

JUL 20 '09

11:15 AM

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SUITE 301
WASHINGTON, D.C.

SURFACE TRANSPORTATION BOARD

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

20036

OF COUNSEL
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July 20, 2009

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 24, 2009, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Security Agreement previously filed with the Board under Recordation Number 27487.

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

Bank: Sumitomo Mitsui Banking Corporation
277 Park Avenue
New York, NY 10172

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

Anne K. Quinlan, Esquire
July 20, 2009
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A description of the railroad equipment covered by the enclosed document is:

1 railcar RELEASED - AOK 66757; and 1 railcar ADDED - MBKX 168795.

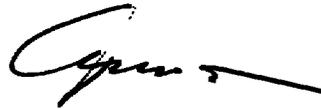
A short summary of the document to appear in the index is:

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,

A handwritten signature in black ink, appearing to read "Alvord", with a long horizontal stroke extending to the right.

Robert W. Alvord

RWA/sem
Enclosure

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF SECURITY AGREEMENT

This Memorandum of Security Agreement is made and entered into as of March 24, 2009, by and between SUMITOMO MITSUI BANKING CORPORATION (hereinafter referred to as the "Bank") and MITSUI RAIL CAPITAL, LLC (hereafter referred to as the "Borrower").

The Borrower has delivered to the Bank that certain Promissory Note dated April 30, 2008, in the principal amount of up to Twenty Million Five Hundred Fifty Thousand United States Dollars (US\$20,550,000.00) (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 April 30, 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, 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; other than any such parts which are required by applicable law or are essential to the operation of the Cars) (the "Equipment");
- (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:

SUMITOMO MITSUI BANKING
CORPORATION

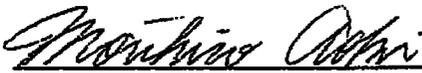
By: 
Yasuhiro Shirai
Senior Vice President

BORROWER:



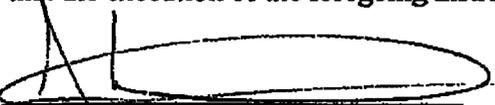
mitsui RAIL CAPITAL, LLC



By: 
Morihiro Aoki
Vice President and Treasurer

STATE OF New York)
COUNTY OF New York):SS

On this 24th day of March, 2009, before me personally appeared Yasuhiro Shirai, to me personally known, who being duly sworn, says that he is a Senior Vice President of SUMITOMO MITSUI BANKING CORPORATION, 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.

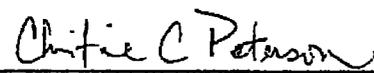

Notary Public
[NOTARIAL SEAL]

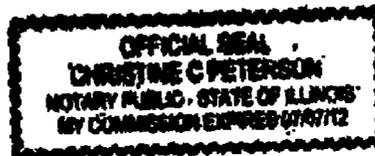
JERRY H. WECHSLER
Notary Public, State of New York
No. 01WE6046972
Qualified in Kings County
Commission Expires August 21, 20 10

My Commission Expires

STATE OF ILLINOIS)
COUNTY OF COOK):SS

On this 25th day of March, 2009, before me personally appeared Morihiro Aoki, to me personally known, who being by me duly sworn, says that he is a Vice President and 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.


Notary Public
[NOTARIAL SEAL]



My Commission Expires 7/7/12

**SCHEDULE 1 (ADDITIONAL COLLATERAL)
TO SECURITY AGREEMENT SUPPLEMENT**

DATED March 24, 2009

VERSACOIL FIVE TRANSVERSE THROUGH

1

MBKX168795

**SCHEDULE 2 (RELEASED COLLATERAL)
TO SECURITY AGREEMENT SUPPLEMENT
DATED March 24, 2009**

5188 cft. COVERED HOPPER

1

AOK 066757

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: 7/20/09



Robert W. Alvord