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OF COUNSEL
URBAN A LESTER

December 16, 2011

RECORDATION NO. 29771-C FILED

DEC 16 '11 -4 4 0 PM

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

SURFACE TRANSPORTATION BOARD

Dear Ms. Brown:

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 Supplement No. 3, dated as of December 16, 2011, 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 29771.

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

Grantor:	Flagship Rail Services, LLC 300 South Riverside Plaza, Suite 1925 Chicago, IL 60606
Collateral Agent:	Wells Fargo Capital Finance, LLC 14241 N Dallas Pkwy Suite 1300 Dallas, TX 75254

Ms. Cynthia T. Brown
December 16, 2011
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A description of the railroad equipment covered by the enclosed document is:

150 railcars: AOKX 78350 – AOKX 78499.

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

Memorandum of Security Agreement Supplement No. 3.

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,



Edward M. Luria

EML/sem
Enclosures

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SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF SECURITY AGREEMENT
SUPPLEMENT NO. 3**

This MEMORANDUM OF SECURITY AGREEMENT SUPPLEMENT NO. 3 (“Memorandum”) dated as of December 16, 2011 is between FLAGSHIP RAIL SERVICES, LLC, a Delaware limited liability company (the “Grantor”) and WELLS FARGO CAPITAL FINANCE, LLC, in its capacity as Collateral Agent for the Protected Parties (in such capacity, together with its successors and assigns, the “Collateral Agent”). The parties to this Memorandum, among others, have entered into that certain Security Agreement, dated as of May 11, 2011 (the “Security Agreement”) and Security Agreement Supplement No. 3, dated the date hereof, by which the Grantor has agreed to grant to the Collateral Agent, for the benefit of the Protected Parties, a continuing security interest in and to the “Collateral” to secure the “Secured Obligations” (all capitalized terms in quotes herein and not underlined are as defined in the Security Agreement).

A Memorandum of said Security Agreement was recorded with the Surface Transportation Board on May 11, 2011 at 12:40 p.m., under Recordation No. 29771, and with the Registrar General of Canada on May 11, 2011 at 1:03 p.m.

The parties to this Memorandum hereby acknowledge and confirm the following:

A. Grantor and Collateral Agent hereby affirm and acknowledge that Grantor has agreed to grant the Collateral Agent, on behalf of itself and the Protected Parties, a first priority security interest in all “Railcar Collateral” of Grantor, including the “Additional Railcars” listed in Schedule A hereto, and all “Pledged Leases”, including the “Additional Lease” listed in Schedule B hereto, and all “Proceeds” therefrom.

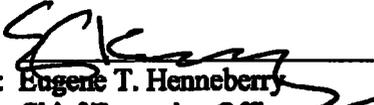
B. The parties hereto wish to show for public record this Memorandum and accordingly have caused this Memorandum to be executed by their officers thereunto duly authorized, as of the date first written.

C. This Memorandum may be executed in counterparts, each such counterpart shall be binding on all parties hereto, notwithstanding that all parties are not signatories to the same counterpart.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the first date herein above written.

FLAGSHIP RAIL SERVICES, LLC,
as Grantor

By: 
Name: Eugene T. Henneberry
Title: Chief Executive Officer

State of Illinois)
) ss
County of Cook)

The foregoing Memorandum was acknowledged before me, the undersigned Notary Public, this 9th day of December, 2011, by Eugene T. Henneberry, as Chief Executive Officer of FLAGSHIP RAIL SERVICES, LLC.


Notary Public

My commission expires: 6/17/14



IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the first date herein above written.

WELLS FARGO CAPITAL
FINANCE, LLC, as Collateral Agent

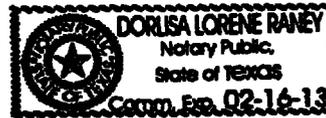
By: JF
Name: JASON FAW
Title: AVP

State of Texas)
County of Dallas) ss

The foregoing Memorandum was acknowledged before me, the undersigned Notary Public, this 13 day of December, 2011, by JASON FAW as AVP of WELLS FARGO CAPITAL FINANCE, LLC.

Dorisa Lorene Raney
Notary Public

My commission expires: 2-16-13



**SCHEDULE A
TO THE
MEMORANDUM OF MORTGAGE SUPPLEMENT NO. 3**

ADDITIONAL RAILCARS

One Hundred Fifty (150) covered hopper railcars, bearing marks and numbers:

AOKX 78350 through AOKX 78499, inclusive.

**SCHEDULE B
TO THE
MEMORANDUM OF MORTGAGE SUPPLEMENT NO. 3**

ADDITIONAL LEASE

Lease Agreement (“Lease Agreement”), dated as of July 13, 2010, between Flagship Rail Services, LLC, as assignee of Greenbrier Leasing Company LLC, as lessor (the “Lessor”), and Aventine Renewable Energy, Inc., as lessee (the “Lessee”) and Schedule No. 2, dated as of September 1, 2010, entered into between the Lessor, and the Lessee.

A Memorandum of Lease with respect to the Lease Agreement and the Schedule were recorded with the Surface Transportation Board on February 24, 2011, at 4:05 p.m. under Recordation No. 29653-A, and with the Registrar General of Canada on December 7, 2011 at 12:37 p.m. A Memorandum of Assignment of Lease between Greenbrier Leasing Company, LLC, as transferor and Flagship Rail Services, LLC, as transferee with respect to the Lease Agreement and the Schedule is being recorded concurrently with the STB and RGC on the date hereof.

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 2/16/11

Edward M Luria
Edward M Luria