BUTZEL, LONG, GUST, KLEIN & VAN ZILE

ROCKWELL T. GUST
T. GORDON SCUPHOLM
MARTIN L. BUTZEL
GEORGE E. BRAND, JR.
JOHN J. KUHN
HAROLD A. RUEMENAPP
MALCOLM J. SUTHERLAND
ROBERT J. BATTISTA
ROBERT M. KLEIN
XHAFER ORHAN
JOHN B. WEAVER
KEMPF HOGAN
ROBERT M. VERCRUYSSE
JON H. W. CLARK
EDWARD M. KRONK
PHILIP J. KESSLER
THOMAS E. SIZEMORE
DONALD B. MILLER
JAMES E. STEWART
JOHN J. RONAYNE, III
VIRGINIA F. METZ
JONATHAN R. HARRIS
JERE D. JOHNSTON
DAVID K. EASLICK, JR.
DENNIS B. SCHULTZ

VICTOR W. KLEIN
ALFRED W. MASSNICK
PHILIP T. VAN ZILE, II
JAMES D. RITCHIE
WILLIAM M. SAXTON
LESLIE W. FLEMING
WILLIAM L. POWERS
JOHN P. WILLIAMS
J. PATRICK MARTIN
LAWRENCE R. VAN TIL
GEORGE H. ZINN, JR.
JOHN H. DUDLEY, JR.
RICHARD E. RASSEL
RICHARD D. GROW
CHESTER E. KASIBORSKI, JR.
RICHARD U. MOSHER
DELMER C. GOWING, III
JOHN P. HANCOCK, JR.
BARBARA E. SCHLAFF
GEORGE E. KUEHN
MARK R. SOLOMON
ROBERT L. SPANGLER
DANIEL G. GALANT
D. STEWART GREEN

1881 FIRST NATIONAL BUILDING
DETROIT, MICHIGAN 48226
(313) 963-8142
CABLE ADDRESS - "STARZEL"

BLOOMFIELD HILLS OFFICE
525 NORTH WOODWARD AVENUE
SUITE 1100
BLOOMFIELD HILLS, MICHIGAN 48013
(313) 646-7555

LEO M. BUTZEL (1874-1961)
THOMAS G. LONG (1883-1973)

OF COUNSEL
JOHN B. POOLE

ADDISON D. CONNOR
JAMES E. LITTELL
ELEANOR S. PAYNE
GEORGE W. MENOLD

RECORDATION NO. 9803-A Filed 1425

DEC 5 1978-8 45 AM

INTERSTATE COMMERCE COMMISSION

Detroit Office
November 29, 1978

No. 8-329A129
Date DEC 5 1978
Fee $ 10.00
Washington, D. C.

Interstate Commerce Commission
12th and Constitution Avenues, N.W.
Washington, D. C. 20423

Attention: Ms. Mildred Lee
Room 1237

Re: Lake Superior & Ishpeming Railroad Company
Amendment of Security Agreement Bearing
Recordation No. 9803

Dear Madam:

Enclosed for recordation are three copies of a First Amendment Agreement, dated November 28, 1978, between Lake Superior & Ishpeming Railroad Company, 105 E. Washington Street, Marquette, Michigan, 49855, and The Cleveland Trust Company, 900 Euclid Avenue, Cleveland, Ohio, 44101. The enclosed First Amendment Agreement amends a Security Agreement which was recorded with the Interstate Commerce Commission on October 26, 1978 and bears recordation number 9803. Also enclosed is a check in the amount of $10.00 to cover the applicable recordation fee.

Please return the acknowledgment copies of the First Amendment Agreement to the undersigned.

RECEIVED DEC 5 8 39 AM '78 I.C.C. FEE OPERATIONS

Very truly yours,
BUTZEL, LONG, GUST, KLEIN & VAN ZILE

George E. Kuehn

106:ly
Enclosures
cc: E. William Haffke, Esquire

Certified Mail
Return Receipt Requested

Interstate Commerce Commission
Washington, D.C. 20423

12/5/78

OFFICE OF THE SECRETARY

George E. Buehn
Dutzel, Long, Gust, Klein & Van Zile
1881 First National Building
Detroit, Michigan 48226

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 20(c) of the Interstate Commerce Act, 49 U.S.C. 20(c), on 12/5/78 at 8:45am, and assigned recordation number(s) 9803-A & 9013-B

Sincerely Yours,

H.G. Homme, Jr.,
Secretary

Enclosure(s)

SE-30-T
(2/78)

9803

RECORDATION NO 9803-A Filed 1425

DEC 5 1978 - 8 45 AM

INTERSTATE COMMERCE COMMISSION

FIRST AMENDMENT AGREEMENT

First Amendment Agreement made this 28th day of November, 1978, between Lake Superior and Ishpeming Railroad Company ("Carrier") and The Cleveland Trust Company ("Bank").

