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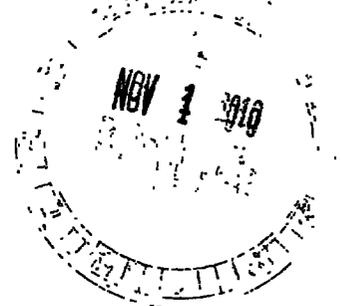
SURFACE TRANSPORTATION BOARD

SPENCER FANE
BRITT & BROWNE LLP
ATTORNEYS & COUNSELORS AT LAW

NORMAN E. FRETWELL
DIRECTOR: (816) 292-8121
nfretwell@spencertane.com

File No. 4321905-451

October 27, 2010



VIA FEDERAL EXPRESS

Recordation Department
Surface Transportation Board
1925 K. Street N.W., Room 715
Washington, DC 20423-0001

Re: Documents for Recordation

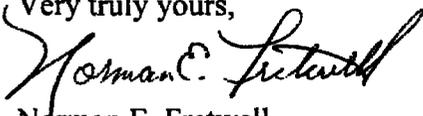
Dear Recordation Department:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. § 11301 are duplicate originals of a Security Agreement dated October 14, 2010, a primary document.

Debtor: Herzog Contracting Corp.
600 South Riverside Road
St. Joseph, Missouri 65645

Secured Party: UMB Bank, N.A.
1010 Grand Boulevard
Kansas City, MO 64106

Included in the property covered by the before-said Security Agreement are railroad cars and other rolling stock intended for use related to interstate commerce, or interests therein, owned by Herzog Contracting Corp at the date of said Security Agreement or thereafter acquired by it or its successors. A fee of \$41.00 is enclosed. Please return the original and any extra copies not needed by the Board for recordation to the undersigned.

Very truly yours,

Norman E. Fretwell

NEF/lhd
Enclosures
cc: Mr. Charles J. Wolf

1000 Walnut Street, Suite 1400
Kansas City, Missouri 64106-2140
(816) 474-8100 www.spencertane.com Fax (816) 474-3216 WA 25311991

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UMB BANK

MEMBER FDIC
COMMERCIAL SECURITY AGREEMENT

SURFACE TRANSPORTATION BOARD

References in the boxes above are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.

Grantor: Herzog Contracting Corp.; Herzog Services, Inc.; Herzog Contracting of Canada, Ltd.; Herzog Inc.; and Herzog Railroad Services, Inc. 600 S. Riverdale Road St. Joseph, MO 64502	Lender: UMB BANK, n.a. COMMERCIAL LOAN DEPARTMENT 1010 GRAND BOULEVARD KANSAS CITY, MO 64106 (816) 880-7000
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THE LIEN GRANTED PURSUANT TO THIS AGREEMENT MAY ALSO SECURE FUTURE ADVANCES

THIS COMMERCIAL SECURITY AGREEMENT dated October 14, 2010, is made and executed between Herzog Contracting Corp.; Herzog Services, Inc.; Herzog Contracting of Canada, Ltd.; Herzog Inc.; and Herzog Railroad Services, Inc. ("Grantor") and UMB BANK, n.a. ("Lender").

GRANT OF SECURITY INTEREST. For valuable consideration, Grantor grants to Lender a security interest in the Collateral to secure the indebtedness and agrees that Lender shall have the rights stated in this Agreement with respect to the Collateral, in addition to all other rights which Lender may have by law.

COLLATERAL DESCRIPTION. The word "Collateral" as used in this Agreement means the following described property, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located, in which Grantor is giving to Lender a security interest for the payment of the indebtedness and performance of all other obligations under the Note and this Agreement:

See Exhibit "A" attached hereto and made a part hereof.

In addition, the word "Collateral" also includes all the following, whether now owned or hereafter acquired, whether now existing or hereafter arising, and wherever located:

- (A) All accessions, attachments, accessories, replacements of and additions to any of the collateral described herein, whether added now or later.
- (B) All products and produce of any of the property described in this Collateral section.
- (C) All accounts, general intangibles, instruments, rents, monies, payments, and all other rights, arising out of a sale, lease, consignment or other disposition of any of the property described in this Collateral section.
- (D) All proceeds (including insurance proceeds) from the sale, destruction, loss, or other disposition of any of the property described in this Collateral section, and sums due from a third party who has damaged or destroyed the Collateral or from that party's insurer, whether due to judgment, settlement or other process.
- (E) All records and data relating to any of the property described in this Collateral section, whether in the form of a writing, photograph, microfilm, microfiche, or electronic media, together with all of Grantor's right, title, and interest in and to all computer software required to utilize, create, maintain, and process any such records or data on electronic media.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Grantor's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Grantor holds jointly with someone else and all accounts Grantor may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Grantor authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

GRANTOR'S REPRESENTATIONS AND WARRANTIES WITH RESPECT TO THE COLLATERAL. With respect to the Collateral, Grantor represents and promises to Lender that:

Perfection of Security Interest. Grantor agrees to take whatever actions are requested by Lender to perfect and continue Lender's security interest in the Collateral. Upon request of Lender, Grantor will deliver to Lender any and all of the documents evidencing or constituting the Collateral, and Grantor will note Lender's interest upon any and all chattel paper and instruments if not delivered to Lender for possession by Lender. This is a continuing Security Agreement and will continue in effect even though all or any part of the indebtedness is paid in full and even though for a period of time Grantor may not be indebted to Lender.

