

RECORDATION NO. 29702 FILED

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SURFACE TRANSPORTATION BOARD

OSTER RESEARCHING SERVICES
12897 Colonial Drive
Mt. Airy, Maryland 21771
(301) 253-6040
maryannoster@comcast.net

March 29, 2011

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

Dear Section Chief:

Enclosed for recording with the Surface Transportation Board are one original and one counterpart of the document described below to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code:

Memorandum of Security Agreement and
Assignment of Leases dated 3/25/11

Secured Party: Huntington National Bank
105 East 4th Street CN01
Cincinnati, OH 45202

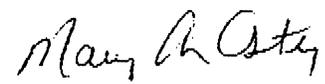
Debtor: LHAGS, Inc.
492 Logan Avenue SE
Warren, OH 44482

Spirongo, Inc.
492 Logan Avenue SE
Warren, OH 44482

Equipment: 41, Locomotives
(See Exhibit A)

Please record this agreement as a primary document. The filing fee of \$41 is enclosed.

Sincerely,



Mary Ann Oster
Research Consultant

MEMORANDUM OF SECURITY AGREEMENT AND ASSIGNMENT OF LEASES

Dated as of March 25, 2011

between

THE HUNTINGTON NATIONAL BANK,
as Secured Party

and

LHAGS, Inc.,
Spirongo, Inc.,
as Debtor

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

MAR 29 '11 -5 19 PM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF SECURITY AGREEMENT AND ASSIGNMENT OF LEASES

THIS MEMORANDUM OF SECURITY AGREEMENT AND ASSIGNMENT OF LEASES dated as of **March 25, 2011** is made by and between **THE HUNTINGTON NATIONAL BANK**, together with its successors and assigns ("Secured Party"), and **LHAGS, INC., Spirongo, Inc., jointly, severally, individually and collectively**, and its successors and permitted assigns ("Debtor").

WITNESSETH

1. Pursuant to a Master Railcar Loan and Security Agreement No. 101-0075649-001 dated as of March 25, 2011 and Promissory Note No. 101-0075649-001 executed pursuant thereto dated as of March 25, 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 "Locomotives") and all leases relating to such Locomotives described on Exhibit B attached hereto (the "Leases") together with all proceeds thereof regarding the leasing or subleasing of the Locomotives under the Security Agreement.

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

3. This Memorandum of Security Agreement and Assignment of Leases 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]

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:

THE HUNTINGTON NATIONAL BANK

By: [Signature]
Name: Suzanne Myers
Title: Senior Vice President

STATE OF OHIO)
COUNTY OF Trenton) ss.:

On this 15th day of March, 2011, before me the subscriber personally appeared Suzanne Myers who being by me duly sworn, did depose and say: that (s)he is the Sr. Vice Pres. of THE HUNTINGTON NATIONAL BANK 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.

Christine Hofmann
NOTARY PUBLIC



My Commission Expires:
CHRISTINE HOFMANN
Notary Public, State of Ohio
My Commission Expires Dec. 16, 2013

