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January 2, 2013

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:

Security Agreement dated 12/26/13

Secured Party: Amegy Bank National Association
Five Post Oak Park
4400 Post Oak Parkway
Houston, TX 77027

Debtor: Jason F. Huette
501 S. E. Street
Weimar, TX 78962

Equipment: 1, 25,000 gal. Tank Car
SRIX 025194

Please record this agreement as a primary document. The filing fee of \$44 is enclosed. Thank you.

Sincerely,



Mary Ann Oster
Research Consultant

SECURITY AGREEMENT

THIS SECURITY AGREEMENT (this "*Agreement*") is executed as of December 26, 2013, by JASON F. HUETTE, an individual resident of the State of Texas ("*Debtor*"), for the benefit of AMEGY BANK NATIONAL ASSOCIATION, a national banking association ("*Secured Party*").

RECITALS

A. Debtor, as borrower, and Secured Party, as lender, have entered into that certain Credit Agreement dated as of the date hereof (as amended, restated, or supplemented from time to time, the "*Credit Agreement*"), together with certain other Loan Documents.

B. As a condition precedent to Secured Party's agreement to enter into the Credit Agreement, Secured Party requires that Debtor execute this Agreement to secure Debtor's obligations under the Credit Agreement and the other Loan Documents.

C. The execution and delivery of this Agreement is an integral part of the transactions contemplated by the Loan Documents and a condition precedent to Secured Party's obligations to extend credit or make loans under the Credit Agreement.

AGREEMENTS

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Debtor covenants and agrees with Secured Party as follows:

1. Certain Definitions. Each capitalized term used but not defined in this Agreement has the meaning given that term in the Credit Agreement. If a defined term in the Credit Agreement conflicts with the definition given that term in the UCC, the Credit Agreement definition shall control to the extent allowed by Law. If the definition given a term in Chapter 9 (or Article 9) of the UCC conflicts with the definition given that term in any other chapter of the UCC, the Chapter 9 (or Article 9) definition shall control. Terms used in this Agreement which are not capitalized but are defined in the UCC have the meanings given them in the UCC. As used in this Agreement, the following terms have the meanings indicated:

Agreement means this Agreement together with all schedules and exhibits and all amendments, restatements and supplements.

Collateral is defined in *Section 3* of this Agreement.

Company means Southwest Rail Industries, Inc., a Texas corporation.

Debtor is defined in the preamble to this Agreement.

Default means a "Default" under, and as defined in, the Credit Agreement.

Governmental Authority means any nation or government, any state or other political subdivision thereof, any agency, authority, instrumentality, regulatory body, court, administrative tribunal, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of, or pertaining to, government.

Obligation means the "Obligation" under, and as defined in, the Credit Agreement.

Obligor means a Person that, with respect to an obligation secured by a security interest in the Collateral, (a) owes payment or other performance on the obligation, (b) has provided property or other security or credit support other than the Collateral to secure payment or other performance of the obligation, or (c) is otherwise accountable in whole or in part for payment or other performance of the obligation. The term does not include issuers or nominated persons under a letter of credit.

Secured Party is defined in the preamble to this Agreement.

Security Interest means the security interests granted and the transfers, pledges and assignments made under **Section 3** of this Agreement.

Southwest Rail Management Agreement means that certain Agreement Between Southwest Rail Industries, Inc., and Jason F. Huette dated as of March 29, 2004, with respect to the management of certain railway equipment, as the same may be amended, restated, or supplemented from time to time.

UCC means (a) the Uniform Commercial Code, as adopted and in effect from time to time in Texas, and (b) if the UCC provides that the law of another jurisdiction governs certain matters, then, in respect of such matters, the Uniform Commercial Code as adopted and in effect from time to time in such jurisdiction.

2. **Credit Agreement.** This Agreement is being executed and delivered pursuant to the terms and conditions of the Credit Agreement. Each Security Interest granted under this Agreement is a "Lien" referred to in the Credit Agreement.

3. **Security Interest.** To secure the prompt, unconditional, and complete payment and performance of the Obligation when due, Debtor hereby pledges and assigns to Secured Party, and grants to Secured Party a continuing security interest in all of its right, title and interest in, to, and under the following, in each case wherever located and whether now owned or hereafter acquired or created (collectively, the "**Collateral**"): (a) all rail cars, tank cars, and equipment and accessions relating thereto, including, without limitation, those certain rail cars, tank cars, and equipment and accessions described on **Schedule 2**, (b) the Southwest Rail Management Agreement, and (c) all documents, accounts, chattel paper (whether tangible or electronic), deposit accounts, and all other contract rights or rights to the payment of money, insurance claims and proceeds, all general intangibles (including all payment intangibles), and all of Debtor's books, reports, memoranda, customer lists, credit files, data compilations, and computer software, in any form, including, without limitation, whether on tape, disk, card, strip, cartridge, or any other form, in each case, pertaining to any and all of the foregoing property described in *clauses (a), and (b) above*, and (d) all products and proceeds of the foregoing.

