RECORDATION NO 30621
FILED February 01, 2013 04:10 PM
SURFACE TRANSPORTATION BOARD

ALVORD AND ALVORD
ATTORNEYS AT LAW
1050 SEVENTEENTH STREET, N.W.
SUITE 301
WASHINGTON, D.C.
20036

(202) 393-2266
FAX (202) 393-2156
E-MAIL alvordlaw@aol.com

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

February 1, 2013

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

Dear Section Chief:

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, dated as of February 1, 2013, a primary document as defined in the Board's Rules for the Recordation of Documents.

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

Secured Party: International Bank of Commerce
1600 F Street
Brownsville, Texas 78520

Debtor: South Texas Locomotive, LLC
25 E. Sam Pearl Blvd.
Brownsville, Texas 78520

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

8 locomotives: BCOL 1700, BCOL 3903, BCOL 3904, BCOL 3905, BCOL 3907, BCOL 3909, BCOL 3910 and BCOL 3911.

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

Memorandum of Security Agreement.

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/bhs
Enclosures

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MEMORANDUM OF SECURITY AGREEMENT

This MEMORANDUM OF SECURITY AGREEMENT (this "Memorandum") dated as of February 1, 2013 is between INTERNATIONAL BANK OF COMMERCE, a Texas state banking corporation, as Secured Party, and SOUTH TEXAS LOCOMOTIVE SERVICE, LLC, a Texas limited liability company, as Debtor.

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

A. Debtor and Secured Party have entered into that certain Security Agreement, dated on or about the date hereof (as amended, amended and restated, modified or otherwise in effect from time to time, collectively, the "Security Agreement") pursuant to which, among other things, Debtor has granted to Secured Party a first priority security interest in certain locomotives identified on Exhibit "A," attached hereto (collectively, the "Equipment") and all leases, use agreements and other agreements in connection with and related to the Equipment identified on Exhibit "A."

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

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

[The remainder of this page is intentionally left blank]

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

INTERNATIONAL BANK OF COMMERCE,
a Texas state banking corporation

By: _____
Sergio Gonzalez, Assistant Vice President

STATE OF TEXAS §
§
COUNTY OF Cameron §

The foregoing Memorandum was acknowledged before me, the undersigned Notary Public, this 1 day of February, 2013, by Sergio Gonzalez, Assistant Vice President of INTERNATIONAL BANK OF COMMERCE, a Texas state banking corporation, on behalf of said corporation.

_____
Notary Public, State of Texas

My commission expires: 9.27.14

SASHA GARZA
Notary Public, State of Texas
My Commission Expires 09-27-2014

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

SOUTH TEXAS LOCOMOTIVE
SERVICE, LLC,
a Texas limited liability company

By: _____
Harry Holzman, Manager

STATE OF TEXAS §
COUNTY OF Cameron §
§

The foregoing Memorandum was acknowledged before me, the undersigned Notary Public, this 1 day of Feb., 2013, by Harry Holzman, Manager of SOUTH TEXAS LOCOMOTIVE SERVICE, LLC, a Texas limited liability company, on behalf of said limited liability company.

SASHA GARZA
Notary Public, State of Texas
My Commission Expires 09-27-2014

_____
Notary Public, State of Texas

My commission expires: 9.27.14

EXHIBIT "A"

All of the right, title and interest of Debtor in and to the following personal property, now or hereafter acquired by Debtor, and all accessions or substitutions therefore and all products or proceeds thereof, including without limitation, by virtue of a claim of each policy of insurance relating thereto, or sale, lease or other disposition thereof, and all renewals of or replacements or substitutions for any of the foregoing:

8 locomotives, identified as follows:

1) BCOL 1700
2) BCOL 3903
3) BCOL 3904
4) BCOL 3905
5) BCOL 3907
6) BCOL 3909
7) BCOL 3910
8) BCOL 3911

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: 2-1-13

Edward M Luria

Edward M. Luria