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FRANK C. GALLOWAY, JR.
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C. HENRY MARSTON
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BENJAMEN T. ROWE
WILLIAM A. ROBINSON
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PATRICK H. SIMS
JAMES L. BIRCHALL
MICHAEL C. QUILLEN
DONALD J. STEWART
DAVID B. ANDERSON
ROY J. CRAWFORD
WILLIAM K. THOMAS
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JOSEPH F. JOHNSTON
M. CAMPER O'NEAL
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OF COUNSEL

CABANISS, JOHNSTON, GARDNER,
DUMAS & O'NEAL

1900 FIRST NATIONAL-SOUTHERN NATURAL BUILDING

BIRMINGHAM, ALABAMA 35203

(205) 252-8800

E. H. CABANISS, 1857-1936
FORNEY JOHNSTON, 1879-1965

MOBILE OFFICE
700 AMSOUTH CENTER
MOBILE, ALABAMA 36602
(205) 433-6961

RECORDATION NO. 16140 FILED 1989

JAN 3 1989 - 1 52 PM

INTERSTATE COMMERCE COMMISSION

December 30, 1988

9-003A042

No.

Date JAN 3 1989

Fee $ 13.00

ICC Washington, D.C.

Secretary
Interstate Commerce Commission
12th & Constitution Avenue N.W.
Washington D.C. 20423
Atten: Mildred Lee in Room 2303

Re: Recordation of Security Agreement

Dear Secretary:

I have enclosed an original and one copy of the document described below to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

1. This document is a Security Agreement dated December 30, 1988 constituting a "primary document" within the meaning of 49 CFR 1177.

2. The names and addresses of the parties to the document are as follows:

(a) Debtor

Steel Processing Services, Inc.
Industrial Boulevard
Boaz, Alabama 35957

(b) Secured Party (Lender)

AmSouth Bank, National Association
P. O. Box 11007
Birmingham, Alabama 35288
Atten: Commercial Loan Department

JAN 3 1 42 PM '89

3. A description of the equipment covered by the document follows:

(a) All of the Debtor's right, title and interest, now held or hereafter acquired, in and to the following described one hundred and five (105) railroad cars of the type classified as E730 by the Association of American Railroads and being commonly known as gondolas, being of seventy tons each and having been manufactured in 1968, and bearing the following registration numbers according to the Uniform Machine Language Equipment Register (UMLER) maintained by the Association of American Railroads:

SPSX15002	SPSX15069	SPSX15133	SPSX15195
SPSX15005	SPSX15075	SPSX15135	SPSX15199
SPSX15007	SPSX15077	SPSX15140	SPSX15204
SPSX15009	SPSX15079	SPSX15145	SPSX15207
SPSX15013	SPSX15083	SPSX15150	SPSX15211
SPSX15014	SPSX15084	SPSX15153	SPSX15212
SPSX15016	SPSX15087	SPSX15156	SPSX15213
SPSX15017	SPSX15089	SPSX15158	SPSX15214
SPSX15019	SPSX15092	SPSX15160	SPSX15215
SPSX15022	SPSX15093	SPSX15162	SPSX15217
SPSX15025	SPSX15097	SPSX15164	SPSX15218
SPSX15027	SPSX15098	SPSX15168	SPSX15219
SPSX15029	SPSX15104	SPSX15169	SPSX15220
SPSX15031	SPSX15105	SPSX15171	SPSX15222
SPSX15032	SPSX15106	SPSX15172	SPSX15223
SPSX15034	SPSX15110	SPSX15175	SPSX15226
SPSX15041	SPSX15111	SPSX15177	SPSX15228
SPSX15042	SPSX15117	SPSX15180	SPSX15229
SPSX15045	SPSX15119	SPSX15181	SPSX15231
SPSX15047	SPSX15120	SPSX15182	SPSX15234
SPSX15048	SPSX15121	SPSX15183	SPSX15236
SPSX15050	SPSX15122	SPSX15186	SPSX15241
SPSX15051	SPSX15124	SPSX15187	SPSX15243
SPSX15054	SPSX15126	SPSX15191	SPSX15245
SPSX15055	SPSX15127	SPSX15193	SPSX15246
SPSX15060	SPSX15128	SPSX15194	SPSX15247
SPSX15063			

whether in the constructive, actual or exclusive possession of the Debtor and wherever any of the same may be located.