4. **Collateral Security; No Assumption or Modification.** The Security Interest is given as security only. Secured Party does not assume, and shall not be liable for, any of Debtor's liabilities, duties or obligations under, or in connection with, the Collateral. Secured Party's acceptance of this Agreement, or its taking any action in connection with this Agreement, does not constitute Secured Party's approval of the Collateral or Secured Party's assumption of any liability, duty, or obligation under, or in connection with, the Collateral. This Agreement does not affect or modify Debtor's obligations with respect to the Collateral.

5. **Fraudulent Conveyance.** Notwithstanding anything contained in this Agreement to the contrary, Debtor agrees that if, but for the application of this **Section 5**, the Obligation or any Security Interest would constitute a preferential transfer under 11 U.S.C. § 547, a fraudulent conveyance under 11 U.S.C. § 548 (or any successor section of that Statute) or a fraudulent conveyance or transfer under any state fraudulent conveyance or fraudulent transfer law or similar Law in effect from time to time

(each a "*Fraudulent Conveyance*"), then the Obligation and each affected Security Interest will be enforceable to the maximum extent possible without causing the Obligation or any Security Interest to be a Fraudulent Conveyance, and shall be deemed to have been automatically amended to carry out the intent of this *Section 5*.

6. Representations and Warranties. Debtor represents and warrants to Secured Party that:

(a) Binding Obligation. The Security Interest in the Collateral created by this Agreement (i) is a valid and binding obligation of Debtor in favor of Secured Party and is enforceable against Debtor, except as enforceability may be limited by applicable Debtor Relief Laws and general principles of equity, and (ii) will be duly perfected once the action required for perfection under applicable Law has been taken. Once perfected, the Security Interest will constitute a first and prior Lien on the Collateral, subject only to Permitted Liens. The creation, attachment and perfection of the Security Interest does not require the consent of any third party.

(b) Place of Business; Location of Records. *Schedule 1* sets out the following information: (i) the exact name of Debtor, as such name appears on Debtor's driver license as issued by the Texas Department of Motor Vehicles; (ii) each other name Debtor has used in the past five years, together with the date of the relevant change; (iii) any change in Debtor's identity within the past five years; (iv) Debtor's social security number; and (v) the location of books and records pertaining to the Collateral, and for any rail cars not in service, the location of such rail cars. The failure of the description of locations of Collateral on *Schedule 1* to be accurate or complete will not impair the Security Interest in such Collateral.

(c) Title to Collateral; No Prior Lien. Debtor owns the Collateral free and clear of any Lien except for Permitted Liens, and Debtor has not executed any transfer, assignment, pledge or security interest covering the Collateral or any interest in the Collateral.

(d) No Defenses. The amounts due Debtor under the Collateral are not subject to any material setoff, counterclaim, defense, allowance or adjustment (other than discounts for prompt payment shown on the invoice) or to any material dispute, objection or complaint by any account debtor or other Obligor.

(e) Registration. Debtor has properly completed all required filings, payments, renewals and obligations with the Surface Transportation Board in Washington D.C.

(f) Additional Collateral. The delivery at any time by Debtor to Secured Party of Collateral or of additional specific descriptions of certain Collateral will constitute a representation and warranty by Debtor to Secured Party under this Agreement that the representations and warranties of this *Section 6* are true and correct with respect to each item of such Collateral.

7. Covenants. Debtor covenants and agrees with Secured Party that until the Obligation is indefeasibly paid and performed in full and all commitments to extend credit under the Credit Agreement have irrevocably terminated, Debtor shall:

(a) Relocation of Office or Books and Records; Change of Name or Address. Give Secured Party at least 30 days prior written notice of (i) any change in residence, (ii) any proposed relocation of the place where Debtor's books and records relating to accounts and general intangibles are kept, (iii) a change of his name, and (iv) any proposed relocation of any of

the Collateral (other than with respect to Collateral in transit) to a location other than those set out on *Schedule 1*.

(b) Material Change. Promptly notify Secured Party in writing of any change in any material fact or circumstance represented or warranted by Debtor in this Agreement with respect to any of the Collateral.

(c) Record of Collateral. Maintain a current record of the location of all Collateral, permit Secured Party or its representatives to inspect and make copies from such records pursuant to the Credit Agreement and furnish to Secured Party, from time to time, such documents, lists, descriptions, certificates and other information necessary or helpful to keep Secured Party informed with respect to the identity, location, status, condition, terms of, parties to, and value of the Collateral.

(d) Adverse Claim. Promptly notify Secured Party in writing of any claim, action or proceeding challenging the Security Interest or affecting title to all or any material portion of the Collateral or the Security Interest and, at Secured Party's request, appear in and defend any such action or proceeding at Debtor's reasonable expense.

(e) Hold Collateral In Trust. Upon the occurrence and during the continuation of a Default, hold in trust (and not commingle with its other assets) for Secured Party all Collateral that is chattel paper, instruments or documents at any time received by Debtor and promptly deliver same to Secured Party unless Secured Party at its option gives Debtor written permission to retain such Collateral. Upon the occurrence and during the continuation of a Default, at Secured Party's request, each contract, chattel paper, instrument or document so retained shall be marked to state that it is assigned to Secured Party and each instrument shall be endorsed to the order of Secured Party (but failure to so mark or endorse any such Collateral shall not impair Secured Party's Security Interest).

