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JOHN A. STALFORT  
410-385-3424

August 14, 1997

RECORDATION NO. 17850-D FILED

AUG 18 '97 11-00AM

RECEIVED  
SURFACE TRANSPORTATION  
BOARD  
AUG 18 11 00 AM '97

via FEDERAL EXPRESS

Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423-0001  
Attention: Mrs. Janice Fort  
Recordation

Re: Our File No. 258-1733

Mrs. Fort:

Enclosed for recordation as a secondary document pursuant to the provisions of 49 U.S.C. 11301(a) are one original and one notarized copy of the following document:

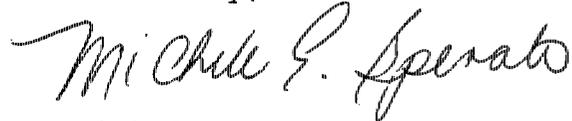
Memorandum of Second Amendment to Loan Agreement, Chattel Mortgage and Security Agreement dated August 1, 1997 by and between Southern Illinois Railcar Company (505 Buckeye Drive, Troy, Illinois 62294) and The First National Bank of Maryland (25 South Charles Street, Baltimore, Maryland 21201) which relates to the Original Loan Agreement dated June 30, 1992 between Southern Illinois Railcar Company (505 Buckeye Drive, Troy, Illinois 62294) and The First National Bank of Maryland (25 South Charles Street, Baltimore, Maryland 21201) which was recorded with the Surface Transportation Board on July 1, 1992 under Recordation No. 17850-B.

Also enclosed is a check in the amount of \$24.00 to cover the costs of recording this document.

Once this document has been recorded, please return the same to the undersigned.

Thank you for your prompt attention to this matter. Please call me at (410) 385-3425 if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "Michele E. Sperato".

Michele E. Sperato  
Secretary to John A. Stalfort

Enclosures

SURFACE TRANSPORTATION BOARD  
WASHINGTON, D. C. 20423-0001

OFFICE OF THE SECRETARY

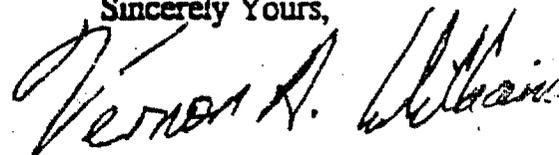
John A. Stalfort, Esq.  
Miles & Stockbridge  
10 Light Street  
Baltimore, Maryland 21202-1487

DATE: 8/18/97

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of 49 U.S.C. 11301  
and 49 CFR 1177.3 (c), on 8/18/97 at 11:00AM, and  
assigned recordation number(s). 20819, 20819-A, 20820, 20820-A and 17850-D.

Sincerely Yours,



Vernon A. Williams  
Secretary

Enclosure(s)

§ 120.00 \_\_\_\_\_ The amount indicated at the left has been received in payment of a fee in  
connection with a document filed on the date shown. This receipt is issued for the amount paid.  
In the event of an error or any questions concerning this fee, you will receive a notification after  
the Surface Transportation Board has an opportunity to examine your document.

Signature



STATE OF MARYLAND

SS:

CITY OF BALTIMORE

THIS IS TO CERTIFY that the attached Memorandum of Second Amendment to Loan Agreement, Chattel Mortgage and Security Agreement is a true and complete copy of such Memorandum of Second Amendment to Loan Agreement, Chattel Mortgage and Security Agreement.

WITNESS my hand and seal this 13<sup>th</sup> day of August, 1997.

Michelle E. Spinato  
Notary Public

My Commission Expires:

January 28, 2001

AUG 18 '97

11-00AM

**MEMORANDUM OF SECOND AMENDMENT TO LOAN  
AGREEMENT, CHATTEL MORTGAGE AND SECURITY AGREEMENT**

THIS MEMORANDUM OF SECOND AMENDMENT TO LOAN AGREEMENT, CHATTEL MORTGAGE AND SECURITY AGREEMENT (this "Memorandum") is made this 1st day of August, 1997, by and between SOUTHERN ILLINOIS RAILCAR COMPANY, an Illinois corporation (the "Borrower"), and THE FIRST NATIONAL BANK OF MARYLAND, a national banking association (the "Bank").

A. Borrower and Bank are parties to that certain Loan Agreement, Chattel Mortgage and Security Agreement dated June 30, 1992 (the "Original Loan Agreement"), pursuant to which Bank agreed to make Borrower the loan described in the Original Loan Agreement (the "Original Loan"). Borrower and Bank entered into a First Amendment to Loan Agreement, Chattel Mortgage and Security Agreement dated December 23, 1994 (the "First Amendment") pursuant to which Bank released certain railcars given as collateral to secure the Original Loan and certain other railcars were substituted as collateral to secure the Original Loan. The Original Loan Agreement and First Amendment were recorded with the Surface Transportation Board (formerly the Interstate Commerce Commission) on July 1, 1992 under Recordation No. 17850-B and on December 27, 1994 under Recordation No. 17850-C, respectively.