(b) All repair parts, replacements and substitutions for the said railroad cars.

(c) All accessions and additions now or hereafter made or added to the said railroad cars, and all attachments and improvements now or hereafter placed upon or used in connection with the said railroad cars, or any part thereof.

(d) All books, documents and records related to any of the said railroad cars and the foregoing items.

(e) Each and every policy of insurance covering the property described above, including all proceeds and returned premiums.

(f) All proceeds and products of any of the foregoing property described in the above paragraphs.

4. A fee of $13.00 is enclosed.

5. Please return the original and any extra copies not needed by the Commission for recordation to the undersigned at the address set forth hereinabove.

6. A short summary of the document to appear in the index follows:

The document constitutes an assignment of, and the granting of a security interest in, the equipment described hereinabove, for the purposes of securing a loan made by the Secured Party (Lender) identified above to the Debtor identified above, and contains provisions with respect to the use, maintenance, insurance and location of the said equipment, and other provisions regarding the rights and remedies of the Debtor and the Secured Party both before and after default under the document, and the manner of termination of the said document.

Very truly yours,

Heyward C. Hosch
Attorney for AmSouth Bank,
National Association, as
Secured Party under the
within referenced
Security Agreement

HCH/lab

Interstate Commerce Commission

Washington, D.C. 20423

1/3/88

OFFICE OF THE SECRETARY

Heyward C. Hosch

Attorney

Cabaniss Johnston,Gardner Dumas & O,Neal

1900 First NationalSouthern Natural Bldge

Birmingham,Alabama 35203

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 1/3/89 at 1:50pm , and assigned recordation number(s). 16140

Sincerely yours,

Noreta L. McGee

Secretary

Enclosure(s)

SE-30
(7/79)

RECORDATION NO. 16140 FILED 1988
JAN 2 1989 - 1 52 PM
INTERSTATE COMMERCE COMMISSION

STATE OF ALABAMA
JEFFERSON COUNTY

Certificate of True Copy

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that I have this date compared the copy of the Security Agreement attached hereto with the original thereof and have found the said copy to be complete and identical in all respects to the original document thereof.

Given under my hand and official seal this the 30th day of December, 1988.

Notary Public

AFFIX SEAL

My commission expires: April 4, 1992

RECORDATION NO. 16140 FILED 1988
JAN 3 1989 - 1 52 PM
INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT

THIS SECURITY AGREEMENT is executed on December 30, 1988, by Steel Processing Services, Inc., an Alabama corporation, as debtor (the "Debtor"), in favor of AmSouth Bank N.A., a national banking association, Birmingham, Alabama, as secured party (the "Secured Party").

Recitals

WHEREAS, the Debtor is justly indebted to the Secured Party in the principal amount of Eight Hundred Thousand Dollars ($800,000) as evidenced by that certain promissory note dated December 30, 1988, from the Debtor to the Secured Party (the "Note").

WHEREAS, the Debtor has agreed, as a condition to the Secured Party extending the credit evidenced by the Note, to execute and deliver this agreement securing the obligations of the Debtor to the Secured Party.

Agreement

NOW THEREFORE, in consideration of the premises, and in order to secure the following (hereinafter referred to collectively as the "Liabilities"):

(1) the payment of the indebtedness evidenced by the Note, and any and every extension or renewal thereof, and all interest and other fees and charges thereon;

(2) all other indebtedness, obligations and liabilities of Debtor to the Secured Party of every kind and description whatsoever, arising as a result of the payment or performance by the Secured Party of any of the obligations of the Debtor hereunder; and

(3) the compliance with all of the stipulations, covenants, agreements, representations and conditions contained in this agreement;

the undersigned Debtor does hereby grant to the Secured Party, and its successors and assigns, security title to and a continuing first security interest in, and does hereby transfer, sell, assign, mortgage, pledge and convey to the Secured Party, its successors and assigns, the following described property (hereinafter referred to collectively as the "Property"), to-wit:

