

RECORDATION NO 30832 FILED
July 10, 2013 02:35 PM
SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)
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July 10, 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 July 11, 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 documents are:

Secured Party: The Bank of Nova Scotia
44 King Street West
Toronto, Ontario
Canada M5H 1H1

Borrower: Factor Gas Liquids Inc.
840 7th Ave. SW, Suite 1260
Calgary, Alberta
Canada T2P 3G2

Section Chief
July 10, 2013
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A description of the railroad equipment covered by the enclosed document is:

5 tank railcars: FGLX 087050, FGLX 087035, FGLX 087047, FGLX 087046 and FGLX 087003.

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 \$42.00 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,

A handwritten signature in black ink, appearing to read 'E. Luria', with a stylized flourish at the end.

rs Edward M. Luria

EML/sem
Enclosures

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MEMORANDUM OF SECURITY AGREEMENT dated July 11, 2013, between The Bank of Nova Scotia (the "Secured Party"), and Factor Gas Liquids Inc. (the "Borrower").

WHEREAS, the Secured Party and the Borrower have entered into that certain Security Agreement dated as of July 11, 2013 (the "Agreement") (the terms of which are incorporated herein by reference), covering the railcars identified in Schedule A attached hereto, bearing the equipment numbers of the Borrower shown in said Schedule A including all additions and alterations thereof, replacements thereof and substitutions therefor;

WHEREAS, this memorandum may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one such memorandum.

IN WITNESS WHEREOF, the parties wish to show for the public record the security interest therein of the Secured Party, and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

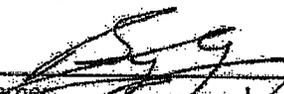
THE BANK OF NOVA SCOTIA
as Secured Party

By: 

Name: Sue-Ann Hack

Title: Assistant Manager, Sales & Product Support

FACTOR GAS LIQUIDS INC.
as Borrower

By: 

Name: Candy Vostanek

Title: PRESIDENT

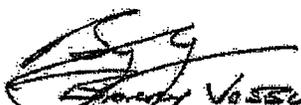
By: 

Name: Kathleen Poole

Title: C.F.O.

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Borrower by authority of its manager[s] and that I acknowledge that the execution of the foregoing instrument was the free act and deed of Borrower. I further declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

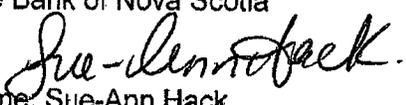
Factor Gas Liquids Inc.

By: 
Name: Gary Vossure
Title: President

By: 
Name: Kathleen Poole
Title: CFO

I certify that I hold the title set forth below, that this instrument was signed on behalf of the Security Trustee by authority of its board of directors and that I acknowledge that the execution of the foregoing instrument was the free act and deed of Security Trustee. I further declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

The Bank of Nova Scotia

By: 
Name: Sue-Ann Hack
Title: Assistant Manager, Sales & Product Support

Schedule A to
Memorandum of Security Agreement

DESCRIPTION OF UNITS

Five (5) New 33,600 NC-Therm Pressure Tank Cars:

FGLX-087050

FGLX-087035

FGLX-087047

FGLX-087046

FGLX-087003

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: 7/10/13

Edward M Luria
Edward M. Luria