

JUN 27 '07

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

SUITE 301
WASHINGTON, D.C.

20036

(202) 393-2266

FAX (202) 393-2156

E-MAIL alvordlaw@aol.com

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

OF COUNSEL
URBAN A. LESTER

SURFACE TRANSPORTATION BOARD

June 27, 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 Security Interest and Collateral Assignment of Lease, dated as of June 27, 2007, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Assignment of Lease being filed with the Board under Recordation Number 17629-D.

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

Secured Party: DVB Bank AG, as Agent
609 Fifth Avenue
New York, NY 10017

Assignor: Compass Rail IX Corporation
750 Battery Street, Suite 430
San Francisco, CA 94111

Mr. Vernon A. Williams
June 27, 2007
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A description of the railroad equipment covered by the enclosed document is:

125 boxcars: CRLE 6200 – CRLE 6324.

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

Memorandum of Security Interest and Collateral Assignment of Lease.

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 'Alvord', with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/sem
Enclosures

MEMORANDUM OF SECURITY INTEREST AND COLLATERAL ASSIGNMENT OF LEASE

As of June 27, 2007

THIS MEMORANDUM OF SECURITY INTEREST AND COLLATERAL ASSIGNMENT OF LEASE is intended to evidence that:

1. COMPASS RAIL IX CORPORATION, a California corporation ("Assignor") has granted as of the date hereof a security interest in the Cars specified on Schedule 1 hereto (the "Cars") to DVB BANK AG AS AGENT ("Secured Party"), pursuant to a Loan and Security Agreement of even date herewith between Assignor, as borrower, and Secured Party and DVB Bank AG as lender (the "Loan and Security Agreement").
2. Pursuant to the Loan and Security Agreement, Assignor has assigned to the Secured Party as of the date hereof the Lease specified on Schedule 1 hereto (the "Lease") between Assignor, as lessor, and the party specified on Schedule 1 hereto as Lessee (the "Lessee"), to the extent the Lease applies to the Cars, as collateral security.

This Memorandum is entered into for the purpose of satisfying the requirements of recordation with the United States Department of Transportation Surface Transportation Board ("STB") under 49 U.S.C. Section 11301 and with the Registrar General of Canada under applicable law.

IN WITNESS WHEREOF, Assignor has caused this Memorandum to be executed all as of the date first above written, and the undersigned hereby declare pursuant to 28 U.S.C. Section 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below its signatures. Execution in counterparts is permitted.

ASSIGNOR:

Compass Rail IX Corporation

By: *Stephen C. Bleneman*
Stephen C. Bleneman
 Title: President

RECORDATION NO. 17629-E FILED
 JUN 27 '07 3-50 PM
 SURFACE TRANSPORTATION BOARD

State of California)
 County of San Francisco)

On this 25 day of June, 2007, before me personally appeared Stephen Bleneman to me personally known, who being by me duly sworn says that such person is President of Compass Rail IX Corporation, that execution of the foregoing Memorandum has been duly authorized, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Jovina Howard
 Notary Public
 My commission expires 4-9-09



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SECURED PARTY
DVB BANK AG, AS AGENT

By: [Signature]
Title: SVP

By: [Signature]
Title: VP

We, Martin Metz and Thomas Meckel, certify that we are the SVP and VP, respectively, of DVB Bank AG, that the instrument was signed on behalf of the DVB Bank AG by authority of its Board of Directors, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of DVB Bank AG. We further certify under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Signature: [Signature]
Name: Martin Metz
Dated: June 27, 2007

Signature: [Signature]
Name: Thomas Meckel
Dated: June 27, 2007

SCHEDULE 1
to Memorandum of Security Interest and Collateral Assignment of Lease

The Lessee: International Paper Company

The Lease:

1. **The Lease:** Equipment Lease, dated as of December 13, 1991, between Security Pacific Equipment Leasing, Inc. ("*SPEL*") and Champion International Corporation ("*Lessee*")

2. **Assignment and Assumption Agreement with Recourse (Without Release)**, dated as of March 19, 2007 between IPC and Verso Bucksport LLC

As the same relate to the railcars referenced below.

The Cars: (125) Gunderson 100-Ton Plate C Boxcars with car marks and numbers CRLE 6200-6324 (inclusive)

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:

6/27/07



Robert W. Alvord