

RECORDATION NO. 27242 FILED

NOV 28 '07 -9 00 AM

SURFACE TRANSPORTATION BOARD

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OF COUNSEL
URBAN A. LESTER

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

November 28, 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 Agreement and Lease Assignment, dated as of November 17, 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: Wells Fargo Equipment Finance Company
2550 Victoria Park Avenue, Suite 700
Toronto, ON M2J 5A9
Canada

Borrower: ALFCAN I ULC
c/o Residual Based Finance Corporation
Three First National Plaza
Suite 2080
70 West Madison Street
Chicago, Illinois 60602

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

60 gondola railcars within the series OFOX 102606 - OFOX 102955 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 Security Agreement and Lease Assignment.

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 stroke extending to the right.

Robert W. Alvord

RWA/sem
Enclosures

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SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF SECURITY AGREEMENT
AND LEASE ASSIGNMENT**

dated as of November 17, 2007,

between

**ALFCAN I ULC,
as Borrower**

and

**WELLS FARGO EQUIPMENT FINANCE COMPANY,
as Lender**

**[FILED WITH THE SURFACE TRANSPORTATION BOARD
PURSUANT TO 49 U.S.C. § 11301] [OMIT FROM RGC FILING]**

MEMORANDUM OF SECURITY AGREEMENT AND LEASE ASSIGNMENT

THIS MEMORANDUM OF SECURITY AGREEMENT AND LEASE ASSIGNMENT, dated as of November 14, 2007, by and between ALFCAN I ULC, an Alberta unlimited liability corporation ("Borrower"), and WELLS FARGO EQUIPMENT FINANCE COMPANY ("Lender").

1. Lender has made a loan to Borrower pursuant to a Loan and Security Agreement dated as of the date hereof (as amended from time to time, the "Security Agreement").

2. Pursuant to the Security Agreement, Borrower grants to Lender a security interest in and assignment of all of Borrower's right, title and interest in, to and under (but none of its obligations with respect to), whether now owned or hereafter acquired:

(i) sixty (60) National Steel Car built 1980 4400 cu ft. capacity steel rotary dump gondola cars, having road numbers OFOX 102600 through OFOX 102900 non inclusive (all such railcars collectively, the "Railcars") as more fully described in Exhibit A attached hereto and made a part hereof, and all replacements and substitutions therefor and accessions thereto;

(ii) that certain Car Leasing Agreement dated as of the date hereof (as extended, renewed, supplemented and amended from time to time, the "Lease") between Borrower, as lessor, and Sultran Ltd., as lessee ("Lessee"), and the related lease documents;

(iii) any and all rent, casualty, indemnity and other payments due under the Lease and the related lease documents (other than any amounts payable to Borrower for its own account pursuant to any indemnity provisions in the Lease or related lease documents or any insurance proceeds payable under any public liability policies maintained by Lessee under the Lease that by their terms are payable directly to Borrower for its own account);

(iv) all of Borrower's rights and entitlements under the Lease and related lease documents, including, among other things, the right to receive notices and financial information, to give or withhold consents or waivers, to declare or waive any default and/or exercise all remedies thereunder and to take any and all other actions associated with the Lease and the related lease documents or the Railcars;

(v) all related accounts, chattel paper, guaranties, security deposits, collateral pledges, supporting obligations, deposit accounts and general intangibles; and

(vi) all proceeds of the foregoing.

3. This Memorandum of Security Agreement and Lease Assignment may be executed in any number of counterparts, each of which shall be an original, all of which when taken together shall constitute one agreement binding on all parties, notwithstanding that all parties are not signatories to the same counterpart.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, each of the parties hereto has caused this Memorandum of Security Agreement and Lease Assignment to be executed by its duly authorized officer as of the date first above written.

ALFCAN I ULC
as Borrower

By: 

Name:

Title:

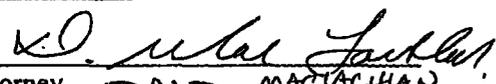
Vincent A. Kolber
President

PROVINCE OF ONTARIO)

) to wit:

CITY OF TORONTO)

I hereby certify that on this 19th day of November, 2007, before me, personally appeared VINCENT A. KOLBER, to me personally known, who, being by me duly sworn, who acknowledged himself/herself to be the PRESIDENT of ALFCAN I ULC, an Alberta unlimited liability corporation, and acknowledged that s/he, as such PRESIDENT, being authorized so to do, executed the instrument for the purposes therein contained by signing the name of ALFCAN I ULC by himself/herself as PRESIDENT.


Attorney DAVID MACLACHLAN
SOLICITOR

WELLS FARGO EQUIPMENT FINANCE COMPANY
as Lender

By:  _____

Name:

Title: **LAKS SWAMINATHAN CMAA, FCCA**

VICE PRESIDENT OF FINANCE

PROVINCE OF ONTARIO)

)

to wit:

CITY OF TORONTO)

I hereby certify that on this 19TH day of November, 2007, before me, personally appeared LAKS SWAMINATHAN, to me personally known, who, being by me duly sworn, who acknowledged himself/herself to be the VP FINANCE of Wells Fargo Equipment Finance Company, and acknowledged that s/he, as such VP FINANCE, being authorized so to do, executed the instrument for the purposes therein contained by signing the name of Wells Fargo Equipment Finance Company by himself/herself as VP FINANCE.



Attorney

EXHIBIT A

DESCRIPTION OF RAILCARS

<u>Manufacturer</u>		<u>Description</u>		<u>Road Numbers</u>	
National Steel Car 1980 built		4400 cu ft. capacity steel rotary dump gondola cars		See below	
	<u>Car Mark</u>	<u>Car No.</u>		<u>Car Mark</u>	<u>Car No.</u>
1	OFOX	102606	31	OFOX	102808
2	OFOX	102611	32	OFOX	102809
3	OFOX	102615	33	OFOX	102812
4	OFOX	102627	34	OFOX	102815
5	OFOX	102633	35	OFOX	102816
6	OFOX	102645	36	OFOX	102819
7	OFOX	102646	37	OFOX	102826
8	OFOX	102648	38	OFOX	102834
9	OFOX	102672	39	OFOX	102835
10	OFOX	102681	40	OFOX	102846
11	OFOX	102691	41	OFOX	102848
12	OFOX	102697	42	OFOX	102852
13	OFOX	102705	43	OFOX	102866
14	OFOX	102709	44	OFOX	102869
15	OFOX	102712	45	OFOX	102872
16	OFOX	102717	46	OFOX	102875
17	OFOX	102718	47	OFOX	102878
18	OFOX	102719	48	OFOX	102883
19	OFOX	102726	49	OFOX	102919
20	OFOX	102735	50	OFOX	102922
21	OFOX	102738	51	OFOX	102927
22	OFOX	102748	52	OFOX	102932
23	OFOX	102759	53	OFOX	102937
24	OFOX	102764	54	OFOX	102939
25	OFOX	102767	55	OFOX	102940
26	OFOX	102780	56	OFOX	102945
27	OFOX	102790	57	OFOX	102946
28	OFOX	102792	58	OFOX	102950
29	OFOX	102802	59	OFOX	102955
30	OFOX	102807	60	OFOX	102614

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: 11/28/07



Robert W. Alvord