Notice to Lender. Grantor will promptly notify Lender in writing at Lender's address shown above (or such other addresses as Lender may designate from time to time) prior to any (1) change in Grantor's name; (2) change in Grantor's assumed business name(s); (3) change in the management of any Corporation Grantor; (4) change in the authorized signer(s); (5) change in Grantor's principal office address; (6) change in Grantor's state of organization; (7) conversion of Grantor to a new or different type of business entity; or (8) change in any other aspect of Grantor that directly or indirectly relates to any agreements between Grantor and Lender. No change in Grantor's name or state of organization will take effect until after Lender has received notice.

No Violation. The execution and delivery of this Agreement will not violate any law or agreement governing Grantor or to which Grantor is a party, and its certificate or articles of incorporation and bylaws do not prohibit any term or condition of this Agreement.

Enforceability of Collateral. To the extent the Collateral consists of accounts, chattel paper, or general intangibles, as defined by the Uniform Commercial Code, the Collateral is enforceable in accordance with its terms, is genuine, and fully complies with all applicable laws and regulations concerning form, content and manner of preparation and execution, and all persons appearing to be obligated on the Collateral have authority and capacity to contract and are in fact obligated as they appear to be on the Collateral. There shall be no setoffs or counterclaims against any of the Collateral, and no agreement shall have been made under which any deductions or discounts may be claimed concerning the Collateral except those disclosed to Lender in writing.

Location of the Collateral. Except in the ordinary course of Grantor's business, Grantor agrees to keep the Collateral at Grantor's address shown above or at such other locations as are acceptable to Lender. Upon Lender's request, Grantor will deliver to Lender in form satisfactory to Lender a schedule of real properties and Collateral locations relating to Grantor's operations, including without limitation the following: (1) all real property Grantor owns or is purchasing; (2) all real property Grantor is renting or leasing; (3) all storage facilities Grantor owns, rents, leases, or uses; and (4) all other properties where Collateral is or may be located.

Removal of the Collateral. Except in the ordinary course of Grantor's business, Grantor shall not remove the Collateral from its existing location without Lender's prior written consent. Grantor shall, whenever requested, advise Lender of the exact location of the Collateral.

Transactions Involving Collateral. Except for inventory sold or accounts collected in the ordinary course of Grantor's business, or as otherwise provided for in this Agreement, Grantor shall not sell, offer to sell, or otherwise transfer or dispose of the Collateral. Grantor shall not pledge, mortgage, encumber or otherwise permit the Collateral to be subject to any lien, security interest, encumbrance, or charge, other than the security interest provided for in this Agreement, without the prior written consent of Lender. This includes security interests even if junior in right to the security interests granted under this Agreement. Unless waived by Lender, all proceeds from any disposition of the Collateral (for whatever reason) shall be held in trust for Lender and shall not be commingled with any other funds; provided however, this requirement shall not constitute consent by Lender to any sale or other disposition. Upon receipt, Grantor shall immediately deliver any such proceeds to Lender.

Title. Grantor represents and warrants to Lender that Grantor holds good and marketable title to the Collateral, free and clear of all liens and encumbrances except for the lien of this Agreement. No financing statement covering any of the Collateral is on file in any public office other than those which reflect the security interest created by this Agreement or to which Lender has specifically consented. Grantor shall defend Lender's rights in the Collateral against the claims and demands of all other persons.

Repairs and Maintenance. Grantor agrees to keep and maintain, and to cause others to keep and maintain, the Collateral in good order,

**COMMERCIAL SECURITY AGREEMENT
(Continued)**

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repair and condition at all times while this Agreement remains in effect. Grantor further agrees to pay when due all claims for work done on, or services rendered or material furnished in connection with the Collateral so that no lien or encumbrance may ever attach to or be filed against the Collateral.

Inspection of Collateral. Lender and Lender's designated representatives and agents shall have the right at all reasonable times to examine and inspect the Collateral wherever located.

Taxes, Assessments and Liens. Grantor will pay when due all taxes, assessments and liens upon the Collateral, its use or operation, upon this Agreement, upon any promissory note or notes evidencing the indebtedness, or upon any of the other Related Documents. Grantor may withhold any such payment or may elect to contest any lien if Grantor is in good faith conducting an appropriate proceeding to contest the obligation to pay and so long as Lender's interest in the Collateral is not jeopardized in Lender's sole opinion. If the Collateral is subjected to a lien which is not discharged within fifteen (15) days, Grantor shall deposit with Lender cash, a sufficient corporate surety bond or other security satisfactory to Lender in an amount adequate to provide for the discharge of the lien plus any interest, costs, attorneys' fees or other charges that could accrue as a result of foreclosure or sale of the Collateral. In any contest Grantor shall defend itself and Lender and shall satisfy any final adverse judgment before enforcement against the Collateral. Grantor shall name Lender as an additional obligee under any surety bond furnished in the contest proceedings. Grantor further agrees to furnish Lender with evidence that such taxes, assessments, and governmental and other charges have been paid in full and in a timely manner. Grantor may withhold any such payment or may elect to contest any lien if Grantor is in good faith conducting an appropriate proceeding to contest the obligation to pay and so long as Lender's interest in the Collateral is not jeopardized.

Compliance with Governmental Requirements. Grantor shall comply promptly with all laws, ordinances, rules and regulations of all governmental authorities, now or hereafter in effect, applicable to the ownership, production, disposition, or use of the Collateral, including all laws or regulations relating to the undue erosion of highly-erodible land or relating to the conversion of wetlands for the production of an agricultural product or commodity. Grantor may contest in good faith any such law, ordinance or regulation and withhold compliance during any proceeding, including appropriate appeals, so long as Lender's interest in the Collateral, in Lender's opinion, is not jeopardized.