(f) No Assignment. Not sell, assign, or otherwise dispose of, or permit the sale, assignment or disposition of, any Collateral, except to the extent permitted under the Credit Agreement.

(g) Maintain Collateral. (i) Perform all of Debtor's obligations under or in connection with the Collateral in accordance with customary business practices, (ii) not amend, alter or modify, or permit the amendment, alteration or modification of, any material portion (individually or collectively) of the Collateral, and (iii) not do or permit any act which would impair any material portion of the Collateral.

(h) Default Under Collateral. Promptly notify Secured Party in writing of any default by Debtor or any other party under or in connection with any material portion (individually or collectively) of the Collateral and immediately use commercially reasonable efforts to remedy the same or immediately demand that the same be remedied.

(i) Lock Box Account. Upon the occurrence of a Default, Secured Party may request that Debtor direct that all accounts and rental proceeds be paid directly to a lock box account established with, or for the benefit of, Secured Party.

8. Authorization to File Financing Statements. Debtor hereby irrevocably authorizes Secured Party at any time and from time to time to file in any filing office in any UCC jurisdiction any initial financing statements and amendments thereto that (a) indicate the Collateral as defined in *Section 3*

of this Agreement, or words of similar effect, regardless of whether any particular asset comprised in the Collateral falls within the scope of Article 9 of the UCC of such jurisdiction, and (b) provide any other information required by part 5 of Article 9 of the UCC, for the sufficiency or filing office acceptance of any financing statement or amendment. Debtor agrees to furnish any such information to Secured Party promptly upon Secured Party's request. Debtor hereby ratifies any prior financing statements (and all amendments thereto and continuations thereof) filed prior to the date hereof by Secured Party or its predecessors in interest.

9. Further Assurances. To further the attachment, perfection and first priority of, and the ability of Secured Party to enforce Secured Party's Security Interest in and Lien upon the Collateral, and without limiting Debtor's other obligations in this Agreement, Debtor agrees, at the request and option of Secured Party, all to the extent applicable, to (a) take any and all other actions Secured Party may determine to be necessary or useful for the attachment, perfection and first priority of, and the ability of Secured Party to enforce, Secured Party's Security Interest in any and all of the Collateral, and (b) cooperate with Secured Party in identifying all of the rail cars, tank cars, and other Collateral, including, without limitation, (i) authenticating, executing, delivering and, where appropriate, filing financing statements and amendments relating thereto under the UCC, to the extent, if any, that Debtor's signature thereon is required, (ii) complying with any provision of any statute, regulation or treaty of the United States as to any Collateral if compliance with such provision is a condition to the attachment, perfection or priority of, or ability of Secured Party to enforce, Secured Party's security interest in such Collateral, (iii) obtaining governmental and other third party waivers, consents and approvals in form and substance satisfactory to Secured Party, including, without limitation, any consent of any licensor, lessor or other Person obligated on Collateral, (iv) taking all actions under the UCC or under any other Law, as reasonably determined by Secured Party to be applicable in any relevant Uniform Commercial Code or other jurisdiction, including any foreign jurisdiction, and (v) providing such other information and documents, and executing such other appropriate documents or instruments, as Secured Party may reasonably request.

10. Default; Remedies. Upon the occurrence of a Default, subject to the terms and conditions of the Credit Agreement, Secured Party has the following cumulative rights and remedies under this Agreement:

(a) UCC Rights. Secured Party may exercise any and all rights available to a secured party under the UCC, in addition to any and all other rights afforded by this Agreement and the other Loan Documents, at law, in equity or otherwise, including, without limitation, (i) requiring Debtor to assemble all or part of the Collateral and make it available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to Debtor and Secured Party, (ii) applying by appropriate judicial proceedings for appointment of a receiver for all or part of the Collateral, (iii) applying to the Obligation any cash held by Secured Party, (iv) reducing any claim to judgment, (v) exercising the rights of offset or banker's lien against the interest of Debtor in and to every account and other property of Debtor in Secured Party's possession to the extent of the full amount of the Obligation, (vi) foreclosing the Security Interest and any other Liens Secured Party may have or otherwise realize upon any and all of the rights Secured Party may have in and to the Collateral, or any part thereof, and (vii) bringing suit or other proceedings before any Governmental Authority either for specific performance of any covenant or condition contained in any of the Loan Documents or in aid of the exercise of any right granted to Secured Party in any of the Loan Documents.

(b) Notice. Reasonable notification of the time and place of any public sale of the Collateral, or reasonable notification of the time after which any private sale or other intended disposition of the Collateral is to be made, shall be sent to Debtor and to any other Person entitled

to notice under the UCC; *provided that*, if any of the Collateral threatens to decline speedily in value or is of the type customarily sold on a recognized market, Secured Party may sell or otherwise dispose of the Collateral without notification, advertisement, or other notice of any kind. It is agreed that notice sent or given not less than ten calendar days prior to the taking of the action to which the notice relates is reasonable notification and notice for the purposes of this *Section 10(b)*. It shall not be necessary that the Collateral be at the location of any sale.

