



RECORDATION NO. 27375 FILED

FEB 11 '08

3-20 PM

SURFACE TRANSPORTATION BOARD

2600 South Thompson Street
P.O Box 1234
Springdale, AR 72765-1234
Phone: (479) 756-8811
Fax: (479) 750-3782

February 4, 2008

Surface Transportation Board
Attn: Secretary
1925 K Street N.W.
Washington, D.C. 20423



Dear Secretary:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) is two (2) copies of a Memorandum of Security Agreement, dated as of January 21, 2008. Please record as a primary recordation.

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

Debtor: Everest Railcar Services, Inc
1391 Plaza Place, Suite C
Springdale, AR 72764

Secured Party: United Bank and Trust
2600 South Thompson
Springdale, AR 72764
Attention: Clinton Ryan

A description of the railroad equipment covered by the enclosed document is:
(20) 2500 Cubic Foot 100-Ton Gondolas identified in Exhibit A attached hereto.

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.

Very truly yours,

FEB 11 '08

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF SECURITY AGREEMENT

THIS MEMORANDUM OF SECURITY AGREEMENT, dated as of January 21, 2008, by and among UNITED BANK AND TRUST ("Secured Party") and EVEREST RAILCAR SERVICES, INC ("Debtor"), is made with reference to the following:

1. Secured Party has agreed to make available to Borrower a loan secured under that certain Security Agreement, dated as of January 21, 2008 (the "Security Agreement"), among Secured Party and Debtor.

2. Pursuant to the Security Agreement, Debtors grant to Secured Party a security interest in all of Debtors' right, title and interest in and to: (i) the rail cars described on Exhibit A attached hereto and made a part hereof and in and against all additions, attachments, accessories and accessions to such property and all substitutions, replacements or exchanges therefore, (ii) all leases and utilization agreements with respect to such property and any and all rents and other amounts payable thereunder or in connection therewith and all chattel paper, accounts, security deposits relating thereto and (iii) all insurance and/or other proceeds thereof.

3. The Security Agreement shall be effective as of the date hereof.

This Memorandum of Security Agreement may be executed in any number of counterparts, each executed counterpart constituting an original, but all together only one Memorandum of Security Agreement.

[SIGNATURE PAGE FOLLOWS]

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

SECURED PARTY:

UNITED BANK AND TRUST

By: 

Name: Clinton Ryan
Title: AVP Commercial Lending

DEBTORS:

EVEREST RAILCAR SERVICES, INC

By: 

Name: Steven J. Hendricks
Title: President

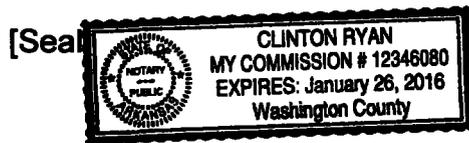
STATE OF ARKANSAS)
) ss:
COUNTY OF WASHINGTON)

On this day 21st of January, 2008, before me Clinton Ryan Notary Public, personally appeared Steven J. Hendricks, to me personally who being by me duly sworn, says that he/she is an authorized representative **Everest Railcar Services, Inc**, that the forgoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his/her free act and deed.



Notary Public

My commission expires:



STATE OF ARKANSAS)
) ss:
COUNTY OF WASHINGTON)

On this day 21st of January, 2008, before me Cheryl Thomas Notary Public, personally appeared Clinton Ryan, to me personally who being by me duly sworn, says that he/she is an authorized representative **United Bank and Trust**, that the forgoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his/her free act and deed.



Notary Public

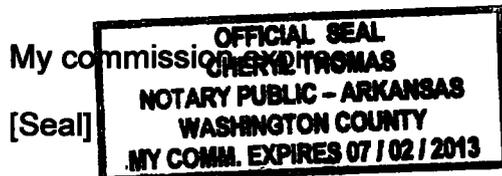


EXHIBIT A
Car List and ID Numbers

<u>Initial</u>	<u>Number</u>
CEFX	33217
CEFX	33226
CEFX	33228
CEFX	33229
CEFX	33238
CEFX	33240
CEFX	33245
CEFX	33246
CEFX	33247
CEFX	33250
CEFX	33251
CEFX	33256
CEFX	33257
CEFX	33258
CEFX	33261
CEFX	33262
CEFX	33263
CEFX	33264
CEFX	33265
CEFX	33267