B. Borrower and Bank entered into that certain Second Amendment to Loan Agreement, Chattel Mortgage and Security Agreement dated August 1, 1997 (the "Second Amendment"), pursuant to which Bank has loaned Borrower additional amounts under the Original Loan and has agreed to release certain railcars given as collateral to secure the Original Loan and permit substitution of certain other railcars as collateral to secure the Original Loan and the new portion thereof (collectively the "Loan").

C. To secure payment and performance of Borrower's obligations to the Bank, Borrower granted to Bank pursuant to the Second Amendment a continuing, first priority security interest in and to, and chattel mortgage lien on, all of the Borrower's right, title and interest in and to the following collateral (the "Collateral"), to have and to hold all and every part of the Collateral unto the Bank, its successors and assigns, for its and their own use and benefit forever:

(a) the railcars more particularly described on Exhibit A hereto (the "Railcars");

(b) all improvements, additions, modifications, accessions, equipment, appurtenances and parts appertaining or attached to the Railcars, whether now owned or hereafter acquired, and all substitutions and replacements of the Railcars described above (the Railcars and the equipment described in this subsection (b) herein being hereinafter sometimes collectively called the "Equipment Collateral");

(c) all proceeds, rentals, casualty value payments or proceeds, settlement payments and requisition compensation from the sale, loss or other disposition of the Equipment Collateral;

(d) all rights, claims and causes of action, if any, that the Borrower may have now or in the future against any manufacturer or rebuilder of the Equipment Collateral (or any component thereof) or any other party, by Contract or otherwise, in respect of any defect in the Equipment Collateral or any part thereof;

(e) any agreement now or hereafter entered into for leasing, use or hire of the Railcars to any third party, including, without limitation, the Leases, together with all of the Borrower's right, title, interest, claims and demand in, to and under said agreements, including all extensions, renewals and replacements thereof, together with all rights, powers, privileges, options, and other benefits of the Borrower, including, without limitation, the right to receive all notices, given consents, exercise any election or option, declare defaults and demand payments with respect thereto;

(f) all rent, issues, income, profits, damages and other moneys from time to time payable to or receivable by the Borrower in respect of the Equipment Collateral;

(g) all monies and other funds from time to time on deposit in the Collateral Account (as defined in the Original Loan Agreement), all interest payable thereon, and all rights and privileges incident thereto;

(h) all proceeds (cash and non-cash) thereof; and

(i) all books and records relating to any of the foregoing.

D. Pursuant to the Second Amendment, the Bank released from the lien and security interest of the Original Loan Agreement, as amended by the First Amendment (i) the twenty (20) railcars more particularly described on Exhibit B hereto (the "Released Railcars"), together with that part of the Collateral associated with the Released Railcars, and (ii) the RGR Lease (as defined in the Original Loan Agreement).

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

WITNESS:

SOUTHERN ILLINOIS RAILCAR COMPANY

By: 

Fred L. Parsons  
President



STATE OF Maryland )  
COUNTY OF Baltimore ) SS

I, Melanie A. Bigham a Notary Public  
in and for said State, certify that Roger Weaver  
Vice-President, personally known to me to be the  
of THE FIRST NATIONAL BANK OF MARYLAND, a  
national banking association, and personally known to me to be  
the same person whose name is subscribed to the foregoing  
instrument, appeared before me this day in person; that said  
Roger Weaver acknowledged  
the execution of said instrument as his free and voluntary act  
and as the free and voluntary act and deed of said association,  
for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 11 day of  
August, 1997.

Melanie A. Bigham  
Notary Public

My commission expires: 8/30/99

MELANIE BIGHAM  
NOTARY PUBLIC STATE OF MARYLAND  
COMMISSION EXPIRES AUG. 30, 1999

EXHIBIT A

(Description of Railcars)

I. Twenty-nine (29) covered hopper railcars bearing the following reporting marks and numbers:

SIRX 4043, 35179, 49603, 400000 through 400004, inclusive, 442701 through 442705, inclusive, 442707 through 442712, inclusive, 442714 through 442723, inclusive

II. Five (5) gondola railcars bearing the following reporting marks and numbers:

SIRX 380133 through 380137, inclusive

III. Six (6) gondola railcars bearing the following report marks and numbers:

SIRX 380127 through 380132, inclusive

EXHIBIT B

(Released Railcars)

Twenty (20) covered hopper railcars bearing reporting marks and numbers as follows:

SIRX 2552 (A)  
2552 (B)  
202039 (A)  
202039 (B)  
249540  
262001 (A)  
262001 (B)  
262003 (A)  
262003 (B)  
262022 (A)  
262022 (B)  
262023 (A)  
262023 (B)  
262204 (A)  
262204 (B)  
472504  
4019  
4025 (A)  
4025 (B)  
4045