All of the Debtor's right, title and interest, now held or hereafter acquired, in and to the following described one hundred and five (105) railroad cars of the type classified as E730 by the Association of American Railroads and being commonly known as gondolas, being of seventy tons each and having been manufactured in 1968, and bearing the following registration numbers according to the Uniform Machine Language Equipment Register (UMLER) maintained by the Association of American Railroads:

SPSX15002	SPSX15069	SPSX15133	SPSX15195
SPSX15005	SPSX15075	SPSX15135	SPSX15199
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SPSX15055	SPSX15127	SPSX15193	SPSX15246
SPSX15060	SPSX15128	SPSX15194	SPSX15247
SPSX15063			

whether in the constructive, actual or exclusive possession of the Debtor and wherever any of the same may be located, together with all repair parts, replacements and substitutions for the Property, all accessions and additions now or hereafter made or added to the Property, and all attachments and improvements now or hereafter placed upon or used in connection with the Property, or any part thereof, as well as each and every insurance policy with respect to the Property and all proceeds including without limitation all insurance proceeds and products of the Property, and all books, documents and records related to any of the Property and the foregoing items.

TO HAVE AND TO HOLD to the Secured Party, its successors and assigns, forever.

The Debtor represents, warrants and agrees:

(a) The Property will be used in the trade or business of the Debtor at such locations as the Debtor shall determine, and none of the Property will be (a) based in a jurisdiction other than Alabama, Tennessee, South Carolina and Georgia, or (b) leased or hired to, or used by, any person or entity other than the Debtor unless, within a reasonable period of time after such basing, lease, hire or use, there shall have been executed and delivered to the Secured Party, and filed and recorded in such office or offices, such agreements, instruments, documents, statements and notices as shall, in the reasonable judgment of the Secured Party and its counsel, best protect and conserve the interests of the Secured Party in the Property in such event.

(b) The Debtor shall comply with all laws, regulations, rules, orders and directives applicable to the Debtor and/or the Property of the Federal Railroad Administration and any successor thereto, the Interstate Commerce Commission and any successor thereto, the Association of American Railroads and any successor thereto, and any other federal or state agency or body having jurisdiction over the Debtor and/or the Property.

(c) The Debtor shall at all times keep the Property registered on the Uniform Machine Language Equipment Register or any successor registry maintained by the Association of American Railroads or any successor thereto.

(d) The principal place of business and chief executive office of the Debtor is located at the following address:

Industrial Boulevard
Boaz, Alabama 35957

and the said office will not be removed from the State of Alabama without prior written notice to the Secured Party.

The Debtor covenants with the Secured Party, its successors and assigns, that the Debtor is the lawful and absolute owner of, and has good, indefeasible and merchantable title to, the Property, and has a good right

to assign, transfer, sell, convey, mortgage and grant security title to and a security interest in the same and that the Property is free and clear of all liens, claims, encumbrances and security interests (other than that of the Secured Party); and the Debtor does hereby warrant and will forever defend the title to the Property unto the Secured Party, its successors and assigns, against the claims of all persons whomsoever, whether lawful or unlawful. Debtor further warrants that no financing statement or security agreement covering any of the Property is on file at any public office. At the request of the Secured Party, the Debtor agrees to join with the Secured Party in executing one or more financing statements pursuant to the Uniform Commercial Code and any document which may be necessary for filing under the rules and regulations of any federal department, body or agency, including without limitation the Interstate Commerce Commission, in order to perfect the security interest granted to the Secured Party hereunder, all in form and of content satisfactory to the Secured Party; and the Debtor further agrees to pay the costs of filing the same in all public offices wherever filing is deemed necessary or prudent by the Secured Party. The Secured Party is hereby authorized to correct any and all patent errors in the typewritten or handwritten portion of this agreement or any documents executed in connection herewith. The Debtor further agrees to pay all costs and fees for filing a termination statement for any financing statement or other document filed in connection with this agreement.

The Debtor warrants and represents that the Debtor will not, without the prior written consent of the Secured Party, sell, transfer, assign, pledge or grant any security interest in any of the Property to anyone except the Secured Party, or permit any lien or encumbrance to attach to any of the Property or any levy to be made thereon or any financing statement or security agreement (except those of the Secured Party) to be on file in any public office with respect thereto.

