100W1	11/1/74	\$11,000.00
48	NCTX	20796	T105	111A100W1	12/1/74	\$11,000.00
49	NCTX	23069	T105	111A100W1	9/1/73	\$11,000.00
50	NCTX	23070	T105	111A100W1	9/1/73	\$11,000.00
51	NCTX	23079	T105	111A100W1	10/1/73	\$11,000.00
52	NCTX	23081	T105	111A100W1	10/1/73	\$11,000.00
53	NCTX	20732	T105	111A100W1	5/1/74	\$11,000.00
54	NCTX	23084	T105	111A100W1	10/1/73	\$11,000.00
55	DCTX	71795	T105	111A100W1	7/1/73	\$11,000.00
56	NCTX	20726	T105	111A100W1	5/1/74	\$11,000.00
57	NCTX	23072	T105	111A100W1	10/1/73	\$11,000.00
58	DCTX	23435	T105	111A100W1	6/1/69	\$11,000.00
59	DCTX	71702	T105	111A100W1	4/1/73	\$11,000.00
60	NCTX	20789	T105	111A100W1	11/1/74	\$11,000.00
61	NCTX	20791	T105	111A100W1	11/1/74	\$11,000.00
62	NCTX	20798	T105	111A100W1	12/1/74	\$11,000.00
63	NCTX	20799	T105	111A100W1	12/1/74	\$11,000.00
64	NCTX	23067	T105	111A100W1	10/1/73	\$11,000.00
65	NCTX	24185	T105	111A100W1	3/1/74	\$11,000.00
66	NCTX	24186	T105	111A100W1	3/1/74	\$11,000.00
67	NCTX	24193	T105	111A100W1	4/1/74	\$11,000.00
68	NCTX	24197	T105	111A100W1	4/1/74	\$11,000.00

CITX

69	CITX	73557	T105	111A100W1	12/1/75	\$11,000.00
70	NCTX	20730	T105	111A100W1	5/1/74	\$11,000.00
71	NCTX	20705	T105	111A100W1	8/1/74	\$7,000.00
72	NCTX	20721	T105	111A100W1	8/1/74	\$7,000.00
73	NCTX	20745	T105	111A100W1	8/1/75	\$7,000.00
74	NCTX	20805	T105	111A60W1	5/1/74	\$7,000.00
75	NCTX	20817	T105	111A60W1	5/1/74	\$7,000.00
76	NCTX	20818	T105	111A60W1	5/1/74	\$7,000.00
77	NCTX	20858	T105	111A60W1	11/1/74	\$7,000.00
78	NCTX	22566	T105	111A60W1	8/1/72	\$7,000.00
79	NCTX	23027	T105	111A60W1	4/1/73	\$7,000.00
80	DCTX	72840	T105	111A100W3	1/1/81	\$13,000.00
81	DCTX	72841	T105	111A100W3	1/1/81	\$13,000.00
82	DCTX	72845	T105	111A100W3	1/1/81	\$13,000.00
83	DCTX	72867	T105	111A100W3	2/1/81	\$13,000.00
84	DCTX	72868	T105	111A100W3	2/1/81	\$13,000.00
85	DCTX	72870	T105	111A100W3	2/1/81	\$13,000.00
86	DCTX	72872	T105	111A100W3	2/1/81	\$13,000.00
87	DCTX	72874	T105	111A100W3	2/1/81	\$13,000.00
88	PLMX	25518	T106	111A100W3	5/1/71	\$12,000.00
89	DCTX	76157	T106	111A100W3	5/1/73	\$16,000.00
90	NCTX	24424	T106	111A100W3	11/1/73	\$14,000.00
91	CITX	13751	T104	111A100W3	2/1/74	\$14,000.00
92	CITX	14327	T104	111A100W3	1/1/81	\$14,000.00
93	CITX	14336	T104	111A100W3	1/1/81	\$14,000.00
94	DCTX	14353	T104	111A100W3	4/1/81	\$14,000.00
95	CITX	13733	T104	111A100W3	1/1/74	\$14,000.00
96	CITX	13750	T104	111A100W3	2/1/74	\$14,000.00
97	CITX	13756	T104	111A100W3	2/1/74	\$14,000.00
98	CITX	14306	T104	111A100W3	1/1/81	\$14,000.00
99	CITX	14307	T104	111A100W3	1/1/81	\$14,000.00
100	CITX	14311	T104	111A100W3	1/1/81	\$14,000.00
101	CITX	14314	T104	111A100W3	1/1/81	\$14,000.00
102	CITX	14316	T104	111A100W3	1/1/81	\$14,000.00
103	CITX	14318	T104	111A100W3	1/1/81	\$14,000.00
104	CITX	14323	T104	111A100W3	1/1/81	\$14,000.00
105	CITX	14324	T104	111A100W3	1/1/81	\$14,000.00
106	CITX	14329	T104	111A100W3	1/1/81	\$14,000.00
107	CITX	14331	T104	111A100W3	1/1/81	\$14,000.00
108	CITX	14333	T104	111A100W3	1/1/81	\$14,000.00