Hazardous Substances. Grantor represents and warrants that the Collateral never has been, and never will be so long as this Agreement remains a lien on the Collateral, used in violation of any Environmental Laws or for the generation, manufacture, storage, transportation, treatment, disposal, release or threatened release of any Hazardous Substance. The representations and warranties contained herein are based on Grantor's due diligence in investigating the Collateral for Hazardous Substances. Grantor hereby (1) releases and waives any future claims against Lender for indemnity or contribution in the event Grantor becomes liable for cleanup or other costs under any Environmental Laws, and (2) agrees to indemnify, defend, and hold harmless Lender against any and all claims and losses resulting from a breach of this provision of this Agreement. This obligation to indemnify and defend shall survive the payment of the indebtedness and the satisfaction of this Agreement.

Maintenance of Casualty Insurance. Grantor shall procure and maintain all risks insurance, including without limitation fire, theft and liability coverage together with such other insurance as Lender may require with respect to the Collateral, in form, amounts, coverages and basis reasonably acceptable to Lender and issued by a company or companies reasonably acceptable to Lender. Grantor, upon request of Lender, will deliver to Lender from time to time the policies or certificates of insurance in form satisfactory to Lender, including stipulations that coverages will not be cancelled or diminished without at least thirty (30) days' prior written notice to Lender and not including any disclaimer of the insurer's liability for failure to give such a notice. Each insurance policy also shall include an endorsement providing that coverage in favor of Lender will not be impaired in any way by any act, omission or default of Grantor or any other person. In connection with all policies covering assets in which Lender holds or is offered a security interest, Grantor will provide Lender with such loss payable or other endorsements as Lender may require. If Grantor at any time fails to obtain or maintain any insurance as required under this Agreement, Lender may (but shall not be obligated to) obtain such insurance as Lender deems appropriate, including if Lender so chooses "single interest insurance," which will cover only Lender's interest in the Collateral.

Application of Insurance Proceeds. Grantor shall promptly notify Lender of any loss or damage to the Collateral, whether or not such casualty or loss is covered by insurance. Lender may make proof of loss if Grantor fails to do so within fifteen (15) days of the casualty. All proceeds of any insurance on the Collateral, including accrued proceeds thereon, shall be held by Lender as part of the Collateral. If Lender consents to repair or replacement of the damaged or destroyed Collateral, Lender shall, upon satisfactory proof of expenditures, pay or reimburse Grantor from the proceeds for the reasonable cost of repair or restoration. If Lender does not consent to repair or replacement of the Collateral, Lender shall retain a sufficient amount of the proceeds to pay all of the indebtedness, and shall pay the balance to Grantor. Any proceeds which have not been disbursed within six (6) months after their receipt and which Grantor has not committed to the repair or restoration of the Collateral shall be used to prepay the indebtedness.

Insurance Reserves. Lender may require Grantor to maintain with Lender reserves for payment of insurance premiums, which reserves shall be created by monthly payments from Grantor of a sum estimated by Lender to be sufficient to produce, at least fifteen (15) days before the premium due date, amounts at least equal to the insurance premiums to be paid. If fifteen (15) days before payment is due, the reserve funds are insufficient, Grantor shall upon demand pay any deficiency to Lender. The reserve funds shall be held by Lender as a general deposit and shall constitute a non-interest-bearing account which Lender may satisfy by payment of the insurance premiums required to be paid by Grantor as they become due. Lender does not hold the reserve funds in trust for Grantor, and Lender is not the agent of Grantor for payment of the insurance premiums required to be paid by Grantor. The responsibility for the payment of premiums shall remain Grantor's sole responsibility.

Insurance Reports. Grantor, upon request of Lender, shall furnish to Lender reports on each existing policy of insurance showing such information as Lender may reasonably request including the following: (1) the name of the insurer; (2) the risks insured; (3) the amount of the policy; (4) the property insured; (5) the then current value on the basis of which insurance has been obtained and the manner of determining that value; and (6) the expiration date of the policy. In addition, Grantor shall upon request by Lender (however not more often than annually) have an independent appraiser satisfactory to Lender determine, as applicable, the cash value or replacement cost of the Collateral.

Financing Statements. Grantor authorizes Lender to file a UCC financing statement, or alternatively, a copy of this Agreement to perfect Lender's security interest. At Lender's request, Grantor additionally agrees to sign all other documents that are necessary to perfect, protect, and continue Lender's security interest in the Property. Grantor will pay all filing fees, title transfer fees, and other fees and costs involved unless prohibited by law or unless Lender is required by law to pay such fees and costs. Grantor irrevocably appoints Lender to execute documents necessary to transfer title if there is a default. Lender may file a copy of this Agreement as a financing statement. If Grantor changes Grantor's name or address, or the name or address of any person granting a security interest under this Agreement changes, Grantor will promptly notify the Lender of such change.

GRANTOR'S RIGHT TO POSSESSION. Until default, Grantor may have possession of the tangible personal property and beneficial use of all the Collateral and may use it in any lawful manner not inconsistent with this Agreement or the Related Documents, provided that Grantor's right to possession and beneficial use shall not apply to any Collateral whose possession of the Collateral by Lender is required by law to perfect Lender's security interest in such Collateral. If Lender at any time has possession of any Collateral, whether before or after Default, Lender shall be deemed to have exercised reasonable care in the custody and preservation of the Collateral if Lender takes such action for that purpose as Grantor shall request or as Lender, in Lender's sole discretion, shall deem appropriate under the circumstances, but failure to honor any request by Grantor shall not of itself be deemed to be a failure to exercise reasonable care. Lender shall not be required to take any steps necessary to preserve any rights in the Collateral against prior parties, nor to protect, preserve or maintain any security interest given to secure the indebtedness.