The Debtor agrees to pay all taxes, rents, assessments and charges levied against the Property and all other claims that are or may become liens against the Property, or any part thereof, and should default be made in the payment of same, the Secured Party, at its option, may pay the same.

The Debtor further agrees to keep the Property fully insured against loss by fire, theft, vandalism, extended coverage perils, collision, casualty loss and liability to other persons in such a manner, in such amounts and with such companies as are satisfactory to the Secured Party. Each policy of insurance covering the Property shall name

the Secured Party as a named insured and provide that any losses payable thereunder shall (pursuant to loss payable clauses, in form and content acceptable to the Secured Party, to be attached to each policy) be payable to the Secured Party and provide that the insurance provided thereby, as to the interest of the Secured Party, shall not be invalidated by any act or neglect of the Debtor, nor by the commencement of any proceedings by or against the Debtor in bankruptcy, insolvency, receivership or any other proceedings for the relief of a debtor, nor by any foreclosure, repossession or other proceedings relating to the property insured, nor by any occupation of such property or the use of such property for purposes more hazardous than permitted in the policy. The Debtor shall cause duplicate originals or certificates of any and all such insurance policies to be deposited with the Secured Party. At least thirty days prior to the date the premiums on each such policy or policies shall become due and payable, the Debtor shall furnish to the Secured Party evidence of the payment of such premiums. The Debtor will cause each insurer under each of the policies to agree (either by endorsement upon such policy or by letter addressed to the Secured Party) to give the Secured Party at least thirty business days' prior written notice of the cancellation of such policies in whole or in part or the lapse of any coverage thereunder. The Debtor agrees that the Debtor will not take any action or fail to take any action, which action or inaction would result in the invalidation of any insurance policy required hereunder.

As further security for the Liabilities, the Debtor hereby assigns and pledges to the Secured Party each and every policy of insurance covering the Property, including all proceeds and returned premiums. With respect to all such insurance policies, the Secured Party is hereby authorized, but not required, on behalf of the Debtor, to collect for, adjust or compromise any losses under any such insurance policies. The loss, injury or destruction of the Property or any part of thereof shall not abate, satisfy or release any of the Liabilities. The Secured Party may apply, at its option, the loss proceeds (less expenses of collection) on the Liabilities, in any order and amount, and whether or not due, or hold such proceeds as a cash collateral reserve against the Liabilities or apply such proceeds to the restoration of the Property or to release the same to the Debtor, but no such application, holding in reserve or release shall cure or waive any default by the Debtor. In case of a sale pursuant to the foreclosure provisions hereof, or any conveyance of all or any part of the Property in extinguishment of all or any part of the Liabilities, complete title to all insurance policies held by the Secured Party and the unearned premiums with respect thereto shall pass to and vest in the purchaser or grantee of such Property.

If the Debtor fails to keep the Property, or any portion thereof, insured as above specified, then (1) this agreement shall be deemed to be in default, and the Secured Party may, at its option, exercise its rights and remedies on default as hereinafter set forth, and (2) the Secured Party may in addition, at its option, insure the Property, or any portion thereof, against loss by fire, theft, collision, casualty losses and liability to other persons for its own benefit. The proceeds of such insurance, if collected, less the cost of collecting the same, shall be credited on the Liabilities secured hereby in such order as the Secured Party shall elect, or, at the election of the Secured Party, may be used in repairing or replacing the Property.

All amounts so expended by the Secured Party for insurance, taxes or to satisfy in whole or in part any prior lien or encumbrance on the Property, or any part thereof, shall become a debt due at once, payable without demand upon or notice to any person, to the Secured Party, additional to the Liabilities hereby specially secured, and shall be secured hereby, and such amounts shall bear interest until paid at the rate per annum specified in the Note for past due installments or the highest rate permitted by law, whichever is less.

The Debtor agrees to take good care of the Property, not to commit or permit any waste thereon, to keep the same repaired, and at all times to maintain the same in as good condition as it is on the date hereof, reasonable wear and tear alone excepted. The Debtor agrees not to use, or permit the Property to be used, in violation of any statute, law, regulation or ordinance.

