

# First National Bank

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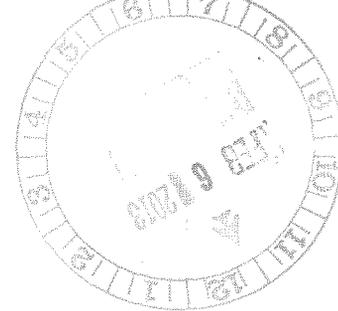
Member FDIC

A Division of First National Bank of Fort Smith

OF ROGERS SURFACE TRANSPORTATION BOARD

January 16, 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 original executed copies of the following primary document: a Memorandum of Security Agreement, dated as of January 16, 2013.

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

Debtor: Arrow Rail, LLC  
 1709 Joye Street  
 Springdale, Arkansas 72762

Secured Party: First National Bank of Rogers  
 801 North Dixieland  
 Rogers, Arkansas 72757

A description of the railroad equipment covered by the enclosed documents are eight (8) railroad cars as more particularly described on Exhibit A attached hereto and made a part hereof.

Enclosed is a check in the amount of \$42.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Please return a stamped copy of one of the enclosed documents to:

First National Bank of Rogers  
 Attn: Clinton Ryan  
 801 North Dixieland Road  
 Rogers, Arkansas 72756

Very Truly Yours,

FIRST NATIONAL BANK OF ROGERS

By:   
 Clinton Ryan

Exhibit A

**Description of the Railcars**

<b>Borrower/Debtor/Record Owner:</b>	<b>ARROW RAIL, LLC</b> an Arkansas corporation 1709 Joye Street Springdale, Arkansas 72762
<b>Lender/Secured Party/Creditor:</b>	<b>FIRST NATIONAL BANK OF ROGERS</b> A division of First National Bank of Fort Smith 801 North Dixieland Road Rogers, Arkansas 72756

<u>Car Number</u>	<u>Car Type</u>	<u>Year Built</u>
EAMX 6883	5700 Cubic Capacity Plastic Pellet Covered Hopper	1979
EAMX 6884	5700 Cubic Capacity Plastic Pellet Covered Hopper	1979
EAMX 6909	5700 Cubic Capacity Plastic Pellet Covered Hopper	1979
EAMX 6925	5700 Cubic Capacity Plastic Pellet Covered Hopper	1979
EAMX 6933	5700 Cubic Capacity Plastic Pellet Covered Hopper	1979
EAMX 6939	5700 Cubic Capacity Plastic Pellet Covered Hopper	1979
EAMX 6961	5700 Cubic Capacity Plastic Pellet Covered Hopper	1979
EAMX 6974	5700 Cubic Capacity Plastic Pellet Covered Hopper	1979

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## MEMORANDUM OF SECURITY AGREEMENT

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF SECURITY AGREEMENT, dated as of January 16, 2013 by and between **FIRST NATIONAL BANK OF ROGERS**, a division of First National Bank of Fort Smith, an Arkansas banking corporation ("**Secured Party**") and **ARROW RAIL, LLC**, an Arkansas corporation ("**Debtor**"), is made with reference to the following:

1. Secured Party has agreed to make available to Debtor a loan secured by that certain Commercial Security Agreement dated January 16, 2013 (the "**Security Agreement**"), executed by Debtor for the benefit of Secured Party, along with that certain Promissory Note and that certain Absolute Assignment of Leases, Rents, Issues, and Profits of even date therewith (the "**Loan Documents**").

2. Pursuant to the Security Agreement, Debtor granted to Secured Party a security interest in all of Debtor's right, title, and interest in and to the eight (8) railcars more particularly described on Exhibit A attached hereto and made a part hereof, and all replacements, exchanges and substitutions for, and all modifications, additions, attachments, accessories and accessions to all or any of such railcars, together with all leases, schedules, riders, and utilization agreements with respect to such railcars and all rents and other amounts payable thereunder or in connection therewith and all chattel paper, accounts, and security deposits relating thereto, and all records relating in any way to the foregoing.