(c) Standards for Exercising Rights and Remedies. To the extent that applicable Law imposes duties on Secured Party to exercise remedies in a commercially reasonable manner, Debtor acknowledges and agrees that it is not commercially unreasonable for Secured Party (i) to fail to incur expenses reasonably deemed significant by Secured Party in order to prepare Collateral for disposition or otherwise to fail to complete raw material or work in process into finished goods or other finished products for disposition, (ii) to fail to obtain third party consents for access to Collateral to be disposed of, or to obtain or, if not required by other Law, to fail to obtain governmental or third party consents for the collection or disposition of Collateral to be collected or disposed of, (iii) to fail to exercise collection remedies against account debtors or other Obligors, directly or through the use of collection agencies and other collection specialists, (iv) to fail to remove Liens or any other encumbrances on, or any adverse claims against, any Collateral, (v) to advertise dispositions of Collateral through publications or media of general circulation, whether or not the Collateral is of a specialized nature, (vi) to contact other Persons, whether or not in the same business as Debtor, for expressions of interest in acquiring all or any portion of the Collateral, (vii) to hire one or more professional auctioneers to assist in the disposition of Collateral, whether or not the Collateral is of a specialized nature, (viii) to dispose of Collateral by utilizing Internet sites that provide for the auction of assets of the types included in the Collateral or that have the reasonable capability of doing so, or that match buyers and sellers of assets, (ix) to dispose of assets in wholesale rather than retail markets, (x) to disclaim disposition warranties, (xi) to purchase insurance or credit enhancements to insure Secured Party against risks of loss, collection or disposition of Collateral or to provide to Secured Party a guaranteed return from the collection or disposition of Collateral, or (xii) to the extent deemed appropriate by Secured Party, to obtain the services of other brokers, investment bankers, consultants and other professionals to assist Secured Party in the collection or disposition of any of the Collateral. Debtor acknowledges that the purpose of this *Section 10(c)* is to provide non-exhaustive indications of what actions or omissions by Secured Party would fulfill Secured Party's duties under the UCC or other Law of any relevant jurisdiction in Secured Party's exercise of remedies against the Collateral and that other actions or omissions by Secured Party shall not be deemed to fail to fulfill such duties solely on account of not being indicated in this *Section 10(c)*. Without limiting the foregoing, nothing contained in this *Section 10(c)* shall be construed to grant any rights to Debtor or to impose any duties on Secured Party that would not have been granted or imposed by this Agreement or by applicable Law in the absence of this *Section 10(c)*.

(d) Debtor's Agent. Secured Party shall be deemed to be irrevocably appointed as Debtor's agent and attorney-in-fact with all right and power to protect, preserve, and realize upon the Collateral and to enforce all of Debtor's rights and remedies under or in connection with the Collateral. Debtor hereby acknowledges and agrees that this power is coupled with an interest. Secured Party agrees with Debtor that Secured Party shall not exercise these rights unless a Default exists. All reasonable costs, expenses and liabilities incurred and all payments made by Secured Party as Debtor's agent and attorney-in-fact, including, without limitation, reasonable attorney's fees and expenses, shall be considered a loan by Secured Party to Debtor which shall be payable on demand, shall accrue interest at the Default Rate, and shall constitute part of the Obligation.

(e) Sale. Secured Party's sale of less than all of the Collateral shall not exhaust Secured Party's rights under this Agreement and Secured Party is specifically empowered to make successive sales until all of the Collateral is sold. If the proceeds of a sale of less than all the Collateral shall be less than the Obligation, this Agreement and the Security Interest shall remain in full force and effect as to the unsold portion of the Collateral just as though no sale had been made. In the event any sale under this Agreement is not completed or is, in Secured Party's opinion, defective, such sale shall not exhaust Secured Party's rights under this Agreement and Secured Party shall have the right to cause a subsequent sale or sales to be made at Debtor's sole cost and expense. Any and all statements of fact or other recitals made in any bill of sale or assignment or other instrument evidencing any foreclosure sale under this Agreement as to nonpayment of the Obligation, or as to the occurrence or existence of any Default, or as to Secured Party's having declared all of such Obligation to be due and payable, or as to notice of time, place and terms of sale and the properties to be sold having been duly given, or as to any other act or thing having been duly done by Secured Party, shall be taken as *prima facie* evidence of the truth of the facts so stated and recited, subject only to manifest error. Secured Party may appoint or delegate any one or more Persons as agent to perform any act or acts necessary or incident to any sale held or to be held by Secured Party, including the sending of notices and the conduct of sale.

(f) Existence of Default. Regarding the existence of any Default for purposes of this Agreement, Debtor agrees that the Obligors or account debtors on any Collateral may rely upon written certification from Secured Party that such a Default exists and Debtor expressly agrees that Secured Party shall not be liable to Debtor for any claims, damages, costs, expenses or causes of action of any nature whatsoever in connection with, arising out of, or related to Secured Party's exercise of any rights, powers or remedies under any Loan Document, except for its own fraud, gross negligence, or willful misconduct.

