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December 21, 2016

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 dated as 12/14/16

Secured Party: Wells Fargo Equipment Finance, Inc.
600 South 4th Street
Minneapolis, MN 55415

Debtor: Delmarva Central Railroad Company
519 Cedar Way
Oakmont, PA 15139

Equipment: 9, Locomotives
DCR 1555, 1562, 1563, 1564, 1561,
1560, 3502, 2502, 2501

Please record this agreement as a primary document. The filing fee of \$45 is enclosed.
Thank you.

Sincerely,



Mary Ann Oster
Research Consultant



Memorandum of Security Agreement

Wells Fargo Equipment Finance, Inc. | 600 South 4th Street | MAC N9300-100 | Minneapolis, MN 55415

THIS MEMORANDUM OF SECURITY AGREEMENT (this "Memorandum") is made this 14th day of December 2016, by and between Delmarva Central Railroad Company, a Delaware corporation ("Debtor"), and WELLS FARGO EQUIPMENT FINANCE, INC., a Minnesota Corporation ("Secured Party").

A. The Debtor is indebted to the Secured Party pursuant to that certain Promissory Note dated as of December 14, 2016 (the "Note") executed by the Debtor in favor of the Secured Party.

B. To secure the Debtor's obligations to the Secured Party, the Debtor executed and delivered to the Secured Party a Security Agreement dated December 14, 2016 pursuant to which the Debtor granted to the Secured Party a continuing, first priority security interest in and to, and lien on, the following collateral:

- (a) Locomotives with the following markings described on Schedule A attached hereto (each, a "Railcar", collectively, the "Railcars") and all replacements and substitutions thereof;
- (b) all improvements, additions, modifications, accessions, attachments, appurtenances and parts appertaining or attached to the Railcars, whether now owned or hereafter acquired;
- (c) all logs, books and records pertaining to the use, operation and/or maintenance of the Railcars or otherwise relating to any of the collateral described herein;
- (d) all rights, claims and causes of action, if any, which the Debtor may have now or in the future against any manufacturer, rebuilder or seller of the Railcars (or any component thereof) or any other Person, by contract of otherwise, in respect of any defect in the Railcars or any part thereof;

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

WELLS FARGO EQUIPMENT FINANCE, INC.

By: Kathleen Horace
Title: V.P.

DELMARVA CENTRAL RAILROAD COMPANY

By: Russell Pettus
Title: C.E.O.

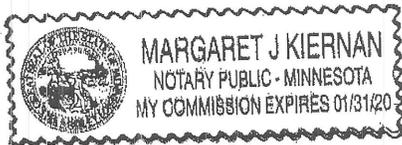
Memorandum of Security Agreement

Wells Fargo Equipment Finance, Inc. | 600 South 4th Street | MAC N9300-100 | Minneapolis, MN 55415

STATE OF Minnesota
COUNTY OF St. Louis

On this 20th day of Dec, 2016, before me, a Notary Public of the City and State aforesaid, personally appeared Walter H. Helt to me personally known, who being by me duly sworn, says that he is the V.P. of WFEFI, the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.



Margaret J. Kiernan
Notary Public

My commission expires:

STATE OF Pennsylvania
COUNTY OF Allegheny

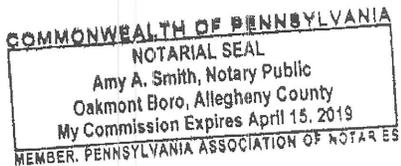
On this 14th day of December, 2016, before me a Notary Public of the City and State aforesaid, personally appeared Russell Peters to me personally known who being by me duly sworn, says that (he/she) is a CEO of Danone Central Rainco, that foregoing instrument is/was signed on behalf of said corporation by authority of its Board of Directors, and (he/she) acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.

(Seal)

Amy A. Smith
Notary Public

My commission expires:



Schedule A[™] to Memorandum of Security Agreement

Wells Fargo Equipment Finance, Inc. | 600 South 4th Street | MAC N9300-100 | Minneapolis, MN 55415

Contract No. 549673-700 dated as of December 14, 2016

Equipment Description

Debtor/Borrower: Delmarva Central Railroad Company

Equipment Location: 519 Cedar Way, Oakmont PA 15139

1975 EMD MP15N Locomotive DCR1555

1975 EMD MP15N Locomotive DCR 1562

1975 EMD MP15N Locomotive DCR 1563

1975 EMD MP15N Locomotive DCR 1564

1975 EMD MP15N Locomotive DCR ~~1565~~ 1561 RA Peterson

1975 EMD MP15N Locomotive DCR 1560

SD40-2 Locomotive ^{Overhaul} DCR 3502 RA Peterson

GP38-2 Locomotive Overhaul DCR 2502

GP38-2 Locomotive Overhaul DCR 2501

Each including all attachments and related components.

Dated: December 7, 2016

Debtor/Borrower: Delmarva Central
Railroad Company

By

Title

Richard Peterson

C.E.O.