LENDER'S EXPENDITURES. If any action or proceeding is commenced that would materially affect Lender's interest in the Collateral or if Grantor fails to comply with any provision of this Agreement or any Related Documents, including but not limited to Grantor's failure to discharge or pay when due any amounts Grantor is required to discharge or pay under this Agreement or any Related Documents, Lender on Grantor's behalf may (but shall not be obligated to) take any action that Lender deems appropriate, including but not limited to discharging or paying all taxes, liens, security interests, encumbrances and other claims, at any time levied or placed on the Collateral and paying all costs for insuring, maintaining and preserving the Collateral. All such expenditures incurred or paid by Lender for such purposes will then bear interest at the rate charged under the Note from the date incurred or paid by Lender to the date of repayment by Grantor. All such expenses will become a part of the indebtedness and, at Lender's option, will (A) be payable on demand; (B) be added to the balance of the Note and be apportioned among and be payable with any installment payments to become due during either (1) the term of any applicable insurance policy; or (2) the remaining term of the Note; or (C) be treated as a balloon payment which will be due and payable at the Note's maturity. The Agreement also will secure payment of these amounts. Such right shall be in addition to all other rights and remedies to which Lender may be entitled upon Default.

REINSTATEMENT OF SECURITY INTEREST. If payment is made by Grantor, whether voluntarily or otherwise, or by guarantor or by any third party, on the indebtedness and thereafter Lender is forced to remit the amount of that payment (A) to Grantor's trustee in bankruptcy or to any similar person under any federal or state bankruptcy law or law for the relief of debtors, (B) by reason of any judgment, decree or order of any court or administrative body having jurisdiction over Lender or any of Lender's property, or (C) by reason of any settlement or compromise of any claim made by Lender with any claimant (including without limitation Grantor), the indebtedness shall be considered unpaid for the purpose

**COMMERCIAL SECURITY AGREEMENT
(Continued)**

Loan No: 0100

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of enforcement of this Agreement and this Agreement shall continue to be effective or shall be reinstated, as the case may be, notwithstanding any cancellation of this Agreement or of any note or other instrument or agreement evidencing the indebtedness and the Collateral will continue to secure the amount repaid or recovered to the same extent as if that amount never had been originally received by Lender, and Grantor shall be bound by any judgment, decree, order, settlement or compromise relating to the indebtedness or to this Agreement.

DEFAULT. Default will occur if payment in full is not made immediately when due.

RIGHTS AND REMEDIES ON DEFAULT. If Default occurs under this Agreement, at any time thereafter, Lender shall have all the rights of a secured party under the Missouri Uniform Commercial Code. In addition and without limitation, Lender may exercise any one or more of the following rights and remedies:

Accelerate Indebtedness. Lender may declare the entire Indebtedness, including any prepayment penalty which Grantor would be required to pay, immediately due and payable, without notice of any kind to Grantor.

Assemble Collateral. Lender may require Grantor to deliver to Lender all or any portion of the Collateral and any and all certificates of title and other documents relating to the Collateral. Lender may require Grantor to assemble the Collateral and make it available to Lender at a place to be designated by Lender. Lender also shall have full power to enter upon the property of Grantor to take possession of and remove the Collateral. If the Collateral contains other goods not covered by this Agreement at the time of repossession, Grantor agrees Lender may take such other goods, provided that Lender makes reasonable efforts to return them to Grantor after repossession.

Sell the Collateral. Lender shall have full power to sell, lease, transfer, or otherwise deal with the Collateral or proceeds thereof in Lender's own name or that of Grantor. Lender may sell the Collateral at public auction or private sale. Unless the Collateral threatens to decline speedily in value or is of a type customarily sold on a recognized market, Lender will give Grantor, and other persons as required by law, reasonable notice of the time and place of any public sale, or the time after which any private sale or any other disposition of the Collateral is to be made. However, no notice need be provided to any person who, after Event of Default occurs, enters into and authenticates an agreement waiving that person's right to notification of sale. The requirements of reasonable notice shall be met if such notice is given at least ten (10) days before the time of the sale or disposition. All expenses relating to the disposition of the Collateral, including without limitation the expenses of retaking, holding, insuring, preparing for sale and selling the Collateral, shall become a part of the Indebtedness secured by this Agreement and shall be payable on demand, with interest at the Note rate from date of expenditure until repaid.

Appoint Receiver. Lender shall have the right to have a receiver appointed to take possession of all or any part of the Collateral, with the power to protect and preserve the Collateral, to operate the Collateral preceding foreclosure or sale, and to collect the Rents from the Collateral and apply the proceeds, over and above the cost of the receivership, against the Indebtedness. The receiver may serve without bond if permitted by law. Lender's right to the appointment of a receiver shall exist whether or not the apparent value of the Collateral exceeds the Indebtedness by a substantial amount. Employment by Lender shall not disqualify a person from serving as a receiver.

Collect Revenues, Apply Accounts. Lender, either itself or through a receiver, may collect the payments, rents, income, and revenues from the Collateral. Lender may at any time in Lender's discretion transfer any Collateral into Lender's own name or that of Lender's nominee and receive the payments, rents, income, and revenues therefrom and hold the same as security for the Indebtedness or apply it to payment of the Indebtedness in such order of preference as Lender may determine. Insofar as the Collateral consists of accounts, general intangibles, insurance policies, instruments, chattel paper, choses in action, or similar property, Lender may demand, collect, receipt for, settle, compromise, adjust, sue for, foreclose, or realize on the Collateral as Lender may determine, whether or not Indebtedness or Collateral is then due. For these purposes, Lender may, on behalf of and in the name of Grantor, receive, open and dispose of mail addressed to Grantor; change any address to which mail and payments are to be sent; and endorse notes, checks, drafts, money orders, documents of title, instruments and items pertaining to payment, shipment, or storage of any Collateral. To facilitate collection, Lender may notify account debtors and obligors on any Collateral to make payments directly to Lender.

