Border Capital Bank

JAN 30 2008

January 22, 2008

RECORDATION NO. 23642-A FILED

JAN 31 '08 11-37 AM

SURFACE TRANSPORTATION BOARD

Mrs. Anne K. Quinlan, Secretary
Surface Transportation Board
395 E Street, SW, Suite 700
Washington, D.C. 20423-0001

Re: Texas Railcar Leasing Company, Inc.
Recordation No. 23642, dated 09/07/2001 at 09:22:34 AM

Dear Mrs. Quinlan:

Border Capital Bank, formerly known as McAllen National Bank, hereby executes a release of its security interest in the property described below. The security interest was attached and perfected by virtue of the recorded instrument referenced above.

Please release the following:

The document described is the Security Agreement, being a primary document, dated August 24, 2001. Please see attached Security Agreement for the description of the collateral.

Our cashier's check, in the amount of $35.00, is enclosed for the release of lien fee.

Please forward the released lien information to:

Texas Railcar Leasing Company, Inc.
Attention: Ms G. p. Novell
P.O. Box 1330
McAllen, Texas 78503

Sincerely,

Jan Fuller

Jan Fuller,
Loan Administration

This instrument was acknowledged before me on the 22th day of January, 2008, by Jan Fuller, of Border Capital Bank, McAllen, Texas on behalf of said corporation.

MARIA I. RODRIGUEZ
Notary Public, State of Texas
My Commission Expires
08-23-2008

Maria I. Rodriguez

Notary Public in and for the State of Texas

/jf

1801 South McColl Road Post Office Box 5555 McAllen, Texas 78502-5555
Telephone 956-682-2265 Fax 956-972-5417 www.bordercapitalbank.com

FJAN08232001082104P

DATE OF AGREEMENT
08/24/2001

SECURITY AGREEMENT

DEBTOR'S NAME(S)	SECURED PARTY'S NAME AND ADDRESS
TEXAS RAILCAR LEASING COMPANY, INC , A TEXAS CORPORATION	MCALLEN NATIONAL BANK Main Bank P O. BOX 5555 MCALLEN, TX 78503
DEBTOR'S ADDRESS P O BOX 1330 MCALLEN, TX 78505-1330	

I **GRANT OF SECURITY INTEREST** For value received, the undersigned (referred to as "Debtor" whether one or more) grants to Secured Party named above a security interest in the Collateral described below to secure the payment of the "Indebtedness" (as defined below) and performance of all Debtor s obligations and agreements in this Agreement or other documents evidencing the Indebtedness For purposes of this Agreement, any term used in the Uniform Commercial Code, as adopted and revised from time to time in the State of Texas in the Texas Business and Commerce Code ("UCC"), and not defined in this Agreement has the meaning given to the term in the UCC Debtor's location (if other than the address reflected above) is in the state of TEXAS

II **DESCRIPTION OF COLLATERAL.** The "Collateral" shall include
PURCHASE MONEY INTEREST CLAIMED. 1 PURCHASE MONEY SECURITY INTEREST IN TWENTY-FOUR (24) 4,000 CUBIC FOOT, 100 TON, MODIFIED OPEN TOP HOPPER RAILCARS AS FOLLOWS

TRLX	TRLX	TRLX	TRLX	TRLX	TRLX
96444	97075	96546	97085	96638	97110
96697	97222	96698	97252	96767	97304
96831	97395	96838	97422	96889	97477
96982	97522	97044	97547	97073	97659

2 DEBTOR S RIGHTS, TITLE AND INTEREST IN AND TO CAR LEASING AGREEMENT NO 01-010081 (INCLUDING RIDER NO 001) BETWEEN TEXAS RAILCAR LEASING COMPANY, INC AND APPLIED INDUSTRIAL MATERIALS CORPORATION DATED JULY 11, 2001

The term "Collateral" also includes to the extent not listed above as original collateral

(1) After-Acquired Property After-acquired property, provided, however the security interest will not attach to (a) consumer goods, other than an accession when given as additional security unless the Debtor acquires rights in them within 10 days after the Secured Party gives value or (b) a commercial tort claim

(2) Proceeds Proceeds, products, additions, substitutions and accessions of the Collateral