The Debtor agrees to notify the Secured Party immediately in writing of any event causing loss or depreciation in value of any of the Property, and of the amount of such loss or depreciation, except that the Debtor shall not be obligated to notify the Secured Party of depreciation in the Property resulting from ordinary wear and tear. The loss, injury or destruction of the Property shall not release or abate any of the Liabilities secured hereby. In the event that the Property for any reason shall cease to be satisfactory to the Secured Party, the Debtor agrees to give the Secured Party additional collateral satisfactory to the Secured Party on demand.

The Debtor will at all times keep accurate and complete records of the Property, and Secured Party or its agents shall have the right to call at the Debtor's place(s) of business (or any other place where any of the Property is located) at intervals to be determined by the

Secured Party, upon reasonable notice and during the Debtor's regular business hours, to inspect and examine the Property and to inspect, audit, check and make abstracts from the books, records, journals, orders, receipts, correspondence and other data relating to the Property or to any other transactions between the parties hereto.

Any and all recording and filing fees, revenue stamps, taxes or other expenses and charges payable in connection with the execution and delivery to the Secured Party of this agreement, or of the recording of any financing statements or other instruments requested by the Secured Party pursuant hereto, shall be paid by the Debtor.

The Debtor will perform or comply with the terms of any lease covering the premises wherein the Property is located and any orders, ordinances or laws of any governmental body or agency concerning such premises or the conduct of business therein. The Debtor shall not conceal nor abandon the Property. Except as otherwise provided herein, the Debtor agrees not to hire any of the Property to any person or persons, or permit the same to be used for hire.

The Debtor agrees to give notice in writing by Registered Mail to the Secured Party within 24 hours of the date of repossession of any of the Property as to any property of the Debtor alleged to have been left on, upon or in the Property at the time of repossession, and such notice shall be an express condition precedent to any action or suit for loss or damages. The Debtor further agrees that Secured Party may hold any such property of the Debtor without liability for a reasonable time after any such notice is received, and that the Secured Party will have a reasonable time to notify the Debtor where the Debtor can collect any such property. The Debtor expressly agrees that if the Property is repossessed at a time when the Debtor is not in default, or if there is a dispute as to the existence of a default and notice of the dispute is received by the Secured Party in writing and thereafter the Property is returned to the Debtor; then the damages therefor, if any, shall not exceed the fair rental value of the Property for the time it was repossessed. The Debtor hereby expressly and irrevocably consents to and invites the Secured Party and its agents to come upon any and all premises upon which any of the Property is at any time located for any and all purposes related to the Property including without limitation repossession of any of the Property. The Debtor further covenants and warrants that any entry by the Secured Party and its agents for the purpose of repossession of any of the Property shall not be a trespass upon the premises and any

such repossession shall not be a conversion of the Property; and the Debtor agrees to indemnify and hold the Secured Party harmless against any actions, costs or expenses arising directly or remotely out of any attempt to enter such premises and repossess the Property after default.

The Secured Party shall be deemed to have exercised reasonable care in the custody and preservation of the Property in its possession if it takes such reasonable actions for that purpose as the Debtor shall request in writing, but the Secured Party shall have sole power to determine whether such actions are reasonable. Any omission to do any act not requested by the Debtor shall not be deemed a failure to exercise reasonable care. The Debtor shall be responsible for the preservation of the Property and shall be liable for any failure to realize upon, or to exercise any right or power with respect to, any of the Liabilities secured hereby or any of the Property, or for any delay in so doing.

It is agreed that no delay in exercising any right or option given or granted hereby to the Secured Party shall be construed as a waiver thereof; nor shall a single or partial exercise thereof preclude any other or further exercise or the exercise of any other right, power or privilege. The Secured Party may permit the Debtor to remedy any default without waiving the default so remedied, and the Secured Party may waive any default without waiving any other subsequent or prior default by the Debtor. It is further agreed that any default occurring under the terms of this agreement shall authorize the Secured Party, at its election, to proceed to exercise its rights and remedies upon default under the terms hereof.