(g) Application of Proceeds. Secured Party shall apply the proceeds of any sale or other disposition of the Collateral under this *Section 10* in the following order: (i) to the payment of all its reasonable expenses incurred in retaking, holding and preparing any of the Collateral for any sale or other disposition, in arranging for each such sale or other disposition, and in actually selling or disposing of the same (all of which are part of the Obligation); (ii) to repay Secured Party for amounts reasonably expended by Secured Party under *Section 11*; (iii) to payment of the balance of the Obligation in the order and manner specified in the Credit Agreement; and (iv) to make any payments required under Sections 9.608(a)(1)(C) and 9.615(a)(3) of the UCC. Until the Obligation is indefeasibly paid in full, Debtor shall remain liable for any deficiency. Any surplus remaining shall be delivered to Debtor or as a court of competent jurisdiction may direct.

(h) Marshaling. The Secured Party shall not be required to marshal any present or future collateral security (including but not limited to the Collateral) for, or other assurances of payment of, the Obligation or any of them or to resort to such collateral security or other assurances of payment in any particular order, and all of its rights and remedies hereunder and in respect of such collateral security and other assurances of payment shall be cumulative and in addition to all other rights and remedies, however existing or arising. To the extent that it lawfully may, the Debtor hereby agrees that it will not invoke any law relating to the marshalling of collateral which might cause delay in or impede the enforcement of the Secured Party's rights and remedies under this Agreement or under any other instrument creating or evidencing any of the Obligation or under which any of the Obligation is outstanding or by which any of the Obligation is secured or payment thereof is otherwise assured, and, to the extent that it lawfully may, the Debtor hereby irrevocably waives the benefits of all such laws.

11. Other Rights of Secured Party.

(a) Performance. In the event Debtor fails to preserve the priority of the Security Interest in any of the Collateral or, upon the occurrence and during the continuance of a Default, otherwise fails to perform any of its obligations under the Loan Documents with respect to the Collateral, then Secured Party may (but is not required to) prosecute or defend any suits in relation to the Collateral or take any other action which Debtor is required to take under the Loan Documents, but has failed to take. Any sum which may be reasonably expended or paid by Secured Party under this *Section II* (including, without limitation, court costs and reasonable attorneys' fees and expenses) shall bear interest from the date of expenditure or payment at the Default Rate until paid and, together with such interest, shall be payable by Debtor to Secured Party upon demand and shall be part of the Obligation.

(b) Collateral in Secured Party's Possession. If, while a Default exists, any Collateral comes into Secured Party's possession, Secured Party may use such Collateral for the purpose of preserving it or its value pursuant to the order of a court of appropriate jurisdiction or in accordance with any other rights held by Secured Party in respect of such Collateral. Debtor covenants to promptly reimburse and pay to Secured Party, at Secured Party's request, the amount of all reasonable expenses incurred by Secured Party in connection with its custody and preservation of such Collateral, and all such expenses, costs, Taxes and other charges shall bear interest at the Default Rate until repaid and, together with such interest, shall be payable by Debtor to Secured Party upon demand and shall be part of the Obligation. However, the risk of accidental loss or damage to, or diminution in value of, Collateral is on Debtor, except to the extent determined by a final nonappealable judgment of a court of competent jurisdiction to have been caused by Secured Party's own fraud, gross negligence, or willful misconduct. Secured Party shall have no liability for failure to obtain or maintain insurance, nor to determine whether any insurance is adequate as to amount, the risks insured, or any other matter. With respect to Collateral that is in the possession of Secured Party, Secured Party shall have no duty to fix or preserve rights against prior parties to such Collateral and shall never be liable for any failure to use diligence to collect any amount payable in respect of such Collateral, but shall be liable only to account to Debtor for what Secured Party actually collects or receives thereon.

(c) Subrogation. If any of the proceeds of the Obligation are given in renewal or are an extension of, or are applied toward the payment of, indebtedness secured by any Lien, Secured Party shall be, and is hereby, subrogated to all of the rights, titles, interests and Liens securing the indebtedness so renewed, extended or paid.

12. Miscellaneous.

(a) Term. Upon full and final payment of the Obligation and final termination of all commitments to extend credit under the Credit Agreement without Secured Party having exercised its rights under this Agreement or any other Loan Document, this Agreement shall terminate; *provided that*, no Obligor or account debtor on any of the Collateral shall be obligated to inquire as to the termination of this Agreement, but shall be fully protected in making payment directly to Secured Party.

