

HUSCH BLACKWELL

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RECORDATION NO. 30095 FEB 17 '12

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SURFACE TRANSPORTATION BOARD

February 17, 2012

Secretary
Surface Transportation Board
395 East Street, SW
Washington, DC 20024

Dear Secretary:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. §11301 is a copy of a Memorandum of Railcar and Locomotive Mortgage and Security Agreement, dated as of February 8, 2012, a primary document as defined in the Board's Rules for Recordation of Documents.

The name and address of the parties to the documents are:

Lender/Secured Party: Numerica Credit Union
PO Box 4000
Spokane Valley, WA 99037

Grantor/Mortgagor: Shasta Sunset Corporation
500 Riverside Avenue
Orofino, ID 83544

A description of the railroad equipment covered by the enclosed documents is as follows:

Railcars

<u>Description</u>	<u>Road or Serial Number</u>
Shasta Dinner Car	MR 3838 2838
Siskiyou Dinner Car	MR2819
Lassen Dinner Car	MR2900

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Trinity Dinner Car	MR2801
Dance Car	MR2109-2901
Gift Shop Car	MR11

Locomotives

<u>Description</u>	<u>Road or Serial Number</u>
Baldwin S-12 Locomotive	S12 Locomotive 16

A fee of \$41.00 is enclosed payable to the order of the Surface Transportation Board covering the required recordation fee.

A short summary of the document to appear in the index is as follows: Memorandum of Railcar and Locomotive Mortgage and Security Agreement dated February 8, 2012.

Thank you for your attention to this matter and if you have any questioned regarding this correspondence, please call me.

Sincerely,



Ryan C. Brunton
Partner

RCB/mfs
Enclosures

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MEMORANDUM
DATED AS OF FEBRUARY 8, 2012
OF
RAILCAR AND LOCOMOTIVE MORTGAGE AND SECURITY AGREEMENT
DATED AS OF FEBRUARY 8, 2012
BETWEEN
SHASTA SUNSET CORPORATION
("GRANTOR")
AND
NUMERICA CREDIT UNION
("LENDER")

SURFACE TRANSPORTATION BOARD

WHEREAS, BG & CM Railroad, Inc. ("Borrower") and Lender entered into that certain Business Loan Agreement, dated as of July 29, 2011, (as amended, restated or otherwise modified from time to time, the "Loan Agreement") pursuant to which the Lender agreed to extend to the Borrower a term loan to be evidenced by a promissory note payable by Borrower to the order of the Lender;

WHEREAS, Grantor and the Lender entered into a certain Railcar and Locomotive Mortgage and Security Agreement, dated as of February 8, 2012 (as amended, restated or otherwise modified from time to time, the "Security Agreement") pursuant to which the Grantor agreed to grant a security interest in favor of the Lender to secure the loan extended under the Loan Agreement (the "Loan");

WHEREAS, it is a condition precedent to the obligation of the Lender to make and maintain the Loan that a memorandum of the Security Agreement (the "Memorandum") set forth herein is to be filed and recorded with the Surface Transportation Board.

1. Definitions. Except as otherwise defined in this Memorandum, terms defined in the Loan Agreement or by reference therein are used herein as defined therein.

2. Security Interest. Subject to the terms, conditions, covenants and agreements set forth in the Loan Agreement and the Security Agreement and pursuant thereto, the Grantor assigned, mortgaged, pledged, hypothecated, transferred and set over to the Lender and granted to the Lender a first priority lien on and security interest in all of the Grantor's right, title and interest in and to the equipment more fully described on Schedule 1 hereto and to the Security Agreement and agreed that such equipment shall constitute Collateral subject to the grant of security by the Grantor set forth in Section 2 of the Security Agreement.

3. Counterparts. This Memorandum may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Memorandum by signing any such counterpart.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Memorandum in one or more counterparts as of the date first set forth above.

SHASTA SUNSET CORPORATION

By: 
Name: MICHAEL W WILLIAMS
Title: PRES.

NUMERICA CREDIT UNION

By: 
Name: Gregory Hansen
Title: AVP

[Signature Page to Memorandum]

STATE OF Missouri)
) SS.
COUNTY OF Ray)

On this 8th day of February, 2012, before me appeared, to me personally known, who being by me duly sworn did say that he is the President of SHASTA SUNSET CORPORATION, a California corporation, and that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and he acknowledged said instrument to be the free act and deed of said corporation.

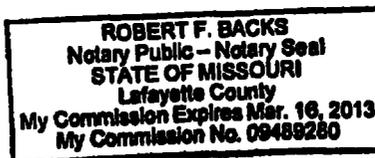
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

Robert F. Backs

Notary Public

My Commission Expires:

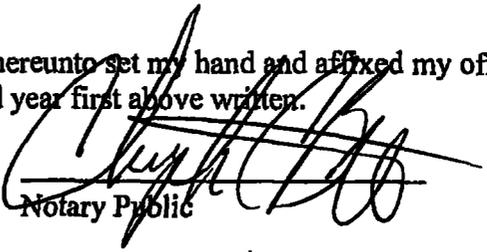
3-16-2013



STATE OF Washington)
) SS.
COUNTY OF Snohomish)

On this 9 day of February, 2012, before me appeared, to me personally known, who being by me duly sworn did say that he is the AVP of NUMERICA CREDIT UNION and that said instrument was signed and sealed in behalf of said bank by authority of its Board of Directors, and he acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.


Notary Public

My Commission Expires:
4-20-14



Schedule 1

Equipment

See Chart (Schedule 1) to Mortgage

Railcars

<u>Description</u>	<u>Road or Serial Number</u>
Shasta Dinner Car	MR3858 <i>2838</i>
Siskiyou Dinner Car	MR2819
Lassen Dinner Car	MR2900
Trinity Dinner Car	MR2801
Dance Car	MR2109 <i>2901</i>
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Baldwin S-12 Locomotive	S12 Locomotive 16

CERTIFICATION

I, Ryan C. Brunton, an attorney licensed to practice in the State of Missouri, do hereby certify under penalty of perjury, that I have compared the attached copy with the original thereof and found the copy to be complete and identical in all respects to the original document.

A handwritten signature in black ink, appearing to read 'R C Brunton', written in a cursive style.

Ryan C. Brunton