Obtain Deficiency. If Lender chooses to sell any or all of the Collateral, Lender may obtain a judgment against Grantor for any deficiency remaining on the Indebtedness due to Lender after application of all amounts received from the exercise of the rights provided in this Agreement. Grantor shall be liable for a deficiency even if the transaction described in this subsection is a sale of accounts or chattel paper.

Other Rights and Remedies. Lender shall have all the rights and remedies of a secured creditor under the provisions of the Uniform Commercial Code, as may be amended from time to time. In addition, Lender shall have and may exercise any or all other rights and remedies it may have available at law, in equity, or otherwise.

Election of Remedies. Except as may be prohibited by applicable law, all of Lender's rights and remedies, whether evidenced by this Agreement, the Related Documents, or by any other writing, shall be cumulative and may be exercised singularly or concurrently. Election by Lender to pursue any remedy shall not exclude pursuit of any other remedy, and an election to make expenditures or to take action to perform an obligation of Grantor under this Agreement, after Grantor's failure to perform, shall not effect Lender's right to declare a default and exercise its remedies.

ADDITIONAL TERMS. Grantor's failure to promptly provide additional collateral of a type and in a manner satisfactory to Lender upon Lender's request therefore due to Lender's reasonable determination that the value of the Collateral is insufficient to adequately secure the Indebtedness.

In the event the Debtor does not maintain insurance coverage on the Collateral deemed adequate by Secured Party, Secured Party may, in its discretion, purchase insurance or additional insurance, but shall not be obligated to do so. The premium for such additional insurance shall be added to and become part of the Obligations secured by this Agreement. Any refund of insurance premiums shall be applied to the cost of other insurance, or upon the last maturing installment (or the principal) of the debt secured by this Agreement.

Debtor waives the right to direct the application of any and all payments at any time or times received by Secured Party on account of the Obligations secured hereby or as proceeds of the Collateral and agrees that Secured Party shall have the exclusive right to apply and reapply any and all such payments in such manner as Secured Party in its sole discretion may deem advisable, notwithstanding any entry by Secured Party upon any of its books and records.

In the event Lender, in its sole discretion, issues letters of credit for the account of the Borrower pursuant hereto ("Letters of Credit"), each such Letter of Credit shall be issued subject to such terms and conditions as Lender shall determine at the time of issuance of each such Letter of Credit, including but not limited to letter of credit fees and the terms hereof. The face amount of all such Letters of Credit shall be deemed to be outstanding loans hereunder for purposes of computing the amount available to Borrower to borrow under any applicable credit facility with Lender. At no time shall the face amount of all outstanding Letters of Credit plus the principal amount of all outstanding loans from Lender to Borrower under any such credit facility exceed the Loan Value.

Debtor hereby authorizes Lender to file a Uniform Commercial Code/UCC financing statement describing the collateral as "All Assets".

Bankcard Obligations: All currently existing and future bankcard obligations owing by the Borrower to the Lender or to any affiliates of the Lender created pursuant to the use of bankcards now existing or hereafter issued by the Lender to the Borrower, shall be secured by and pursuant to the terms of this Security Agreement. All terms of the Security Agreement not expressly modified hereby shall remain in full force and effect.

ADDITIONAL TRUST OBLIGATIONS. If the Owner of the named Collateral, listed in the attached Security Instrument is a Trust, then, to the extent the foregoing described Trust Agreement does not specifically authorize this Pledge and Security Agreement, the provisions of the foregoing described Trust Agreement are hereby amended to the extent necessary to authorize the same and the performance of all the provisions hereof. In the event the foregoing described Trust Agreement is revoked prior to the payment in full of all obligations of Borrower to Lender and secured by the Collateral, this Pledge and Security Agreement shall nonetheless remain in full force and effect until all such obligations of the Borrower are paid in full.

MISCELLANEOUS PROVISIONS. The following miscellaneous provisions are a part of this Agreement:

Amendments. This Agreement, together with any Related Documents, constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.

Attorneys' Fees; Expenses. Grantor agrees to pay upon demand all of Lender's costs and expenses, including Lender's attorneys' fees and Lender's legal expenses, incurred in connection with the enforcement of this Agreement. Lender may hire or pay someone else to help enforce this Agreement, and Grantor shall pay the costs and expenses of such enforcement. Costs and expenses include Lender's attorneys' fees and legal expenses whether or not there is a lawsuit, including attorneys' fees and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. Grantor also shall pay all court costs and such additional fees as may be directed by the court.

Caption Headings. Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of this Agreement.

Governing Law. This Agreement will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Missouri without regard to its conflicts of law provisions. This Agreement has been accepted by Lender in the State of

**COMMERCIAL SECURITY AGREEMENT
(Continued)**

Loan No: 0100

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Missouri.

Choice of Venue. If there is a lawsuit, Grantor agrees upon Lender's request to submit to the jurisdiction of the courts of JACKSON County, State of Missouri.

Joint and Several Liability. All obligations of Grantor under this Agreement shall be joint and several, and all references to Grantor shall mean each and every Grantor. This means that each Grantor signing below is responsible for all obligations in this Agreement. Where any one or more of the parties is a corporation, partnership, limited liability company or similar entity, it is not necessary for Lender to inquire into the powers of any of the officers, directors, partners, members, or other agents acting or purporting to act on the entity's behalf, and any obligations made or created in reliance upon the professed exercise of such powers shall be guaranteed under this Agreement.