(b) Actions Not Releases. The Security Interest and Debtor's obligations and Secured Party's rights under this Agreement shall not be released, diminished, impaired or adversely affected by the occurrence of any one or more of the following events: (i) the taking or accepting of any other security or assurance for any or all of the Obligation; (ii) any release, surrender, exchange, subordination or loss of any security or assurance at any time existing in

connection with any or all of the Obligation; (iii) the modification of, amendment to, or waiver of compliance with any terms of any of the other Loan Documents without Debtor's consent, except as required therein; (iv) the insolvency, bankruptcy or lack of corporate or trust power of any party at any time liable for the payment of any or all of the Obligation, whether now existing or hereafter occurring; (v) any renewal, extension or rearrangement of the payment of any or all of the Obligation, either with or without notice to or consent of Debtor, or any adjustment, indulgence, forbearance or compromise that may be granted or given by Secured Party to Debtor, in each case, except as required by the Loan Documents; (vi) any neglect, delay, omission, failure or refusal of Secured Party to take or prosecute any action in connection with any other agreement, document, guaranty or instrument evidencing, securing or assuring the payment of all or any of the Obligation; (vii) any failure of Secured Party to notify Debtor of any renewal, extension, or assignment of the Obligation or any part thereof, the release of any security under any other Loan Document or any other document or instrument, any other action taken or refrained from being taken by Secured Party against Debtor, or any new agreement between Secured Party and Debtor, it being understood that, except as expressly required by the Credit Agreement, Secured Party shall not be required to give Debtor any notice of any kind under any circumstances whatsoever with respect to or in connection with the Obligation, including, without limitation, notice of acceptance of this Agreement or any Collateral ever delivered to or for the account of Secured Party under this Agreement; (viii) the illegality, invalidity or unenforceability of all or any part of the Obligation against any third party obligated with respect thereto by reason of the fact that the Obligation, or the interest paid or payable with respect thereto, exceeds the amount permitted by Law, the act of creating the Obligation, or any part thereof, is *ultra vires*, or the officers, equity owners, or trustees creating same acted in excess of their authority, or for any other reason; or (ix) if any payment by any party obligated with respect thereto is held to constitute a preference under applicable Laws or for any other reason Secured Party is required to refund such payment or pay the amount thereof to someone else.

(c) Waivers. Except to the extent expressly otherwise provided in this Agreement or in any other Loan Documents, Debtor waives (i) any right to require Secured Party to proceed against any other Person, to exhaust its rights in Collateral, or to pursue any other right which Secured Party may have, (ii) demand, notice, protest, notice of acceptance, notice of loans made, Collateral received or delivered, notice of acceleration, notice of the intent to accelerate, all other demands and notes of any type or nature, and all other suretyship defenses; and (iii) all rights of marshaling in respect of any or all of the Collateral.

(d) Parties Bound. This Agreement shall be binding on Debtor and its successors and assigns and shall inure to the benefit of Secured Party and its successors and assigns.

(e) Assignment. Debtor may not, without Secured Party's prior written consent, assign any rights, duties or obligations under this Agreement, except to the extent permitted under the Credit Agreement. In the event of an assignment of all or part of the Obligation permitted by the Credit Agreement, the Security Interest and other rights and benefits under this Agreement, to the extent applicable to the part of the Obligation so assigned, may be transferred with the Obligation.

(f) Notice. Any notice or communication required or permitted under this Agreement must be given as prescribed in the Credit Agreement.

(g) Amendments. This Agreement may only be amended by a writing executed by Debtor and Secured Party.

(h) Multiple Counterparts and Facsimile Signatures. This Agreement may be executed in any number of counterparts with the same effect as if all signatories had signed the same document. All counterparts must be construed together to constitute one and the same instrument. This Agreement may be transmitted and signed by facsimile, and portable document format (PDF) and other electronic means. The effectiveness of any such documents and signatures shall, subject to applicable Law, have the same force and effect as manually-signed originals and shall be binding on Debtor and Secured Party. Secured Party may also require that any such documents and signatures be confirmed by a manually-signed original; *provided that*, the failure to request or deliver the same shall not limit the effectiveness of any facsimile document or signature.

13. Choice of Forum. ANY SUITS, CLAIMS OR CAUSES OF ACTION ARISING DIRECTLY OR INDIRECTLY FROM THIS AGREEMENT OR THE OTHER LOAN DOCUMENTS MAY BE BROUGHT IN A COURT OF APPROPRIATE JURISDICTION IN HARRIS COUNTY, TEXAS AND OBJECTIONS TO VENUE AND PERSONAL JURISDICTION IN SUCH FORUM ARE HEREBY EXPRESSLY WAIVED. DEBTOR HEREBY ACKNOWLEDGES THAT (A) THE NEGOTIATION, EXECUTION, AND DELIVERY OF THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS CONSTITUTE THE TRANSACTION OF BUSINESS WITHIN THE STATE OF TEXAS, (B) ANY CAUSE OF ACTION ARISING UNDER THIS AGREEMENT OR ANY OF THE OTHER LOAN DOCUMENTS WILL BE A CAUSE OF ACTION ARISING FROM SUCH TRANSACTION OF BUSINESS, AND (C) DEBTOR UNDERSTANDS, ANTICIPATES, AND FORESEES THAT ANY ACTION FOR ENFORCEMENT OF PAYMENT OF THE OBLIGATION OR THE LOAN DOCUMENTS MAY BE BROUGHT AGAINST IT IN THE STATE OF TEXAS. TO THE EXTENT ALLOWED BY LAW, DEBTOR HEREBY SUBMITS TO JURISDICTION IN THE STATE OF TEXAS FOR ANY ACTION OR CAUSE OF ACTION ARISING OUT OF OR IN CONNECTION WITH THE OBLIGATION OR THE LOAN DOCUMENTS AND WAIVES ANY AND ALL RIGHTS UNDER THE LAWS OF ANY STATE OR JURISDICTION TO OBJECT TO JURISDICTION OR VENUE WITHIN HARRIS COUNTY, TEXAS; NOTWITHSTANDING THE FOREGOING, NOTHING CONTAINED IN THIS PARAGRAPH SHALL PREVENT SECURED PARTY FROM BRINGING ANY ACTION OR EXERCISING ANY RIGHTS AGAINST DEBTOR, ANY OTHER PERSON OR ANY COLLATERAL, OR ANY OF DEBTOR'S OR ANY OTHER PERSON'S PROPERTIES IN ANY OTHER COUNTY, STATE, OR JURISDICTION. INITIATING SUCH ACTION OR PROCEEDING OR TAKING ANY SUCH ACTION IN ANY OTHER STATE OR JURISDICTION SHALL IN NO EVENT CONSTITUTE A WAIVER BY SECURED PARTY OF ANY OF THE FOREGOING.

