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URBAN A. LESTER

RECORDATION NO. 20779-C FILED
SEP 2 '97 10-40AM

Counterparts — Sept.

Sept. 10 39 AM '97

RECEIVED SURFACE TRANSPORTATION BOARD

September 2, 1997

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Release of Part of Collateral

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are three (3) copies of the following document: a Termination of Security Agreement, dated August 29, 1997, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Railcar Security Agreement which was duly filed with the Board under Recordation Number 20779.

The names and addresses of the parties to the enclosed document are:

Secured Party: Johnstown America Corporation
17 Johns Street
Johnstown, PA 15901

Debtor: The CIT Group/Equipment Financing, Inc.
1211 Avenue of the Americas
New York, NY 10036

A description of the railroad equipment covered by the enclosed documents is:

One hundred fifteen (115) coalporter railcars bearing road marks and numbers CWEX 5236 through 5350, inclusive.

Also enclosed is a check in the amount of $24.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return two stamped copies of the enclosed document to the undersigned.

Very truly yours,

Robert W. Alvord

RWA/bg
Enclosures

RECORDATION NO. 20779-C FILED

SEP 2 '97 10-40AM

TERMINATION OF SECURITY AGREEMENT

THIS TERMINATION OF SECURITY AGREEMENT, is made this 29 day of August, 1997, by and between Johnstown America Corporation, a Delaware corporation ("JAC"), and The CIT Group/Equipment Financing, Inc., a New York corporation ("CIT").

WHEREAS, JAC and CIT are parties to an Railcar Security Agreement, dated as of July 14, 1997 (the "Security Agreement"); and

WHEREAS, the Security Agreement was duly filed for recordation with the Surface Transportation Board (the "STB") pursuant to 49 U.S.C. Section 11301, on July 21, 1997, at 12:02 p.m. and given Recordation Number 20779; and

WHEREAS, JAC and CIT desire to terminate and cancel the Security Agreement with respect to the equipment described herein and to record such termination and cancellation with the STB;

NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt of which is acknowledged, CIT and JAC, intending to be legally bound, agree as follows:

1. CIT and JAC hereby terminate and cancel the Security Agreement, effective as of the date this Termination of Security Agreement is filed with the STB with respect to the equipment described on Schedule 1 attached hereto (hereinafter, the "Terminated Equipment"), and CIT and JAC hereby agree that no rights, duties or liabilities under the Security Agreement with respect to such Terminated Equipment shall survive such termination and cancellation of the Security Agreement, except with respect to acts, events, or omissions under the Security Agreement occurring on or prior to the date hereof.

2. The parties agree to record this Termination of Security Agreement with the STB so as to release any lien against the Terminated Equipment created by or arising out of the Security Agreement.

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3. Nothing herein contained shall be construed to terminate and cancel the Security Agreement with respect to any equipment other than the Terminated Equipment hereinabove specifically described.

4. This Termination of Security Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Termination of Security Agreement.

IN WITNESS WHEREOF, JAC and CIT have caused this Termination of Security Agreement to be executed as of the day and year first above written.

JOHNSTOWN AMERICA CORPORATION,
a Delaware corporation

By _____
Its
MICHAEL P. SISKA, JR.
DIRECTOR, MARKETING & SALES ADMINISTRATION

THE CIT GROUP/EQUIPMENT FINANCING,
INC., a New York corporation

By _____
Its

3. Nothing herein contained shall be construed to terminate and cancel the Security Agreement with respect to any equipment other than the Terminated Equipment hereinabove specifically described.

4. This Termination of Security Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Termination of Security Agreement.

IN WITNESS WHEREOF, JAC and CIT have caused this Termination of Security Agreement to be executed as of the day and year first above written.

JOHNSTOWN AMERICA CORPORATION,
a Delaware corporation

By_____
Its

THE CIT GROUP/EQUIPMENT FINANCING,
INC., a New York corporation

By Nancy Nardella Gibbons
Its Vice President

STATE OF PENNSYLVANIA)
)
COUNTY OF CAMBRIA)

On this, the 22 day of July, 1997, before me, a Notary Public in and for said County and State, personally appeared Michael P. Siska Jr. of JOHNSTOWN AMERICA CORPORATION who acknowledged himself to be a duly authorized officer of JOHNSTOWN AMERICA CORPORATION, and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

NOTARIAL SEAL
CAROLYN A. PHILLIPS, Notary Public
Johnstown, Cambria County, PA
My Commission Expires June 7, 2001

Carolyn A. Phillips
Name:
Notary Public
My Commission Expires:
Residing in _____

STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

On this, the ____ day of _____, 1997, before me, a Notary Public in and for said County and State, personally appeared _____ of THE CIT GROUP/EQUIPMENT FINANCING, INC., who acknowledged himself to be a duly authorized officer, of THE CIT GROUP/EQUIPMENT FINANCING, INC. and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

_____
Name:
Notary Public
My Commission Expires:
Residing in _____

STATE OF PENNSYLVANIA)
)
COUNTY OF CAMBRIA)

On this, the ____ day of _____, 1997, before me, a Notary Public in and for said County and State, personally appeared _____ of JOHNSTOWN AMERICA CORPORATION who acknowledged himself to be a duly authorized officer of JOHNSTOWN AMERICA CORPORATION, and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

_____
Name:
Notary Public
My Commission Expires:
Residing in _____

STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

On this, the 22ND day of July, 1997, before me, a Notary Public in and for said County and State, personally appeared NANCY NARDELLA COBLAZO of THE CIT GROUP/EQUIPMENT FINANCING, INC., who acknowledged himself to be a duly authorized officer, of THE CIT GROUP/EQUIPMENT FINANCING, INC. and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

Barbara Garner
Name:
Notary Public
My Commission Expires:
Residing in Nassau City

BARBARA GARNER
Notary Public, State of New York
No. 01GA5065133
Qualified in Nassau County
Commission Expires in New York County
Sept. 3, 1998

SCHEDULE 1

TO TERMINATION OF SECURITY AGREEMENT

115 Aluminum BethGon Coalporter Railcars bearing road marks and numbers CWEX 5236 - CWEX 5350 (both inclusive).