

RECORDATION NO. 26999 FILED

JUN 08 '07 -3 00 PM

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**SURFACE TRANSPORTATION BOARD**

OF COUNSEL  
URBAN A LESTER

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

June 8, 2007

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
395 "E" Street, S.W.  
Washington, D.C. 20423-0001

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 May 31, 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:

Lender: HILCO Financial, LLC  
5 Revere Drive  
Suite 430  
Northbrook, Illinois 60062

Borrowers: GL Railcar Equipment, LLC  
Grandlux Railways LLC  
Grandlux Rail Journeys LLC  
1011 14th Street,  
Fort Lupton, Colorado 80621

Mr. Vernon A. Williams  
June 8, 2007  
Page 2

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

31 assorted railcars: 30 within the series AOEX 800026 - AOEX 802220 as more particularly set forth in the equipment schedule attached to the document, and UP 7000.

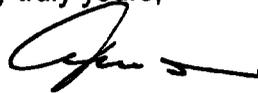
A short summary of the document to appear in the index is:

Memorandum of 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,



Robert W. Alvord

RWA/sem  
Enclosures

JUN 08 '07 -3 00 PM

**MEMORANDUM OF SECURITY AGREEMENT**

SURFACE TRANSPORTATION BOARD

This Memorandum of Security Agreement is made and entered into as of May 31, 2007, by and among GL RAILCAR EQUIPMENT, LLC, an Oregon limited liability company ("GL Railcar"), GRANDLUXE RAILWAY LLC, a Colorado limited liability company ("GrandLuxe Railway"), and GRANDLUXE RAIL JOURNEYS LLC, a Colorado limited liability company ("GrandLuxe Rail"); GrandLuxe Rail, together with GL Railcar and GrandLuxe Railway are referred to herein each individually as a "Borrower" and collectively as the "Borrowers", and HILCO FINANCIAL, LLC, a Delaware limited liability company (hereinafter referred to as "Lender") respecting that certain General Security Agreement (hereinafter referred to as the "Security Agreement") dated as of May 31, 2007, between Borrowers and Lender.

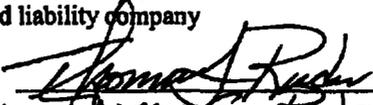
Borrowers and Lender hereby affirm and acknowledge that: Lender has agreed to loan to the Borrowers and the Borrowers have agreed to borrow from the Lender and grant the Lender a first priority security interest in all locomotives, railcars and other rolling stock of the Borrowers **whether now owned or hereafter acquired** including, but not limited to, the locomotives and railcars identified in Schedule 1.1 attached hereto, effective as of the date hereof and subject to the terms defined in the Security Agreement.

*Remainder of Page Intentionally Left Blank  
-Signature Pages Follow-*

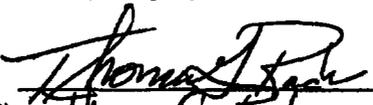
IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Memorandum of Security Agreement to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written.

**BORROWERS:**

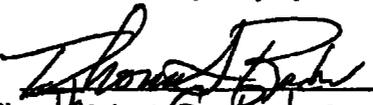
**GL RAILCAR EQUIPMENT, LLC**, an Oregon limited liability company

By:   
Name: Thomas G. Kader  
Title: Manager

**GRANLUXE RAILWAY LLC**, a Colorado limited liability company

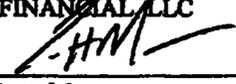
By:   
Name: Thomas G. Kader  
Title: Manager

**GRANLUXE RAIL JOURNEYS LLC**, a Colorado limited liability company

By:   
Name: Thomas G. Kader  
Title: Manager

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

**HILCO FINANCIAL LLC**

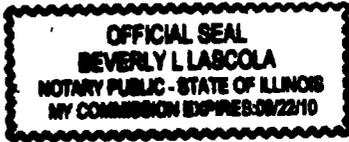
By:   
Name: **Scott Morse**  
Title: **Executive Vice President**

STATE OF ILLINOIS     )  
                                  )  
COUNTY OF COOK     )     SS:

On this 22 of May, 2007 before me personally appeared Scott Morse, to me personally known, who being duly sworn, stated that he is an Executive Vice President of HILCO FINANCIAL, LLC, a Delaware limited liability company, that said instrument was signed on behalf of said limited liability company by authority of its members, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said limited liability company.

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

My Commission Expires





STATE OF Colorado )  
COUNTY OF Denver )

SS:

On this 31<sup>st</sup> of May, 2007 before me personally appeared Thomas G. Rader to me personally known, who being duly sworn, stated that he is Manager of GRANDLUXE RAILWAY LLC, a Colorado limited liability company, that said instrument was signed on behalf of said limited liability company by authority of its members, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said limited liability company.

Doris J. Sullivan  
Notary Public

My Commission Expires 12-21-2007



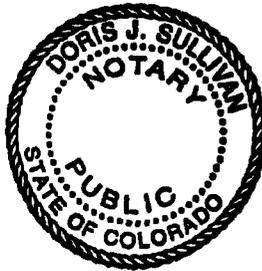
STATE OF Colorado )  
COUNTY OF DENVER )

SS:

On this 3<sup>rd</sup> of May, 2007 before me personally appeared Thomas G. Radex, to me personally known, who being duly sworn, stated that he is Manager of GRANDLUXE RAIL JOURNEYS LLC, a Colorado limited liability company, that said instrument was signed on behalf of said limited liability company by authority of its members, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said limited liability company.

Doris J. Sullivan  
Notary Public

My Commission Expires 12-21-2007



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

6/8/07



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