No Waiver by Lender. Lender shall not be deemed to have waived any rights under this Agreement unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Agreement shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by Lender, nor any course of dealing between Lender and Grantor, shall constitute a waiver of any of Lender's rights or of any of Grantor's obligations as to any future transactions. Whenever the consent of Lender is required under this Agreement, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

Notices. Any notice required to be given under this Agreement shall be given in writing, and shall be effective when actually delivered, when actually received by telefacsimile unless otherwise required by law, when deposited with a nationally recognized overnight courier, or, if mailed, when deposited in the United States mail, as first class, certified or registered mail postage prepaid, directed to the addresses shown near the beginning of this Agreement. Any party may change its address for notices under this Agreement by giving formal written notice to the other parties, specifying that the purpose of the notice is to change the party's address. For notice purposes, Grantor agrees to keep Lender informed at all times of Grantor's current address. Unless otherwise provided or required by law, if there is more than one Grantor, any notice given by Lender to any Grantor is deemed to be notice given to all Grantors.

Power of Attorney. Grantor hereby appoints Lender as Grantor's irrevocable attorney-in-fact for the purpose of executing any documents necessary to perfect, amend, or to continue the security interest granted in this Agreement or to demand termination of filings of other secured parties. Lender may at any time, and without further authorization from Grantor, file a carbon, photographic or other reproduction of any financing statement or of this Agreement for use as a financing statement. Grantor will reimburse Lender for all expenses for the perfection and the continuation of the perfection of Lender's security interest in the Collateral.

Severability. If a court of competent jurisdiction finds any provision of this Agreement to be illegal, invalid, or unenforceable as to any person or circumstance, that finding shall not make the offending provision illegal, invalid, or unenforceable as to any other person or circumstance. If feasible, the offending provision shall be considered modified so that it becomes legal, valid and enforceable. If the offending provision cannot be so modified, it shall be considered deleted from this Agreement. Unless otherwise required by law, the illegality, invalidity, or unenforceability of any provision of this Agreement shall not affect the legality, validity or enforceability of any other provision of this Agreement.

Successors and Assigns. Subject to any limitations stated in this Agreement on transfer of Grantor's interest, this Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. If ownership of the Collateral becomes vested in a person other than Grantor, Lender, without notice to Grantor, may deal with Grantor's successors with reference to this Agreement and the indebtedness by way of forbearance or extension without releasing Grantor from the obligations of this Agreement or liability under the indebtedness.

Survival of Representations and Warranties. All representations, warranties, and agreements made by Grantor in this Agreement shall survive the execution and delivery of this Agreement, shall be continuing in nature, and shall remain in full force and effect until such time as Grantor's indebtedness shall be paid in full.

Time is of the Essence. Time is of the essence in the performance of this Agreement.

DEFINITIONS. The following capitalized words and terms shall have the following meanings when used in this Agreement. Unless specifically stated to the contrary, all references to dollar amounts shall mean amounts in lawful money of the United States of America. Words and terms used in the singular shall include the plural, and the plural shall include the singular, as the context may require. Words and terms not otherwise defined in this Agreement shall have the meanings attributed to such terms in the Uniform Commercial Code:

Agreement. The word "Agreement" means the Commercial Security Agreement, as this Commercial Security Agreement may be amended or modified from time to time, together with all exhibits and schedules attached to this Commercial Security Agreement from time to time.

Borrower. The word "Borrower" means Herzog Contracting Corp.; Herzog Services, Inc.; Herzog Contracting of Canada, Ltd.; Herzog Inc.; and Herzog Railroad Services, Inc., and includes all co-signers and co-makers signing the Note and all their successors and assigns.

Collateral. The word "Collateral" means all of Grantor's right, title and interest in and to all the Collateral as described in the Collateral Description section of this Agreement.

Default. The word "Default" means the Default set forth in this Agreement in the section titled "Default".

Environmental Laws. The words "Environmental Laws" mean any and all state, federal and local statutes, regulations and ordinances relating to the protection of human health or the environment, including without limitation the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended, 42 U.S.C. Section 9601, et seq. ("CERCLA"), the Superfund Amendments and Reauthorization Act of 1986, Pub. L. No. 99-499 ("SARA"), the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, et seq., or other applicable state or federal laws, rules, or regulations adopted pursuant thereto.

Event of Default. The words "Event of Default" mean any of the events of default set forth in this Agreement in the default section of this Agreement.

Grantor. The word "Grantor" means Herzog Contracting Corp.; Herzog Services, Inc.; Herzog Contracting of Canada, Ltd.; Herzog Inc.; and Herzog Railroad Services, Inc..

Hazardous Substances. The words "Hazardous Substances" mean materials that, because of their quantity, concentration or physical, chemical or infectious characteristics, may cause or pose a present or potential hazard to human health or the environment when improperly used, treated, stored, disposed of, generated, manufactured, transported or otherwise handled. The words "Hazardous Substances" are used in their very broadest sense and include without limitation any and all hazardous or toxic substances, materials or waste as defined by or listed under the Environmental Laws. The term "Hazardous Substances" also includes, without limitation, petroleum and petroleum by-products or any fraction thereof and asbestos.

Indebtedness. The word "Indebtedness" means the indebtedness evidenced by the Note or Related Documents, including all principal and interest together with all other indebtedness and costs and expenses for which Grantor is responsible under this Agreement or under any of the Related Documents and (a) the payment of Grantor's obligations (whether joint, several or otherwise) to Lender as evidenced by any other note(s) or other evidence of indebtedness executed by such Grantor and all amendments, modifications, renewals, extensions and substitutions thereof and all subsequent notes of greater or lesser amounts payable or assigned to Lender; (b) the performance of each Debtor's obligations under this security agreement ("Agreement"); and (c) the payment of any and all other indebtedness, direct or indirect, mature or unmatured or contingent, joint or several now or hereafter owed to Secured Party by each Debtor, including (without limitation) indebtedness unrelated or dissimilar to any indebtedness in existence or contemplated by any Debtor at the time this Agreement was executed or at the time such indebtedness is incurred.