14. Dispute Resolution.

(a) Jury Trial Waiver; Class Action Waiver. As permitted by applicable law, each party waives its respective rights to a trial before a jury in connection with any Dispute (defined below), and Disputes shall be resolved by a judge sitting without a jury. If a court determines that this provision is not enforceable for any reason and at any time prior to trial of the Dispute, but not later than 30 days after entry of the order determining this provision is unenforceable, any party shall be entitled to move the court for an order compelling arbitration and staying or dismissing such litigation pending arbitration ("*Arbitration Order*"). If permitted by applicable law, each party also waives the right to litigate in court or an arbitration proceeding any Dispute as a class action, either as a member of a class or as a representative, or to act as a private attorney general.

(b) Arbitration. If a claim, dispute, or controversy arises with respect to this Agreement and the other Loan Documents, or any other agreement or business relationship whether or not related to the subject matter of this Agreement (all of the foregoing, a "*Dispute*"), and only if a jury trial waiver is not permitted by applicable law or ruling by a court, either party may require that the Dispute be resolved by binding arbitration before a single arbitrator. By agreeing to arbitrate a Dispute, each party gives up any right that party may have to a jury trial, as well as other rights that party would have in court that are not available or are more limited in arbitration, such as the rights to discovery and to appeal.

(i) Arbitration shall be commenced by filing a petition with, and in accordance with the applicable arbitration rules of, JAMS or National Arbitration Forum ("*Administrator*") as selected by the initiating party. If the parties agree, arbitration may be commenced by appointment of a licensed attorney who is selected by the parties and who agrees to conduct the arbitration without an Administrator. Disputes include matters (A) relating to a deposit account, application for or denial of credit, enforcement of any of the obligations either party has to the other, compliance with applicable laws and/or regulations, performance or services provided under any agreement by any party, (ii) based on or arising from an alleged tort, or (B) involving either party's employees, agents, affiliates, or assigns. However, Disputes do not include the validity, enforceability, meaning, or scope of this arbitration provision and such matters may be determined only by a court. If a third party is a party to a Dispute, each party consents to including the third party in the arbitration proceeding for resolving the Dispute with the third party. Venue for the arbitration proceeding shall be at a location determined by mutual agreement of the parties or, if no agreement, in the city and state where lender or the bank is headquartered.

(ii) If a court orders arbitration of a Dispute, the party to the Dispute that did not seek the Arbitration Order shall commence arbitration. The party that sought the Arbitration Order may commence arbitration, but shall have no obligation to do so, and shall not in any way be adversely prejudiced by initiating or participating in litigation or electing not to commence arbitration. The arbitrator shall (A) hear and rule on appropriate dispositive motions for judgment on the pleadings, for failure to state a claim, or for full or partial summary judgment; (B) render a decision and any award applying applicable law; (C) give effect to any limitations period in determining any Dispute or defense; (D) enforce the doctrines of compulsory counterclaim, res judicata, and collateral estoppel, if applicable; (E) with regard to motions and the arbitration hearing, apply rules of evidence governing civil cases; and (F) apply the law of the state specified in the agreement giving rise to the Dispute. Filing of a petition for arbitration shall not prevent any party from (1) seeking and obtaining from a court of competent jurisdiction (notwithstanding ongoing arbitration) provisional or ancillary remedies including but not limited to injunctive relief, property preservation orders, foreclosure, eviction, attachment, replevin, garnishment, and/or the appointment of a receiver, (2) pursuing non-judicial foreclosure, or (3) availing itself of any self-help remedies such as setoff and repossession. The exercise of such rights shall not constitute a waiver of the right to submit any Dispute to arbitration.

(iii) Filing of a petition for arbitration shall not prevent any party from (A) seeking and obtaining from a court of competent jurisdiction (notwithstanding ongoing arbitration) provisional or ancillary remedies including but not limited to injunctive relief, property preservation orders, foreclosure, eviction, attachment, replevin, garnishment, and/or the appointment of a receiver, (B) pursuing non-judicial foreclosure, or (C)

availing itself of any self-help remedies such as setoff and repossession. The exercise of such rights shall not constitute a waiver of the right to submit any Dispute to arbitration.

