

RECORDATION NO. 26617-A FILED

NOV 03 '08 -3 30 PM

SURFACE TRANSPORTATION BOARD

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

OF COUNSEL  
URBAN A. LESTER

November 3, 2008

Anne K. Quinlan, Esquire  
Acting Secretary  
Surface Transportation Board  
395 E Street, S.W.  
Washington, D.C. 20423-0001

Dear Ms. Quinlan:

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, dated as of March 31, 2008, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Lease Agreement previously filed with the Board under Recordation Number 26617.

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

Bank: The Sumitomo Trust & Banking Co., Ltd.  
New York Branch  
527 Madison Ave.  
New York, NY 10022

Borrower: Mitsui Rail Capital, LLC  
71 South Wacker Drive, Suite 1800  
Chicago, IL 60606

Anne K. Quinlan, Esquire  
November 3, 2008  
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A description of the railroad equipment covered by the enclosed document  
is:

135 railcars: MBKX 452129 - MBKX 452263

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

Memorandum of Security Agreement.

Also enclosed is a check in the amount of \$41.00 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

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SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF SECURITY AGREEMENT**

This Memorandum of Security Agreement is made and entered into as of March 31, 2008 by and between THE SUMITOMO TRUST & BANKING CO., LTD., NEW YORK BRANCH (hereinafter referred to as the "Bank") and MITSUI RAIL CAPITAL, LLC (hereafter referred to as the "Borrower").

The Borrower has delivered to the Bank a Master Note dated March 31, 2008 in the principal amount of up to US\$50,000,000 (the "Note").

As a condition precedent to the Bank making advances under the Note having a due date more than sixty days after the date of the applicable advance, the Bank has required the Borrower to execute a Security Agreement with the Bank dated as of October 15, 2008 (the "Security Agreement") and to grant to the Bank a security interest in all of the following property in which the Borrower has or may acquire an interest (collectively, the "Collateral"):

(a) the railcars described on Schedule 1 hereto and made a part hereof (the "Equipment"), together with all parts of any Equipment, except for loading devices or any accessories provided by the lessee or other user of any Equipment or any other party other than Borrower;

(b) all of the rights, powers, privileges, remedies and other benefits of the Borrower in, to and under any and all contracts, agreements and instruments with the manufacturers or vendors of any of the Equipment, including, without limitation, the right to enforce warranties and to receive, to collect all payments in respect thereof, and to commence, conduct and consummate legal, administrative or other proceedings, as shall be permitted thereby or by law;

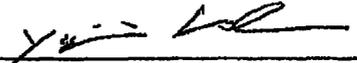
(c) all property insurance and requisition proceeds with respect to the Equipment or any part thereof; and

(d) all other proceeds of any of the foregoing Collateral.

As contemplated by the Security Agreement, the Bank and the Borrower hereby make this Memorandum of Security Agreement to confirm and perfect the Bank's security interest in the Collateral. The Bank and Borrower further acknowledge and confirm that this Memorandum of Security Agreement is not a summary of the Security Agreement nor a complete recitation of the terms and provisions thereof. Accordingly, the Bank and the Borrower agree that in the event of a conflict between this Memorandum of Security Agreement and the provisions of the Security Agreement, the provisions of the Security Agreement shall control.

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

BANK:  
THE SUMITOMO TRUST & BANKING CO.,  
LTD., NEW YORK BRANCH

By:   
Name: Yuji Kabe  
Title: Vice President and Manager

BORROWER:  
MITSUI RAIL CAPITAL, LLC

By:   
Name: Makiko Aoki  
Title: VP & Treasurer

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ):SS

On this 30th day of October, 2008, before me personally appeared \_\_\_\_\_  
Yuji Kabe to me personally known, who being by me duly sworn, says that  
he is a VP and Manager of THE SUMITOMO TRUST & BANKING CO., LTD.,  
NEW YORK BRANCH, that said instrument was signed on behalf of said corporation by an  
officer duly authorized to sign said instrument, and he acknowledged that the execution of the  
foregoing instrument was the free act and deed of said company.

Elisa Pollack  
\_\_\_\_\_  
Notary Public  
[NOTARIAL SEAL]

My Commission Expires 11/31/09  
ELISA POLLACK  
Notary Public, State of New York  
No. 02PO5087339  
Qualified in New York County  
Commission Expires: 11/31/09

STATE OF ILLINOIS )  
COUNTY OF COOK ):SS

On this 31<sup>ST</sup> day of OCTOBER, 2008, before me personally appeared MORI HARU  
ADKI to me personally known, who being by me duly sworn, says that  
he is a VP & TREASURER of MITSUI RAIL CAPITAL, LLC, a Delaware limited  
liability company, that said instrument was signed on behalf of said company by an officer duly  
authorized to sign said instrument, and he acknowledged that the execution of the foregoing  
instrument was the free act and deed of said corporation.

Dana Koenig  
\_\_\_\_\_  
Notary Public  
[NOTARIAL SEAL]

My Commission Expires



**SCHEDULE 1**

**TO MEMORANDUM OF RAILCAR SECURITY AGREEMENT**

|  |     | From   | To   |
|--|-----|--|--|
| 4520 cf Bethgon II Railcar<br>142-1-0100     | 100 | MBKX300924   | MBKX301023   |
| Aluminum Bethgon II<br>140-1-0100            | 135 | MBKX006668   | MBKX006802   |
| Aluminum Autoflood III Railcar<br>135-1-0200 | 115 | MBKX003002<br>MBKX003007<br>MBKX003018<br>MBKX003070<br>MBKX003075<br>MBKX003084<br>MBKX003113<br>MBKX003147<br>MBKX003154<br>MBKX003156<br>MBKX003226<br>MBKX003231 | MBKX003003<br>MBKX003012<br>MBKX003068<br>MBKX003071<br>MBKX003082<br>MBKX003110<br>MBKX003120<br><br>MBKX003159<br>MBKX003227<br>MBKX003233 |
| 4200 cf Autoflood III<br>112-1-0300          | 135 | FEPX060911   | FEPX061045   |

**SCHEDULE 1**

**TO MEMORANDUM OF RAILCAR SECURITY AGREEMENT**

|   |            |   |   |
|---|------------|---|---|
| <b>Autoflood III Railcar</b><br><b>132-1-0700</b> | <b>135</b> | <b>MBKX452129</b>   | <b>MBKX452263</b>   |
| <b>Bethgon II Railcars</b><br><b>151-1-0100</b>   | <b>130</b> | <b>MBKX301024</b><br><b>MBKX301038</b><br><b>MBKX301072</b><br><b>MBKX301097</b><br><b>MBKX301115</b><br><b>MBKX301119</b><br><b>MBKX301124</b><br><b>MBKX301131</b><br><b>MBKX301142</b><br><b>MBKX301152</b><br><b>MBKX301161</b><br><b>MBKX301173</b><br><b>MBKX301211</b><br><b>MBKX301214</b><br><b>MBKX301216</b><br><b>MBKX301223</b><br><b>MBKX301228</b><br><b>MBKX301246</b><br><b>MBKX301251</b><br><b>MBKX301253</b><br><b>MBKX301289</b><br><b>MBKX301290</b><br><b>MBKX301293</b> | <b>MBKX301036</b><br><b>MBKX301070</b><br><b>MBKX301095</b><br><b>MBKX301113</b><br><b>MBKX301117</b><br><b>MBKX301122</b><br><br><b>MBKX301140</b><br><b>MBKX301150</b><br><b>MBKX301154</b> |

**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:

11/3/08



\_\_\_\_\_  
Robert W. Alvord