The Debtor agrees to execute and deliver to the Secured Party, promptly upon request of the Secured Party therefor, an amendment or amendments to this agreement and to any financing statement filed in connection herewith and to any document filed with the Interstate Commerce Commission or any successor thereto in connection herewith, more particularly describing the Property by type, name of manufacturer, model and serial number, and other identifying information to the satisfaction of the Secured Party.

UPON CONDITION, HOWEVER, that if the Debtor pays the Liabilities (including, but not limited to, the indebtedness evidenced by any note secured hereby, and any and every extension and renewal thereof, and all other indebtedness, obligations and liabilities of the Debtor to the Secured Party of every kind and description whatsoever

arising as a result of the payment or performance by the Secured Party of any of the obligations of the Debtor hereunder), and complies with all the stipulations, covenants, agreements, representations and conditions contained in this agreement, and reimburses the Secured Party for any amounts which the Secured Party may have expended under the provisions hereof, and shall do and perform all other acts and things herein agreed to be done, this conveyance and security agreement shall be null and void; but upon the occurrence of any event of default under this agreement, or should the Debtor fail to comply with any one or more of the agreements made in connection with the Liabilities secured by this agreement, then the whole of all such Liabilities, with interest thereon, shall at once become due and payable at the option of the Secured Party. As used in this agreement, the terms "default" or "event of default" shall mean the occurrence or happening of any one or more of the following events, circumstances or conditions:

(a) Violation of or default in the observance or performance of any term, agreement, covenant, condition or stipulation contained or referred to in this agreement or in any document executed in connection with this agreement or in any note, endorsement, guaranty or other document evidencing or securing any of the Liabilities;

(b) Default in the due payment of any installment of the principal of or interest on the Note or on any of the other Liabilities, or any part thereof, as and when due and payable;

(c) Any warranty, representation, report, certification or statement made or furnished to the Secured Party by or on behalf of the Debtor shall prove to be false or misleading in any material respect;

(d) The occurrence of any event which results or could result in the acceleration of the maturity of any indebtedness of the Debtor other than the Liabilities or any such indebtedness shall not be paid when due;

(e) The loss, theft, damage, sale, destruction or encumbrance of any material portion of the Property, or the sale or encumbrance of any of the Property or the making of any levy, seizure or attachment on any of the Property;

(f) The insolvency or death of the Debtor or of any endorser, surety or guarantor of any of the Liabilities (severally, an "Obligor"), or if the Debtor or any Obligor is a corporation, of any of its principal officers, or if the Debtor or any Obligor is a partnership, of any of its partners;

(g) The filing of a voluntary or involuntary petition under any provision of any federal or state bankruptcy statute (whether for bankruptcy, reorganization, arrangement, readjustment of debt, composition, extension, wage earner's plans or otherwise) by or against the Debtor or any Obligor, or the taking by the Debtor or any Obligor of corporate action for the purpose of effecting any of the foregoing;

(h) The appointment of a receiver, trustee or liquidator of the Debtor or any Obligor or of all or a substantial part of the Debtor's or such Obligor's properties or assets, or the adjudication of the Debtor or any Obligor as a bankrupt or insolvent, or the entry of an order for relief against the Debtor or any Obligor in any voluntary or involuntary bankruptcy or reorganization case by or against the Debtor or such Obligor;

(i) General assignment for the benefit of creditors, dissolution or liquidation of the Debtor or any Obligor, or failure or admission of the inability of the Debtor or any Obligor generally to pay the Debtor's or such Obligor's debts as they become due, or business failure of or by the Debtor or any Obligor, or the entry of a judgment or the issuance of a writ of attachment or garnishment against the Debtor or any Obligor;

(j) Failure by the Debtor to pay when due any premium on any insurance policy required in connection herewith, or any assessment, or any taxes when due;

(k) Any guarantor shall unilaterally terminate the obligations of such guarantor under any guaranty agreement pertaining to any of the Liabilities; or

(l) The Secured Party shall deem itself insecure for any other reason whatsoever.

