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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)
ROBERT W. ALVORD (2011)

August 9, 2013

Chief
Section of Administration
Office of Proceedings
Surface Transportation Board
395 "E" Street, S.W.
Washington, D.C. 20423

Dear Section Chief:

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 October 12, 2011, 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:

Secured Party: Fifth Third Bank
38 Fountain Square Plaza
Cincinnati, Ohio 45202

Debtor: Coos Bay Railroad Operating Company, LLC
115 Hall Avenue
Coos, Bay, OR 97420

Chief, Section of Administration
August 9, 2013
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A description of the railroad equipment covered by the enclosed document
is:

2 GP-38 locomotives: PSAP 3877 and PSAP 3876

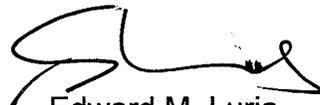
A short summary of the document to appear in the index is:

Memorandum of Security Agreement.

Also enclosed is a check in the amount of \$42.00 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,



Edward M. Luria

EML/sem
Enclosures

MEMORANDUM OF SECURITY AGREEMENT

Dated as of October 12, 2011

between

FIFTH THIRD BANK,
as Secured Party

and

COOS BAY RAILROAD OPERATING SYSTEM, LLC
as Debtor

Company


Filed with the Surface Transportation Board pursuant to
49 U.S.C. § 11301 on _____, 2011, at ____:____.M
Recordation Number _____



MEMORANDUM OF SECURITY AGREEMENT

THIS MEMORANDUM OF SECURITY AGREEMENT dated as of October 12, 2011 is made by and between FIFTH THIRD BANK, together with its successors and assigns ("Secured Party"), and COOS BAY RAILROAD OPERATING SYSTEM, LLC, and their successors and permitted assigns ("Debtor").

Company JWP

WITNESSETH

1. Pursuant to a Master Loan and Security Agreement dated as of October 12, 2011 and a Promissory Note executed pursuant thereto dated as of October 12, 2011 (collectively, the "Security Agreement"), Debtor has pledged to Secured Party a first priority security interest in all of the rail equipment described in Exhibit A attached hereto (the "Railcars").

2. The Security Agreement shall be effective as of the date first set forth hereinabove and Debtor's use of the Railcars shall be subject to the terms and conditions as set forth in the Security Agreement.

3. This Memorandum of Security Agreement may be executed in duplicate originals and any number of counterparts and by different parties in separate counterparts, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

[Signature page follows]

AP

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

Secured Party:

FIFTH THIRD BANK

By: *Robert Kretting*

Name: Robert Kretting, VP

Title: _____

STATE OF OHIO)
) ss.:
COUNTY OF HAMILTON)

On this 24 day of October, 2011, before me the subscriber personally appeared Robert Kretting, who being by me duly sworn, did depose and say: that (s)he is the VP of FIFTH THIRD BANK the Ohio banking corporation described in and which executed the foregoing instrument and that (s)he signed his/her name thereto by their own free act on behalf of said corporation.

Amy A. Grant
NOTARY PUBLIC

My Commission Expires:



AMY A. GRANT
NOTARY PUBLIC
STATE OF OHIO
Recorded in
Clermont County
My Comm. Exp. 5/31/15

RP

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

Debtor: *[Signature]*
COOS BAY RAILROAD OPERATING SYSTEM, LLC
By: *[Signature]*
Name: SCOTT L. PARKINSON
Title: MANAGING MEMBER



STATE OF California)
COUNTY OF San Diego) ss.:

On this 21 day of October, 2011, before me the subscriber personally appeared Scott L. Parkinson, who being by me duly sworn, did depose and say: that (s)he is the OWNER of COOS BAY RAILROAD OPERATING SYSTEM, LLC, the Oregon limited liability company described in and which executed the foregoing instrument and that (s)he signed his/her name thereto by their own free act on behalf of said limited liability company.

S.E.C./SILVIA E. COVARRUBIAS
NOTARY PUBLIC

[Signature]
Company *[Signature]*

My Commission Expires: 5-11-2013

EXHIBIT A
TO MEMORANDUM OF SECURITY AGREEMENT
DATED AS OF OCTOBER 12, 2011

GP-38 Locomotives:

PSAP3877
PSAP3876

A handwritten signature in black ink, located in the bottom right corner of the page. The signature is stylized and appears to consist of several loops and a long tail.

CERTIFICATION

I, Edward M. Luria, an attorney licensed to practice in the District of Columbia, the State of Delaware and the Commonwealth of Pennsylvania, 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: 8/9/2013

Edward M Luria
Edward M. Luria