(3) Deposits Unless prohibited by law any property (excluding Individual Retirement Accounts and other qualified retirement accounts) tangible or intangible in possession of Secured Party at any time during the term of this Agreement or any indebtedness due from Secured Party to Debtor and any deposit or credit balances due from Secured Party to Debtor and Secured Party may at any time while the whole or any part of the Indebtedness remains unpaid whether before or after maturity thereof be appropriated, held or applied toward payment of the Indebtedness or any obligation of Debtor to Secured Party

III **SECURED INDEBTEDNESS.** The security interest granted under this Agreement secures the following (referred to as the "Indebtedness") (1) the performance of all of the agreements, obligations, covenants and warranties of Debtor as set forth in this Agreement or any other agreement between Debtor and Secured Party (2) all liabilities of Debtor to Secured Party of every kind and description, including (a) all promissory notes given from Debtor to Secured Party (b) all future advances from Secured Party to Debtor whether in the form of a loan for a similar or different purpose than any other loan to Debtor (c) Debtor s overdrafts whether business or personal (d) direct or indirect liabilities (e) liabilities due or to become due and whether absolute or contingent, and (f) liabilities now existing or hereafter arising and however evidenced, (3) all extensions, renewals and deferrals of liabilities of Debtor to Secured Party for any term or terms, to which the undersigned hereby consents, (4) all interest and other finance charges due or to become due on the liabilities of Debtor to Secured Party (5) All expenditures by Secured Party involving the performance or enforcement of Debtor's obligations, agreements, covenants and warranties under this Agreement or any other agreement between Debtor and Secured Party and (6) All costs, attorneys fees and other expenditures of Secured Party in the collection and enforcement of any obligation or liability of Debtor to Secured Party and in the collection and enforcement sale or other liquidation of any of the Collateral

IV **GENERAL PROVISIONS.**
1 WAIVERS No act, delay or omission, including Secured Party's written express waiver of a remedy after any default under this Agreement, shall constitute a waiver of any of Secured Party s rights and remedies not expressly waived in writing under this Agreement or any other agreement between the parties All of Secured Party s rights and remedies are cumulative and may be exercised singly or concurrently The waiver or exercise of any one or more rights or remedies will not be a waiver or a bar to the exercise of any other rights or remedies upon any subsequent default No waiver, change, modification or discharge of any of Secured Party s rights or remedies or Debtor's duties as specified or allowed by this Agreement will be effective unless in writing and signed by a duly authorized officer of Secured Party Acceptance of any partial or late payment shall not constitute a waiver of any requirement of this Agreement or impose any additional notification duties upon Secured Party Debtor and all other signers, including guarantors, waive presentment, notice of dishonor and protest, notice of default, notice of intention to accelerate and notice of acceleration and consent to any and all extensions of time for any term or terms regarding payments due, partial payments or renewals before or after maturity Debtor and all other signers, including guarantors, further consent to substitution, impairment, release or nonperfection with regard to the Collateral and the addition or release of or agreements not to sue any party or guarantor
2 AGREEMENT BINDING ON ASSIGNS This Agreement inures to the benefit of Secured Party s successors and assigns and is binding upon Debtor s heirs, executors, administrators, representatives, successors and permitted assigns (and all persons who become bound as a debtor to this Security Agreement) but no person taking from or representing Debtor has any right to advances under any instrument or document secured by this Agreement
3 CHANGES IN TERMS Secured Party reserves the right to change any of the terms of this Agreement in accordance with applicable law and the provisions of this Agreement
4 TERM OF AGREEMENT This Agreement and the security interest created by this Agreement will remain in force until all of the Indebtedness is paid in full unless the security interest created by this Agreement is earlier released by Secured Party in writing
5 RIGHTS OF SECURED PARTY ASSIGNABLE Secured Party, at any time and at its option, may pledge, transfer or assign its rights under this Agreement in whole or in part, and any transferee or assignee shall have all Secured Party s rights as the parts of them so pledged, transferred or assigned Debtor s rights under this Agreement or in the Collateral may not be assigned without Secured Party s prior written consent
6 JOINT AND SEVERAL RESPONSIBILITY OF DEBTOR AND SURETIES The responsibilities of Debtor and any co-debtor, guarantor, surety or accommodation party under this Agreement are joint and several and the references to Debtor in this Agreement shall be deemed to refer to each such person, including any person who pledges Collateral even if such pledgor is not otherwise liable under any promissory note, guaranty or other instrument secured by this Agreement
7 SEPARABILITY OF PROVISIONS If any provision of this Agreement shall for any reason be held invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision of this Agreement and this Agreement shall be construed as if such invalid or unenforceable provision had never existed
8 GOVERNING LAW This Agreement shall be construed and enforced in accordance with the laws of the State of Texas, except to the extent that the UCC provides for application of the law where the Debtor or the collateral is located (if other than Texas) as the case may be.
9 ENTIRE AGREEMENT This Agreement, together with any mortgage of real estate which may be Collateral, constitutes the entire agreement between the parties with respect to the subjects addressed herein This Agreement may be amended or modified only by a writing signed by Secured Party specifying that it is a modification, amendment or addition to this Agreement