Lender. The word "Lender" means JMB BANK, n.a., its successors and assigns.

Note. The word "Note" means the Note executed by Herzog Contracting Corp.; Herzog Services, Inc.; Herzog Contracting of Canada, Ltd.; Herzog Inc.; and Herzog Railroad Services, Inc. in the principal amount of \$80,000,000.00 dated October 14, 2010, together with all renewals of, extensions of, modifications of, refinancings of, consolidations of, and substitutions for the note or credit agreement.

Property. The word "Property" means all of Grantor's right, title and interest in and to all the Property as described in the "Collateral Description" section of this Agreement.

Related Documents. The words "Related Documents" mean all promissory notes, credit agreements, loan agreements, environmental agreements, guarantees, security agreements, mortgages, deeds of trust, security deeds, collateral mortgages, and all other instruments, agreements and documents, whether now or hereafter existing, executed in connection with the indebtedness.

WAIVE JURY. All parties to this Agreement hereby waive the right to any jury trial in any action, proceeding, or counterclaim brought by any party against any other party.

GRANTOR HAS READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS COMMERCIAL SECURITY AGREEMENT AND AGREES TO ITS TERMS. THIS AGREEMENT IS DATED OCTOBER 14, 2010.

GRANTOR:

HERZOG CONTRACTING CORP.

By: 
Arthur W. Van Meter, Sr. Vice President of Herzog Contracting Corp.

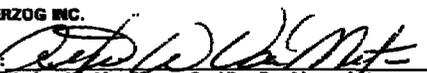
HERZOG SERVICES, INC.

By: 
Arthur W. Van Meter, Sr. Vice President of Herzog Services, Inc.

HERZOG CONTRACTING OF CANADA, LTD

By: 
Arthur W. Van Meter, Sr. Vice President of Herzog Contracting of Canada, Ltd

HERZOG INC.

By: 
Arthur W. Van Meter, Sr. Vice President of Herzog Inc.

HERZOG RAILROAD SERVICES, INC.

By: 
Arthur W. Van Meter, Sr. Vice President of Herzog Railroad Services, Inc.

Herzog PLUS Trains

60 Cars PLUS Train to be furnished with car numbers to be added by a later addendum

1	HZGX	7019	26	HZGX	7706	51	HZGX	7739	76	HZGX	8500
2	HZGX	7029	27	HZGX	7709	52	HZGX	7740	77	HZGX	8526
3	HZGX	7042	28	HZGX	7710	53	HZGX	7741	78	HZGX	8551
4	HZGX	7052	29	HZGX	7711	54	HZGX	7742	79	HZGX	8553
5	HZGX	7355	30	HZGX	7712	55	HZGX	7743	80	HZGX	8602
6	HZGX	7356	31	HZGX	7713	56	HZGX	7744	81	HZGX	8609
7	HZGX	7358	32	HZGX	7714	57	HZGX	7745	82	HZGX	8622
8	HZGX	7359	33	HZGX	7715	58	HZGX	7746	83	HZGX	8653
9	HZGX	7364	34	HZGX	7716	59	HZGX	7747	84	HZGX	8654
10	HZGX	7399	35	HZGX	7717	60	HZGX	7750	85	HZGX	8655
11	HZGX	7371	36	HZGX	7718	61	HZGX	7269	86	HZGX	8658
12	HZGX	7373	37	HZGX	7719	62	HZGX	7271	87	HZGX	8657
13	HZGX	7380	38	HZGX	7724	63	HZGX	7273	88	HZGX	8658
14	HZGX	7386	39	HZGX	7725	64	HZGX	7720	89	HZGX	8659
15	HZGX	7389	40	HZGX	7726	65	HZGX	7755	90	HZGX	8681
16	HZGX	7392	41	HZGX	7727	66	HZGX	7759	91	HZGX	8294
17	HZGX	7400	42	HZGX	7728	67	HZGX	7763	92	HZGX	8326
18	HZGX	7405	43	HZGX	7729	68	HZGX	8229	93	HZGX	8363
19	HZGX	7407	44	HZGX	7730	69	HZGX	8266	94	HZGX	8402
20	HZGX	7420	45	HZGX	7732	70	HZGX	8285	95	HZGX	8404
21	HZGX	7429	46	HZGX	7733	71	HZGX	8336	96	HZGX	8428
22	HZGX	7438	47	HZGX	7734	72	HZGX	8378	97	HZGX	8441
23	HZGX	7444	48	HZGX	7736	73	HZGX	8385	98	HZGX	8443
24	HZGX	7446	49	HZGX	7737	74	HZGX	8416	99	HZGX	8452
25	HZGX	7767	50	HZGX	7738	75	HZGX	8474	100	HZGX	8500