Upon the occurrence of an event of default, or at any time thereafter, then the whole of the Liabilities secured hereby shall become immediately due and payable at the option of the Secured Party, and the Secured Party shall have and may exercise at its election all the rights and remedies of a secured party upon default under the Uniform Commercial Code - Secured Transactions (Article 9 of Title 7 of the CODE OF ALABAMA 1975) as well as all rights and remedies under any other applicable law and under the terms of this agreement, all of which shall be cumulative.

Without limiting the generality of the foregoing rights and remedies, the Secured Party may exercise any or all of the following rights, remedies and powers after default:

(a) send any written notice required by law by delivering it to the address set forth herein as the principal place of business or chief executive office of the Debtor or by depositing it in the regular United States Mail, addressed to the Debtor at such address, or if no such address is shown, to any address of the Debtor in the Secured Party's files; and any notice sent by the Secured Party at least five calendar days (counting the day of sending) prior to the date of a proposed disposition of the Property shall be reasonable notice;

(b) take control of any cash or non-cash proceeds of Property;

(c) enter upon the premises of the Debtor or any other place or places where the Property is located and kept, and through self-help and without judicial process, without first obtaining a final judgment or giving the Debtor notice and opportunity for a hearing on the validity of the Secured Party's claim, without any pre-seizure hearing as a condition to repossession through court action and without any obligation to pay rent to the Debtor, to remove the Property therefrom to the premises of the Secured Party or of any agent of the Secured Party, for such time as Secured Party may desire, in order effectively to collect or liquidate the Property;

(d) require the Debtor, upon demand of the Secured Party, to assemble the Property, or any part thereof, and make it available to the Secured Party at places which the Secured Party shall select, whether at the Debtor's premises or elsewhere, and to make available to the Secured Party all of the Debtor's premises and facilities for the purpose of the Secured Party's taking possession of, removing or putting the Property and such other goods in salable form;

(e) without notice or advertisement, to sell, assign and deliver the Property or any part thereof or any other property held by the Secured Party or by the Debtor for the account of the Secured Party, at public or private sale, for cash, upon credit or otherwise, at the sole option and discretion of the Secured Party and to bid or become purchaser at any such sale;

(f) use, and to permit any purchaser of any of the Property from the Secured Party to use, without charge, the Debtor's labels, general intangibles and advertising matter or any property of a similar nature, as it pertains to, or is included in, any of the Property, in advertising for sale, preparing for sale and selling any Property, and finishing the manufacture, repair, restoration, renovation, relocation, processing, fabrication, packaging and delivery

of the Property and the Debtor's rights under all licenses and all franchise agreements shall inure to the Secured Party's benefit.

The Debtor shall immediately reimburse the Secured Party on demand for any expenses incurred by the Secured Party in perfecting, protecting or enforcing or attempting to perfect, protect or enforce its rights under this agreement, including, without limitation, all expenses incurred in taking possession of, holding, repairing, cleaning, preparing for disposition, and disposing of the Property or any part thereof, including a reasonable attorney's fee. After deduction of such expenses, Secured Party may apply the proceeds from disposition of the foregoing to any of the Liabilities in such order and amounts as it elects. The Debtor shall remain liable for any deficiency.

At any time after the occurrence of an Event of Default, the Secured Party shall have all or any of the following powers: (a) to take control, in any manner, of any item of payment on, or proceeds of, Property; (b) to use the information recorded on or contained in any data processing equipment and computer hardware and software relating to the Property to which the Debtor has access; (c) to enter into contracts or agreements for the repair, restoration, renovation, relocation, processing, fabrication, packaging and delivery of Property as said Secured Party may from time to time deem appropriate and charge the Debtor's account for any reasonable costs thereby incurred; and (d) to do all acts and things necessary, in the Secured Party's sole judgment, to carry out the purposes of this agreement.

The Debtor agrees to indemnify and hold the Secured Party harmless from any loss or liability of any kind or character which may be asserted or sought to be asserted against the Secured Party by virtue of any suit filed, process issued or any repossession or attempted repossession done or attempted by the Debtor or at the Debtor's direction.

