

RECORDATION NO. 27262 FILED

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DEC 12 '07 -9 00 AM

SURFACE TRANSPORTATION BOARD

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December 12, 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 Loan and Security Agreement, dated as of December 1, 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: Fifth Third Bank (Chicago)  
222 South Riverside Plaza, 32nd Floor  
Chicago, IL 60606

Borrower: RELCO Locomotives, Inc.  
113 Industrial Avenue  
Minooka, IL 60417

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

All rolling stock of RELCO Locomotives, Inc. now owned or hereafter acquired, including but not limited to the 7 locomotives within the series RLCX 1030 - RLCX 4501 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 Loan 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,



Robert W. Alvord

RWA/sem  
Enclosures

DEC 12 '07 -9 00 AM

**MEMORANDUM OF LOAN AND SECURITY AGREEMENT**

SURFACE TRANSPORTATION BOARD

This Memorandum of Loan and Security Agreement is made and entered into as of December 1, 2007, by and among RELCO LOCOMOTIVES, INC., an Illinois corporation ("RELCO Locomotives"), RELCO LAND HOLDINGS OF ILLINOIS LLC, a Delaware limited liability company ("RLH Illinois"), RELCO LAND HOLDINGS OF IOWA LLC, a Delaware limited liability company ("RLH Iowa", together with RELCO Locomotives and RLH Iowa collectively referred to as the "Borrower") and FIFTH THIRD BANK (CHICAGO), a Michigan banking corporation (hereinafter referred to as "Lender") respecting that certain Loan and Security Agreement (hereinafter referred to as the "Loan Agreement") dated as of December 1, 2007, between Borrower and Lender.

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

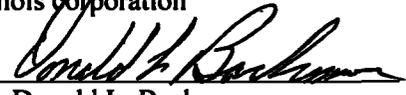
IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Memorandum of Loan and Security Agreement to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written.

RELCO LOCOMOTIVES:

LENDER:

**RELCO LOCOMOTIVES, INC.,**  
an Illinois corporation

**FIFTH THIRD BANK (CHICAGO),**  
a Michigan banking corporation

By:   
Name: Donald L. Bachman  
Title: Chairman and Chief Executive Officer

By:   
Name: Craig Schuth  
Title: Vice President  
Fifth Third Bank

STATE OF Iowa )  
 )  
COUNTY OF Monroe )

SS:

On this 7 of December, 2007, before me personally appeared Donald L. Bachman, to me personally known, who being duly sworn, stated that he is Chairman and Chief Executive Officer of RELCO LOCOMOTIVES, INC. and Manager of BACHMAN MANAGEMENT, INC., that said instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Anna Hopkins  
Notary Public

My Commission Expires



STATE OF ILLINOIS )  
 )  
COUNTY OF Cook )

SS:

On this 7th of December, 2007, before me personally appeared Craig Schutt, to me personally known, who being duly sworn, stated that he is Vice President of FIFTH THIRD BANK (CHICAGO), that said instrument was signed on behalf of said banking corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Mary Alice Flavin  
Notary Public

My Commission Expires



**Schedule 1.1(a)**

RLCX 1030, Alco 1000 HP, Cherokee, Alabama  
RLCX 1050, Alco 1000 HP, St. Gabriel, Louisiana  
RLCX 1061, Alco 1000 HP, Decatur, Illinois  
RLCX 1072, Alco 1000 HP, Seward, Nebraska  
RLCX 3005, EMD SD40, Albia, Iowa  
RLCX 3057, EMD SD40-2, Minooka, Illinois  
RLCX 4501, EMD SD45, Albia, Iowa