60 Cars Solar train to be furnished with car numbers to be added by a later addendum

1	HZGX	6303	41	HZGX	6657
2	HZGX	6305	42	HZGX	6662
3	HZGX	6308	43	HZGX	6664
4	HZGX	6310	44	HZGX	6666
5	HZGX	6313	45	HZGX	6667
6	HZGX	6317	46	HZGX	6671
7	HZGX	6321	47	HZGX	6674
8	HZGX	6322	48	HZGX	6677
9	HZGX	6323	49	HZGX	6683
10	HZGX	6324	50	HZGX	6686
11	HZGX	6327	51	HZGX	6689
12	HZGX	6342	52	HZGX	6690
13	HZGX	6346	53	HZGX	6691
14	HZGX	6348	54	HZGX	6695
15	HZGX	6349	55	HZGX	6698
16	HZGX	6350	56	HZGX	6691
17	HZGX	6361	57	HZGX	6692
18	HZGX	6362	58	HZGX	6693
19	HZGX	6363	59	HZGX	6694
20	HZGX	6364	60	HZGX	6695
21	HZGX	6365			
22	HZGX	6366			
23	HZGX	6367			
24	HZGX	6367			
25	HZGX	6368			
26	HZGX	6370			
27	HZGX	6372			
28	HZGX	6380			
29	HZGX	6381			
30	HZGX	6382			
31	HZGX	6387			
32	HZGX	6407			
33	HZGX	6608			
34	HZGX	6610			
35	HZGX	6612			
36	HZGX	6629			
37	HZGX	6638			
38	HZGX	6633			
39	HZGX	6643			
40	HZGX	6654			

CORPORATE ACKNOWLEDGEMENT FOR COMMERCIAL SECURITY AGREEMENT

I, Arthur W. Van Meter, certify that I am Sr. Vice President of Herzog, Inc.; that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that the instrument was signed and sealed on behalf of the corporation by authority of its Board of Directors, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the corporation. I further certify under penalty of perjury that the foregoing is true and correct. Executed on 10/14, 2010.

Herzog, Inc.


Arthur W. Van Meter
Sr. Vice President

State of Missouri County of Buchanan, ss: _____

On this 14th day of Oct, 2010 before me personally appeared Arthur Van Meter, to me personally known, who is being by me duly sworn, says that he is the Sr. Vice President of Herzog, Inc. that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Signature of Notary Public Lorrie A. Smiley
My Commission expires 6/21/13



CORPORATE ACKNOWLEDGEMENT FOR COMMERCIAL SECURITY AGREEMENT

I, Arthur W. Van Meter, certify that I am Sr. Vice President of Herzog Contracting of Canada, Ltd.; that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that the instrument was signed and sealed on behalf of the corporation by authority of its Board of Directors, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the corporation. I further certify under penalty of perjury that the foregoing is true and correct. Executed on 10/14, 2010.

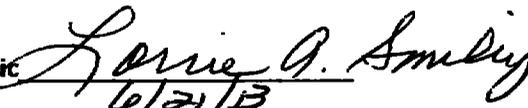
Herzog Contracting of Canada, Ltd.


Arthur W. Van Meter
Sr. Vice President

State of Missouri County of Buchanan, ss: _____

On this 14th day of Oct, 2010 before me personally appeared Arthur Van Meter, to me personally known, who is being by me duly sworn, says that he is the Sr. Vice President of Herzog Contracting of Canada, Ltd. that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Signature of Notary Public
My Commission expires


6/21/13



CORPORATE ACKNOWLEDGEMENT FOR COMMERCIAL SECURITY AGREEMENT

I, Arthur W. Van Meter, certify that I am Sr. Vice President of Herzog Railroad Services, Inc.; that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that the instrument was signed and sealed on behalf of the corporation by authority of its Board of Directors, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the corporation. I further certify under penalty of perjury that the foregoing is true and correct. Executed on 10/14, 2010.

Herzog Railroad Services, Inc.


Arthur W. Van Meter
Sr. Vice President

State of Missouri County of Buchanan, ss: _____

On this 14th day of Oct, 2010 before me personally appeared Arthur Van Meter, to me personally known, who is being by me duly sworn, says that he is the Sr. Vice President of Herzog Railroad Services, Inc. that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Signature of Notary Public Lorrie A. Smiley
My Commission expires 6/21/13



CORPORATE ACKNOWLEDGEMENT FOR COMMERCIAL SECURITY AGREEMENT

I, Arthur W. Van Meter, certify that I am Sr. Vice President of Herzog Services, Inc.; that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that the instrument was signed and sealed on behalf of the corporation by authority of its Board of Directors, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the corporation. I further certify under penalty of perjury that the foregoing is true and correct. Executed on 10/14 2010.

Herzog Services, Inc.


Arthur W. Van Meter
Sr. Vice President

State of Missouri County of Buchanan, ss: _____

On this 14th day of Oct, 2010 before me personally appeared Arthur Van Meter, to me personally known, who is being by me duly sworn, says that he is the Sr. Vice President of Herzog Services, Inc. that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Signature of Notary Public Lorrie A. Smiley
My Commission expires 10/21/13



CORPORATE ACKNOWLEDGEMENT FOR COMMERCIAL SECURITY AGREEMENT

I, Arthur W. Van Meter, certify that I am Sr. Vice President of Herzog Contracting Corp., that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that the instrument was signed and sealed on behalf of the corporation by authority of its Board of Directors, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the corporation. I further certify under penalty of perjury that the foregoing is true and correct. Executed on 10/14, 2010.

Herzog Contracting Corp.

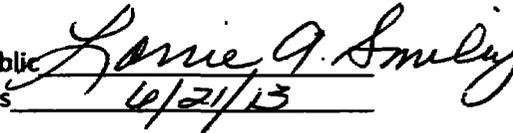


Arthur W. Van Meter
Sr. Vice President

State of Missouri County of Buchanan, ss: _____

On this 14th day of Oct, 2010 before me personally appeared Arthur Van Meter, to me personally known, who is being by me duly sworn, says that he is the Sr. Vice President of Herzog Contracting Corp. that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Signature of Notary Public
My Commission expires



6/21/13