(iv) Judgment upon an arbitration award may be entered in any court having jurisdiction, except that, if the arbitration award exceeds \$4,000,000, any party shall be entitled to a de novo appeal of the award before a panel of three arbitrators. To allow for such appeal, if the award (including Administrator, arbitrator, and attorney's fees and costs) exceeds \$4,000,000, the arbitrator will issue a written, reasoned decision supporting the award, including a statement of authority and its application to the Dispute. A request for de novo appeal must be filed with the arbitrator within 30 days following the date of the arbitration award; if such a request is not made within that time period, the arbitration decision shall become final and binding. On appeal, the arbitrators shall review the award de novo, meaning that they shall reach their own findings of fact and conclusions of law rather than deferring in any manner to the original arbitrator. Appeal of an arbitration award shall be pursuant to the rules of the Administrator or, if the Administrator has no such rules, then the JAMS arbitration appellate rules shall apply.

(v) Arbitration under this provision concerns a transaction involving interstate commerce and shall be governed by the Federal Arbitration Act, 9 U.S.C. § 1 *et seq.* This arbitration provision shall survive any termination, amendment, or expiration of this Agreement. If the terms of this provision vary from the Administrator's rules, this arbitration provision shall control.

(c) Reliance. Each party (i) certifies that no one has represented to such party that the other party would not seek to enforce jury and class action waivers in the event of suit, and (ii) acknowledges that it and the other party have been induced to enter into this Agreement by, among other things, the mutual waivers, agreements, and certifications in this section.

15. GOVERNING LAW. THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS MUST BE CONSTRUED, AND THEIR PERFORMANCE ENFORCED, UNDER TEXAS LAW, WITHOUT REGARD TO CONFLICTS OF LAW PRINCIPLES.

[Signatures and acknowledgments appear on following pages.]

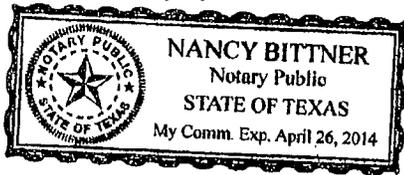
EXECUTED as of the date set forth in the notary acknowledgements below but to be effective as of the date set forth in the preamble of this Agreement.

DEBTOR:

Jason F. Huette
JASON F. HUETTE, an individual

STATE OF TEXAS §
 §
COUNTY OF Colorado §

This instrument was acknowledged before me on December 26th, 2013, by Jason F. Huette, an individual, and for the purpose and consideration herein stated.



Nancy Bittner
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

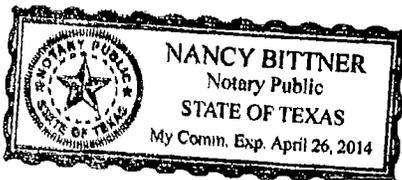
CONSENT OF SPOUSE

The undersigned, being the spouse of Debtor, is fully aware of, understands, and fully consents and agrees to the provisions of this Security Agreement and its binding effect upon any marital or community property interests she may now or hereafter own in any of the Collateral, and agrees that the termination of her and her spouse's marital relationship for any reason shall not have the effect of releasing her interest, if any, in the Collateral from the security interest and other rights created hereunder. The undersigned further acknowledges and agrees that the Collateral is subject to the sole management and control of her spouse.

Kaley Huette
KALEY HUETTE, an individual

STATE OF TEXAS §
 §
COUNTY OF Colorado §

This instrument was acknowledged before me on December 26th, 2013, by Kaley Huette, an individual, and for the purpose and consideration herein stated.



Nancy Bittner
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

SECURED PARTY:

AMEGY BANK NATIONAL ASSOCIATION,
a national banking association

By: Patricia C Snyder
Name: Patricia C Snyder
Title: Senior Vice President

STATE OF TEXAS

COUNTY OF HARRIS

§
§
§

This instrument was acknowledged before me on December 30, 2013, by PATRICIA C SNYDER, SENIOR VICE PRESIDENT of Amegy Bank National Association, a national banking association, on behalf of said bank, and for the purpose and consideration herein stated.



Katherine Johnson
Notary Public in and for the State of Texas

SCHEDULE 1

**Location of Books and Records
and Chief Executive Office**

- (a) The exact name of Debtor, as such name appears on his Driver's License as issued by the Texas Department of Public Safety.

Jason Huette

- (b) Each other name Debtor has used in the past five years, together with the date of the relevant change.

- (c) Any change in Debtor's identity within the past five years.

N/A

- (d) All other names used by Debtor at any time in the past five years.

N/A

- (e) Debtor's social security number.

- (f) The locations where Debtor maintains books and records pertaining to the Collateral, and for any rail cars not in service, the location of such rail cars:

501 S. E. Street Weimar, TX 78962

SCHEDULE 2

That certain ARI 2013 AAR211A100W1 25,000 gallon coiled and insulated tank car, with car number SRIX025194.