

STATEMENT OF RELEASE OF COLLATERAL

Recordation Number: 13431-A

Place Filed: Interstate Commerce Commission

RECORDATION NO. 13431-D

Date Filed: October 6, 1988

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Preliminary Statement.

INTERSTATE COMMERCE COMMISSION

(a) Portec Lease Corp. ("PLC") and Aetna Life Insurance Company ("Aetna") were parties to a certain Security Agreement dated as of July 15, 1981, ("Security Agreement") which was filed and recorded with the Interstate Commerce Commission ("ICC") on January 13, 1982, in accordance with the provisions of 49 U.S.C. § 11303 and assigned recordation number 13431. Pursuant to the Security Agreement, PLC assigned, transferred and granted a security interest to Aetna in the railroad equipment ("Equipment") identified on Exhibit A to the Collateral Assignment of Security Interest referred to in paragraph (d) below, to secure the payment and performance obligations of PLC under the "Note Agreement" and "Notes" (both as defined in the Security Agreement).

(b) Aetna has transferred the Notes to Portec, Ltd., a Canadian corporation, ("Portec (Canada)") and assigned to Portec (Canada) the security interests assigned, transferred and granted to Aetna by PLC under Section 1 of the Security Agreement ("Security Interests") and said assignment to Portec (Canada) is contained in an Assignment made as of August 22, 1988, by and between Aetna and Portec (Canada) which was filed and recorded with the ICC on October 6, 1988, in accordance with the provisions of 49 U.S.C. § 11303 and assigned recordation number 13431-A.

(c) Portec (Canada) and Continental Illinois National Bank and Trust Company of Chicago, as agent, ("Agent") for the banks parties to the Master Credit and Restructuring Agreement dated as of August 2, 1988, among Portec, Inc., the Agent and such banks, are parties to that certain Guaranty and Security Agreement dated as of August 2, 1988 ("Guaranty").

(d) In order to secure Portec (Canada)'s obligations to the Agent under the Guaranty, the Agent required, among other things, Portec (Canada) to assign to the Agent the Security Interest and said assignment to the Agent is contained in a Collateral Assignment of Security Interest made as of August 22, 1988, by and between Portec (Canada) and Agent which was filed with the ICC on October 6, 1988, in accordance with the provisions of 49 U.S.C. § 11303 and assigned recordation number 13431-B.

(e) Portec (Canada) has received full and final payment on the Notes secured by the Security Agreement and, therefore, releases any Security Interests it has related to Security