3. This Memorandum of Security Agreement is given and intended as continuing collateral for the payment of the indebtedness of the Debtor to Secured Party under the Loan Documents. Any and all extensions and/or renewals of the referenced indebtedness, whether such indebtedness shall at any time or from time to time have been reduced, and no renewal of, or extension of time of payment of the subject indebtedness or any part thereof, and no agreement not to sue or release or discharge of any persons liable therefor or thereon, or release or exchange of other collateral or any act or thing whatsoever shall diminish, discharge, impair, or affect this Memorandum of Security Agreement or the security afforded hereby, save payment in full by the Debtor to Secured Party of any and all indebtedness of the Debtor to Secured Party arising under the Security Agreement or the Loan Documents, while no default exists under any of the provisions thereof.

4. This Memorandum of Security Agreement may be executed in any number of counterparts, each executed counterpart constituting an original, but all together only one Memorandum of Security Agreement.

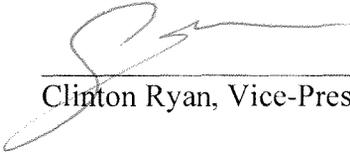
**[Signature Pages Follow]**

AC

IN WITNESS WHEREOF, each of the parties hereto has caused this Memorandum of Security Agreement to be executed by its duly authorized officer as of the date first above written.

SECURED PARTY:

**FIRST NATIONAL BANK OF ROGERS**

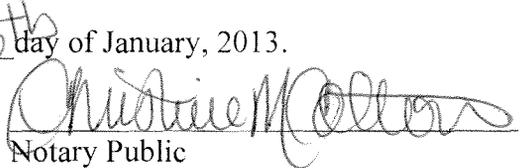
  
\_\_\_\_\_  
Clinton Ryan, Vice-President

**ACKNOWLEDGMENT**

STATE OF ARKANSAS    )  
  )ss:  
COUNTY OF BENTON    )

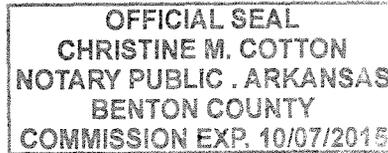
On this day, personally appeared before the undersigned, a Notary Public within and for the County and State aforesaid, duly qualified, commissioned and acting, **CLINTON RYAN**, to me well known, who acknowledged that he was the Vice President of **FIRST NATIONAL BANK OF ROGERS**, and that he, as such officer, being authorized so to do, has executed the foregoing instrument for the purposes therein contained, by signing the name of the bank by himself as such officer.

WITNESS my hand and official seal this 16<sup>th</sup> day of January, 2013.

  
\_\_\_\_\_  
Notary Public

My Commission Expires:

10/7/2015  
(SEAL)



DEBTOR:

**ARROW RAIL, LLC**

  
Allan Lindy, Chief Manager

**ACKNOWLEDGMENT**

STATE OF ARKANSAS    )  
  )ss:  
COUNTY OF BENTON    )

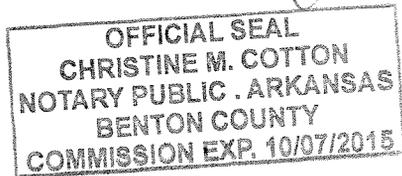
On this day, personally appeared before the undersigned, a Notary Public within and for the County and State aforesaid, duly qualified, commissioned and acting, **ALLAN LINDY**, to me well known, who acknowledged that he was the Chief Manager of **ARROW RAIL, LLC**, and that he, as such officer, being authorized so to do, has executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as such officer.

WITNESS my hand and official seal this 10<sup>th</sup> day of January, 2013.

  
Notary Public

My Commission Expires:

10/7/2015  
(SEAL)



**EXHIBIT A**

**Description of the Railcars**

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