The Debtor shall promptly reimburse the Secured Party for any and all costs and expenses, including but not limited to, the reasonable fees and disbursements of counsel to the Secured Party, which the Secured Party may incur in connection with (a) the enforcement of the rights of the Secured Party in connection with the Liabilities, (b) the protection or perfection of the Secured Party's rights and interest hereunder, (c) the exercise by or for the Secured Party of any of the rights or powers herein conferred upon the Secured Party, and (d) the prosecution or defense of any action or proceeding by or against the Secured Party or the Debtor, any Obligor, purchaser, or

any of them, concerning any matter arising out of, connected with or related to this agreement, or any of the Property, or any of the Liabilities; provided, however that attorneys' fees shall be subject to the limitations set forth in Section 5.02 hereof if this agreement is subject to § 5-19-10 of the Code of Alabama.

This agreement is given on railroad cars registered with the Association of American Railroads which may from time to time be removed from place to place in the United States and used in interstate commerce. It is therefore agreed that the laws of the State of Alabama with respect to security agreements and with respect to the rights of both the Debtor and the Secured Party hereunder, including the right of Secured Party to take possession of the Property and sell the same as above provided, shall govern and control, except as insofar as they may be contrary to or superseded by federal statutes or regulations issued thereunder; and in the event the Secured Party becomes entitled to possession of the Property as provided herein, the Debtor agrees upon demand to deliver possession of same to Secured Party at such place or places as the Secured Party shall determine.

Plural or singular words used herein to designate the Debtor shall be construed to refer to the maker or makers of this security agreement, whether one or more persons, a partnership or a corporation, and the successors and assigns of such party; and all covenants and agreements herein made by the Debtor shall survive the execution and delivery of this agreement and any note secured hereby, and shall bind the heirs, personal representatives, successors and assigns of the Debtor, and every option, right and privilege herein reserved or secured to the Secured Party shall inure to the benefit of or may be exercised by its successors and assigns. Each of the undersigned hereby acknowledges receipt of a duplicate copy of this instrument.

This agreement shall be construed in accordance with and governed by the laws of the State of Alabama and applicable federal laws.

No modification, amendment or waiver of any provision of this agreement, any note secured hereby, nor consent to any departure by the Debtor therefrom shall in any event be effective unless the same shall be in writing and signed by the Secured Party and then such waiver or consent shall be effective only in the specific instance and for the purpose for which given. No notice to or demand on the Debtor in any case shall entitle the Debtor to any other or further notice or demand in the same, similar or other circumstances.

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or thereof or affecting the validity or enforceability of such provision in any other jurisdiction.

This agreement shall remain in full force and effect until a written termination statement executed by a duly authorized officer of the Secured Party shall be filed for record in the office or offices in which this agreement and/or financing statements should be filed in order to perfect a security interest in the Property. The Debtor agrees that this agreement shall secure all Liabilities, whether now existing or hereafter incurred, contracted for or arising. Payment in full of the Liabilities outstanding at any one time shall not, in the absence of the execution and recordation of a written instrument of termination as aforesaid terminate this agreement.

IN WITNESS WHEREOF, the undersigned have caused this agreement to be executed by their duly authorized corporate officers on the day and year first above written.

DEBTOR:

STEEL PROCESSING SERVICES, INC.

By _____

Its President

SEAL

Attest: _____
Its Secretary

SECURED PARTY:

AMSOUTH BANK N.A.

By James H. Dunklin IV

Its Commercial Loan Officer

STATE OF ALABAMA
JEFFERSON COUNTY

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that William P. Ainsworth, whose name as President of Steel Processing Services, Inc., a corporation, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this the 30th day of December, 1988.

Heyward C. Hosch III
Notary Public

AFFIX SEAL

My commission expires: April 4, 1992

STATE OF ALABAMA
JEFFERSON COUNTY

I, the undersigned, a Notary Public in and for said County in said State, hereby certify that James H. Dunklin, IV, whose name as Commercial Loan Officer of AmSouth Bank N.A., a national banking association, is signed to the foregoing instrument and who is known to me, acknowledged before me on this day that, being informed of the contents of said instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said national banking association.

Given under my hand and official seal this the 30th day of December, 1988.

Heyward C. Hosch III
Notary Public

AFFIX SEAL

My commission expires: April 4, 1992