EXHIBIT A
TO MEMORANDUM OF SECURITY AGREEMENT AND ASSIGNMENT OF LEASES
DATED AS OF MARCH 25, 2011

	<u>Locomotives</u> <u>Unit Number</u>	<u>Model</u>
1.	LTEX 1428	GP15-1
2.	LTEX 1413	GP15-1
3.	LTEX 1206	SW-1200
4.	LTEX 3801	GP-38
5.	LTEX 1185	SW-1500
6.	LTEX 2372	GP-39
7.	LTEX 3900	GP-39
8.	LTEX 3901	GP-39
9.	LTEX 1203	SW-1200
10.	LTEX 3530	SW-1200
11.	LTEX 530	SW-1500
12.	LTEX 3629	SW-1500
13.	LTEX 500	SW-1500
14.	LTEX 501	SW-1500
15.	LTEX 3627	SW-1000
16.	LTEX 1521	SW-1500
17.	LTEX 1523	SW-1500
18.	LTEX 3434	SW-1000
19.	LTEX 573	SW-900
20.	LTEX 1200	SW-1200
21.	LTEX 112	SW-1200
22.	LTEX 115	SW-1200
23.	LTEX 1525	SW-1500
24.	LTEX 125	SW-1200
25.	LTEX 127	SW-1200
26.	LTEX 130	SW-1200
27.	LTEX 131	SW-1200
28.	UCRY 1401	GP15-1
29.	UCRY 1418	GP15-1
30.	LTEX 1453	GP15-1
31.	SAV 1433	GP15-1
32.	SAV 1454	GP15-1
33.	LTEX 1539	SW-1500
34.	LTEX 1530	SW-1500
35.	LTEX 1446	GP 15-1
36.	LTEX1455	GP 15-1
37.	LTEX 1434	GP-15-1
38.	LTEX 1451	GP-15-1
39.	CLC 3804	GP-38-2
40.	CLC 3805	GP-38-2
41.	LTX 1496	GP-15

EXHIBIT B
TO MEMORANDUM OF SECURITY AGREEMENT AND ASSIGNMENT OF LEASES
DATED AS OF MARCH , 2011

LESSEE	UNIT MARK
ADM	LTEX 1428
Bloomer Line Railroad	LTEX 1413, 1206 & 3801
Harsco Metals	LTEX 1530 & 1539
S & I Locomotive Services, Inc	LTEX 3530
S & I Locomotive Services, Inc	LTEX 3627 & 3434
S & I Locomotive Services, Inc	LTEX 1521, 1523 & 3629
S & I Locomotive Services, Inc	LTEX 500, 501 & 530
Tube City – IMS	LTEX 130 & 131
Tube City – IMS	LTEX 125 & 127
Massachusetts Coastal Railroad	LTEX 1453
Utah Central Railway Company	UCRY 1496
Sacramento Valley Railroad, LLC	SAV-1454
Sacramento Valley Railroad, Inc.	SAV-1433
Cleveland Commercial Railroad Company LLC	LTEX 2372, 3900 & 3901
Olympic Mill Services	LTEX 573
Utah Central Railway Company	UCRY 1401 & 1418
US Rail Corporation	USRV 8112 & 8115
US Rail Corporation	LTEX 1525
Columbia & Cowlitz Railway	CLC 3804 & 3805
Piedmont & Northern Railway	PNRW 1434 & 1451
Temple & Central Texas Railway	TC 1446 & 1455
Cleveland Commercial Railroad Company LLC	LTEX 1185
Tube City IMS Corporation	LTEX 1200
EKA Chemicals Inc.	LTEX 1203

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:

LHAGS, INC.

By: [Signature]

Name: George Bakaris + Spiros Bakaris

Title: Pres. / Vice President

STATE OF Ohio)

COUNTY OF Merbutel) ss.:

On this 25th day of March, 2011, before me the subscriber personally appeared George Bakaris + Spiros Bakaris who being by me duly sworn, did depose and say: that (s)he is the Pres. + V.P. of Lhags, Inc. the 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.

Christie Hofmann
NOTARY PUBLIC

My Commission Expires:



CHRISTINE HOFMANN
Notary Public, State of Ohio
My Commission Expires Dec. 16, 2013

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:

Spirongo, Inc.

By:

Name: George Bakaris + Spiros Bakaris
Title: Pres. / Vice President

STATE OF Ohio)

COUNTY OF Trenton) ss.:

On this 25th day of March, 2011, before me the subscriber personally appeared George Bakaris & Spiros Bakaris, who being by me duly sworn, did depose and say: that (s)he is the Pres. + V.P. of Spirongo, Inc. the 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.

Christine Hofmann
NOTARY PUBLIC

My Commission Expires:



CHRISTINE HOFMANN
Notary Public, State of Ohio
My Commission Expires Dec. 16, 2013