

September 27, 2012

Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

Attn: Recordation

To Whom It May Concern:

I am enclosing for recordation pursuant to the provisions of 49 U.S.C. 11301, an original and one copy of the document described below, a Partial Release of a Locomotive Security Agreement dated September 26, 2012, a secondary document under the Board's rules.

This document is a Partial Termination and Release of Security Interests and Liens. The primary documents to which this document is connected and are requested to be recorded with are (i) Memorandum of Loan and Security Agreement and Locomotive Security Agreement dated February 15, 2011, that was recorded February 17, 2011, under Recordation Number 29654 and (ii) the Collateral Assignment of Locomotive Leases dated as of February 15, 2011, that was recorded February 17, 2011 under the Recordation Number 29655.

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

Borrower: National Railway Equipment Co.
14400 S. Robey Street
Dixmoor, IL 60426

Lender: The PrivateBank and Trust Company
120 South LaSalle Street, Suite 200
Chicago, IL 60603

A description of the railroad equipment covered by the enclosed document is:

Two (2) MP15AC Locomtoives, bearing road numbers NREX 1539 and NREX 1560.

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

“Partial Release of Locomotive Security Agreement”

The amount of \$84.00 (for the two recordations) should be charged to the National Railway Equipment Co. Account to cover the required recordation fee for the attached agreement.

Please date-stamp and return to me one copy of the enclosed document.

Return Address: National Railway Equipment Co.
 ATTN: Mark C. Svalina
 14400 S. Robey St.
 Dixmoor, IL 60426

Sincerely,

BY: 
 Mark C. Svalina

PARTIAL TERMINATION AND RELEASE OF SECURITY INTERESTS AND LIENS

WHEREAS, THE PRIVATEBANK AND TRUST COMPANY (the “**Agent**”) and NATIONAL RAILWAY EQUIPMENT CO., an Illinois corporation, (the “**Borrower**”), certain subsidiaries of the Borrower (together with the Borrower, the “**Loan Parties**”) and certain Lenders party thereto (the “**Lenders**”) have entered into that certain Loan and Security Agreement dated as of February 22, 2011 (as the same may be amended, restated or otherwise modified from time to time, the “**Loan Agreement**”) pursuant to which the Lenders have agreed to make loans to and issue letters of credit for the account of the Borrower;

WHEREAS, the obligations of the Loan Parties under the Loan Agreement have been secured thereunder and pursuant to (i) that certain Memorandum of Loan and Security Agreement and Locomotive Security Agreement dated as of February 15, 2011, executed by the Loan Parties in favor of the Agent, recorded at the Surface Transportation Board (“STB”) on February 17, 2011 under Recordation Number 29654 (the “**Locomotive Security Agreement**”) and (ii) that certain Collateral Assignment of Locomotive Leases dated as of February 15, 2011, executed by the Loan Parties in favor of Agent, recorded at the STB on February 17, 2011 under Recordation Number 29655 (the “**Collateral Assignment**”)

WHEREAS, Borrower intends to sell certain locomotives listed on Exhibit A attached hereto (the “**Locomotives**”), which such Locomotives currently constitute Collateral (as defined in the Loan Agreement) under the Loan Agreement; and

WHEREAS, the Borrower has requested that the Agent release its lien in connection with the Locomotives and Agent has agreed to release such lien.

WHEREAS, Agent has agreed to release its lien in connection with the Locomotive and desires to execute this Release to evidence for the public record the satisfaction and release of all the rights and obligations of the Borrower under the Loan Agreement with respect to the Locomotives and hereby authorizes the recording of this instrument with the STB.

NOW, THEREFORE, for value received, the Agent hereby remises, releases, and conveys unto the Borrower without recourse or warranty of any kind, all right, title, claim or interest whatsoever the Agent has or may have in the Locomotives listed on Exhibit A. Unless specifically listed on Exhibit A hereto and released hereby, the security interests and liens in the remaining Collateral pursuant to the Loan Agreement, the Locomotive Security Agreement and the Collateral Agreement remain in force and effect.

[signature page attached]

IN WITNESS WHEREOF, Agent has executed or caused this Instrument to be executed as of the date first above written.

THE PRIVATEBANK AND TRUST COMPANY

By: [Signature]
Name: Richard Pierce
Its: Associate Managing Director

STATE OF ILLINOIS)
)ss:
COUNTY OF COOK)

September 26, 2012, before me, Lucia M. Rasco, the undersigned Notary Public, personally appeared Richard Pierce personally known to me to be the person who executed the within instrument as Associate Managing Director on behalf of the company therein named, and acknowledged to me that the corporation executed it.

[Signature: Lucia M. Rasco]
Notary Public for STATE OF ILLINOIS
My Commission expires MAY 27, 2015



Exhibit A

Locomotives

Unit Number: NREX 1539
Type: MP15AC Locomotive

Unit Number: NREX 1560
Type: MP15AC Locomotive