V **EVENTS OF DEFAULT** Debtor shall be in default under this Agreement upon the happening of any one or more of the following events or conditions called "Events of Default" in this Agreement
1 If any warranty, covenant, agreement, representation, financial information or statement made or furnished to Secured Party by Debtor, any guarantor or surety, or otherwise on Debtor's behalf to induce Secured Party to enter into this Agreement, or in conjunction with it, is violated or proves to have been false in any material respect when made or furnished
2 If any payment required in this Agreement or under any other agreement or obligation of Debtor to Secured Party or to others is not made when due or in accordance with the terms of the applicable contract
3 If Debtor defaults in the performance of any covenant, obligation, warranty or provision contained in this Agreement or any other agreement, mortgage or obligation of Debtor to Secured Party or to others, including without limitation Debtor s failure to insure the Collateral or unlawful use of the Collateral
4 If any event or condition exists or occurs which results in acceleration of the maturity of any obligation of Debtor to Secured Party or to others under any note, mortgage, indenture, agreement or undertaking
5 If anyone makes any levy against or seizes, garnishes or attaches any of the Collateral, if Debtor contractually encumbers any of the Collateral or if Debtor sells, leases or otherwise disposes of any of the Collateral without Secured Party s prior written consent as required by this Agreement or any mortgage executed in connection with this Agreement
6 If the Collateral is lost, stolen, substantially damaged or destroyed
7 If in Secured Party's judgment the Collateral becomes unsatisfactory or insufficient in character or value and upon request Debtor fails to provide additional Collateral as required by Secured Party
8 If at any time Secured Party, in its sole discretion, believes the prospect of payment or performance of any duty, covenant, warranty or obligation secured by this Agreement is impaired
9 If Debtor or any guarantor or surety dies, dissolves, terminates existence or becomes insolvent, if a receiver is appointed over any part of Debtor s property or any part of the Collateral, if Debtor makes an assignment for the benefit of creditors, or if any proceeding is commenced under any bankruptcy or insolvency law by or against Debtor or any guarantor or surety for Debtor
10 If the Collateral is removed from the location specified in this Agreement or in a separate notice to Secured Party without Secured Party s prior written consent, except for temporary periods in the normal and customary use of the Collateral
11 Secured Party shall receive at any time following the Closing a filing office report indicating that Secured Party s security interest is not prior to all other security interests or other interests reflected in the report

VI. **ADDITIONAL PROVISIONS.** The undersigned specifically agree to all of the "Additional Provisions" on the reverse side of this Agreement

SECURED PARTY'S SIGNATURE	DEBTORS' SIGNATURE(S)
MCALLEN NATIONAL BANK Main Bank	TEXAS RAILCAR LEASING COMPANY, INC A TEXAS CORPORATION
By [signature] BYRON CALCOTE, Senior Vice President	By HENRY NOVELL, PRESIDENT [signature]

RECORDATION NO 23642 FILED

[illegible] 07 '01 9-22 AM

SURFACE TRANSPORTATION BOARD

Form TX723 FJAN08232001082154P

© Copyright 0401 American Bank Systems