WHEREAS, Carrier and Bank have entered into a security agreement dated October 24, 1978, (the "Security Agreement") providing, among other provisions, for a first advance of Four Million Dollars ($4,000,000);

WHEREAS, Carrier and Bank desire to amend the Security Agreement to more completely describe the collateral set forth in the Schedule of Collateral.

NOW, THEREFORE, the Schedule of Collateral is hereby amended in its entirety to read as set forth in Exhibit I to this Amendment Agreement.

Except as specifically amended hereby, the Security Agreement shall remain in full force and effect and be unaffected hereby.

Melvin W. Rossway, Sec'y

LAKE SUPERIOR & ISHPEMING RAILROAD COMPANY

By: James J. Scullion PRES.

Lana McNamara A.L.O.

THE CLEVELAND TRUST COMPANY

By: Dennis Synerly, V.P.

This First Amendment Agreement amends a Security Agreement which was recorded with the Interestate Commerce Commission on October 26, 1978 and bears recordation number 9803.

STATE OF OHIO)
) SS:
COUNTY OF CUYAHOGA)

On this 28TH day of NOVEMBER, 1978, before me personally appeared JAMES J. SOULLIOU and MELVIN W. ROSSWAY, each being personally known to me and being by me duly sworn, who respectively say that they are the PRESIDENT and the SECRETARY of LAKE SUPERIOR & ISHPEMING RAILROAD COMPANY, that the seal affixed to the foregoing instrument is the corporate seal of that corporation, the said instrument was signed and sealed on behalf of that corporation by authority of its board of directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of that corporation.

E. William Kaufman
Notary Public

My commission expires _____

STATE OF OHIO)
) SS:
COUNTY OF CUYAHOGA)

On this 28TH day of NOVEMBER, 1978, before me personally appeared DENNIS SYNECKY and LANA McNAMARA, each being personally known to me and being by me duly sworn, who respectively say that they are the VICE PRESIDENT and the ASSISTANT LOAN OFFICER of THE CLEVELAND TRUST COMPANY, that the seal affixed to the foregoing instrument is the corporate seal of that corporation, the said instrument was signed and sealed on behalf of that corporation by authority of its board of directors, and they acknowledged that the execution of the foregoing instrument was the free act and deed of that corporation.

E. William Haffey Jr.
Notary Public

My commission expires _____

EXHIBIT I

EXHIBIT A TO
SECURITY AGREEMENT

DESCRIPTION OF COLLATERAL

I. Ore Hopper Cars Acquired From DM&IR:

Type of Equipment	Number of Units	Identifying Road Numbers	Unit Value
Ore Hopper Cars	246	8754 - 8999	$4,475.00
Ore Hopper Cars	354	9646 - 9999	4,475.00

II. Equipment Also Subject to 1976 Security Agreement:

Car Numbers	Number of Units 10/23/78	FMV Per Latest Appraisal	Total Market Value
Ore Hoppers			
1400 - 1699	275	$ 5,500	$1,512,500
1700 - 1799	96	5,500	528,000
1800 - 1899	91	5,500	500,500
7000 - 7199	198	5,500	1,089,000
7200 - 7499	284	6,500	1,846,000
7500 - 7699	193	7,500	1,447,500
7700 - 7899	192	9,500	1,824,000
9000 - 9099	96	5,000	480,000
9100 - 9399	295	5,000	1,475,000
9400 - 9599	195	4,500	877,500
9600 - 9644	45	3,000	135,000
8500 - 8599	90	15,000	1,350,000
8000 - 8199	189	12,500	2,362,500
Box Cars			
2402 - 2486	11	*	
2700 - 2709	10	25,000	250,000
Flat Cars			
6200 - 6296	31	*	
6302 - 6372	28	*	
Gondolas			
6700 - 6745	13	*	
6749 - 6762	8	*	
Covered Hoppers			
#1 and #2	2	*	
Cabooses			
#17	1	*	
#19	1	*	
#21 to #24	4	*	

Initials
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*For purposes of Section 7, the Unit Value shall be deemed zero.

Locomotive Number	FMV Per Latest Appraisal
1604	$ 65,000.00
1608	65,000.00
1801	85,000.00
1802	85,000.00
1803	80,000.00
1804	90,000.00
2300	125,000.00
2301	125,000.00
2302	125,000.00
2303	125,000.00
2304	125,000.00
2400	125,000.00
2401	125,000.00
2402	125,000.00
2403	125,000.00
2404	125,000.00
2405	125,000.00
2500	150,000.00
2501	150,000.00

Total Value $20,507,500.00

The ore hopper cars as described in Section I of this Schedule of Collateral, were acquired from the Duluth, Missobe and Iron Range Railroad Company ("DM & IR"), pursuant to an Exchange Agreement heretofore recorded with the Interstate Commerce Commission, Recordation number 9013. Such cars were numbered by the DM & IR with the numbers set forth below and some of which may continue to bear such numbers until changed by Carrier by substituting the numbers set forth in Section I of this Schedule of Collateral.