109	CITX	14342	T104	111A100W3	2/1/81	\$14,000.00
110	CITX	14347	T104	111A100W3	3/1/81	\$14,000.00
111	CITX	14349	T104	111A100W3	3/1/81	\$14,000.00
112	CITX	14357	T104	111A100W3	5/1/81	\$14,000.00
113	NCTX	17358	T104	111A100W3	8/1/75	\$14,000.00
114	CITX	13729	T104	111A100W3	12/1/73	\$14,000.00
115	CITX	13735	T104	111A100W3	1/1/74	\$14,000.00
116	DCTX	13747	T104	111A100W3	1/1/74	\$14,000.00
117	CITX	13758	T104	111A100W3	1/1/74	\$14,000.00
118	CITX	13826	T104	111A100W3	2/1/74	\$14,000.00
119	CITX	13828	T104	111A100W3	6/1/74	\$14,000.00
120	CITX	13829	T104	111A100W3	7/1/74	\$14,000.00
121	CITX	13830	T104	111A100W3	7/1/74	\$14,000.00
122	CITX	13836	T104	111A100W3	7/1/74	\$14,000.00
123	CITX	13839	T104	111A100W3	8/1/74	\$14,000.00
124	DCTX	13850	T104	111A100W3	8/1/74	\$14,000.00
125	DCTX	13852	T104	111A100W3	8/1/74	\$14,000.00
126	DCTX	13855	T104	111A100W3	8/1/74	\$14,000.00
127	PLMX	13866	T104	111A100W3	9/1/74	\$14,000.00
128	CITX	13868	T104	111A100W3	9/1/74	\$14,000.00
129	PLMX	13869	T104	111A100W3	9/1/74	\$14,000.00
130	CITX	13873	T104	111A100W3	9/1/74	\$14,000.00
131	PLMX	13875	T104	111A100W3	9/1/74	\$14,000.00
132	CITX	13877	T104	111A100W3	10/1/74	\$14,000.00
133	CITX	13882	T104	111A100W3	10/1/74	\$14,000.00
134	PLMX	13883	T104	111A100W3	10/1/74	\$14,000.00
135	CITX	13890	T104	111A100W3	10/1/74	\$14,000.00
136	PLMX	13919	T104	111A100W3	11/1/74	\$14,000.00
137	DCTX	14253	T104	111A100W3	11/1/74	\$14,000.00
138	DCTX	14303	T104	111A100W3	1/1/76	\$14,000.00
139	CITX	14305	T104	111A100W3	1/1/81	\$14,000.00
140	CITX	14315	T104	111A100W3	1/1/81	\$14,000.00
141	CITX	14319	T104	111A100W3	1/1/81	\$14,000.00
142	CITX	14321	T104	111A100W3	1/1/81	\$14,000.00
143	CITX	14326	T104	111A100W3	1/1/81	\$14,000.00
144	CITX	14340	T104	111A100W3	1/1/81	\$14,000.00
145	PLMX	14344	T104	111A100W3	5/1/81	\$14,000.00
146	CITX	14345	T104	111A100W3	2/1/81	\$14,000.00
147	CITX	14346	T104	111A100W3	3/1/81	\$14,000.00
148	CITX	14352	T104	111A100W3	4/1/81	\$14,000.00

CITX

CITX

149	PLMX	14356	CITX	T104	111A100W3	4/1/81	\$14,000.00
150	CITX	14359	CITX	T104	111A100W3	7/1/81	\$14,000.00
151	CITX	14360	CITX	T104	111A100W3	10/1/81	\$14,000.00
152	CITX	14364	CITX	T104	111A100W3	10/1/81	\$14,000.00
153	CITX	14370	CITX	T104	111A100W3	10/1/81	\$14,000.00
154	DCTX	16397	CITX	T104	111A100W3	1/1/73	\$10,000.00
155	PLMX	721	CITX	T054	111A100W2	1/1/80	\$11,000.00
156	PLMX	722	CITX	T054	111A100W2	1/1/80	\$11,000.00
157	PLMX	713	CITX	T054	111A100W2	3/1/75	\$7,000.00
158	PLEX	1504	CITX	T054	111A100W2	1/1/80	\$11,000.00
159	NCTX	20229	CITX	T054	111A100W2	1/1/75	\$7,000.00
160	NCTX	20230	CITX	T054	111A100W2	1/1/75	\$7,000.00
161	PLMX	702	CITX	T054	111A100W2	1/1/75	\$7,000.00
162	PLMX	710	CITX	T054	111A100W2	2/1/73	\$7,000.00
163	PLEX	1501	CITX	T054	111A100W2	3/1/75	\$7,000.00
164	PLEX	1502	CITX	T054	111A100W2	11/1/80	\$11,000.00
165	PLEX	1503	CITX	T054	111A100W2	10/1/80	\$11,000.00
166	PLEX	1507	CITX	T054	111A100W2	12/1/80	\$11,000.00
167	PLEX	1510	CITX	T054	111A100W2	11/1/80	\$11,000.00
168	PLEX	1511	CITX	T054	111A100W2	12/1/80	\$11,000.00
169	PLEX	1515	CITX	T054	111A100W2	11/1/80	\$11,000.00
170	PLEX	1516	CITX	T054	111A100W2	11/1/80	\$11,000.00
171	PLEX	1520	CITX	T054	111A100W2	11/1/80	\$11,000.00
172	PLEX	1523	CITX	T054	111A100W2	12/1/80	\$11,000.00
173	PLEX	1526	CITX	T054	111A100W2	12/1/80	\$11,000.00
174	PLEX	1527	CITX	T054	111A100W2	1/1/81	\$11,000.00
175	PLEX	1528	CITX	T054	111A100W2	1/1/81	\$11,000.00

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:

6/4/07



Robert W. Alvord