Initials

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DM&IR	25500	25759	25977	26163	26398
	25501	25762	25978	26166	26407
	25503	25778	25991	26185	26413
	25507	25779	25994	26193	26416
	25509	25784	25996	26200	26430
	25512	25787	25997	26207	26448
	25514	25788	25999	26211	26454
	25518	25789	26000	26216	26459
	25524	25790	26003	26222	26461
	25526	25793	26008	26243	26463
	25531	25799	26025	26249	26464
	25532	25801	26030	26255	26469
	25536	25802	26031	26256	26478
	25544	25803	26032	26260	26496
	25570	25806	26035	26262	26499
	25572	25807	26040	26263	26503
	25593	25812	26042	26265	26507
	25601	25815	26049	26269	26511
	25602	25819	26061	26272	26521
	25607	25820	26071	26273	26526
	25612	25825	26072	26282	26529
	25617	25831	26077	26292	26533
	25635	25840	26082	26294	26534
	25642	25842	26092	26296	26536
	25644	25843	26098	26297	26538
	25651	25844	26101	26300	26546
	25663		26104	26303	26550
	25666	25852	26105	26304	26556
	25673	25864	26106	26305	26564
	25685	25872	26107	26308	26570
	25689	25876	26108	26311	26583
	25693	25882	26111	26314	26589
	25696	25887	26115	26315	26593
	25711	25888	26118	26316	26595
	25712	25898	26123	26317	26612
	25713	25899	26126	26318	26616
	25715	25903	26127	26328	26633
	25719	25904	26129	26330	26634
	25721	25905	26132	26340	26641
	25723	25914	26133	26343	26646
	25729	25921	26137	26344	26651
	25735	25925	26138	26348	26658
	25742	25931	26148	26353	26660
	25743	25937	26150	26355	26662
	25744	25947	26154	26361	26663
	25746	25950	26156	26372	26664
	25750	25954	26158	26373	26665
	25751	25971	26159	26375	26666
	25754	25973	26161	26377	26675
	25757	25974	26162	26384	26679

Initials

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DM&IR

26682
26687
26701
26703
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Initials

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U-19

25504	25520	25539	25559	25571
25505	25521	25540	25560	25573
25506	25523	25542	25561	25574
25508	25525	25547	25562	25575
25510	25528	25550	25563	25576
25511	25529	25552	25564	25577
25513	25530	25553	25565	25579
25515	25534	25555	25566	25581
25516	25537	25557	25567	25582
25517	25538	25558	25569	25583

25586	25598	25614	25629	25647
25587	25599	25615	25630	25648
25588	25600	25616	25632	25649
25590	25604	25618	25633	25650
25591	25605	25619	25634	25652
25592	25606	25620	25637	25653
25594	25608	25624	25638	25658
25595	25609	25625	25639	25659
25596	25610	25626	25640	25660
25597	25613	25627	25643	25661

25662
25664
25665
25667
25668
25669
25670
25671
25674
25675

U-20

26001	26017	26029	26053	26067
26004	26018	26033	26054	26068
26005	26019	26036	26055	26069
26007	26021	26037	26056	26070
26010	26022	26039	26059	26073
26011	26023	26043	26060	26074
26012	26024	26046	26062	26075
26013	26026	26048	26063	26076
26014	26027	26050	26064	26078
26015	26028	26052	26065	26079

26080	26093	26113	26135	26147
26081	26094	26114	26136	26149
26083	26095	26116	26139	26151
26084	26096	26117	26140	26152
26085	26097	26121	26141	26153
26086	26099	26122	26142	26155
26087	26102	26125	26143	26157
26089	26109	26130	26144	26160
26090	26110	26131	26145	26164
26091	26112	26134	26146	26167

Initials

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26501	26514	26528	26544	26560
26502	26517	26530	26545	26562
26504	26518	26531	26549	26563
26505	26519	26535	26551	26565
26506	26520	26537	26553	26566
26508	26522	26539	26554	26567
26509	26523	26540	26555	26568
26510	26524	26541	26557	26569
26512	26525	26542	26558	26572
26513	26527	26543	26559	26573

26574	26588	26603
26575	26590	26604
26576	26591	26605
26577	26592	26606
26579	26594	26607
26580	26596	26608
26582	26597	26609
26584	26598	26610
26586	26601	
26587	26602	

Initials

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