

JUL 26 '99

9-30PM

DONELAN CLEARY  
WOOD & MASER, P.C.July 26, 1999New Recordation No.

Dear Mr. Williams:

On behalf of Bankers Trust Company, as Collateral Agent, I submit for filing and recording under 49 U.S.C. § 11301(a) and the regulations applicable thereunder, executed counterparts of a secondary document, not previously recorded, entitled Memorandum of Security Agreement ("Security Agreement") dated as of July 19, 1999.

The parties to the enclosed Security Agreement are:

Bankers Trust Company - SECURED PARTY/for Indexing  
(as Collateral Agent) MORTGAGEE  
130 Liberty Street  
New York, NY 10006

Pacer Rail Services LLC - BORROWER/for Indexing  
1675 Larimer Street, Suite 620 MORTGAGOR  
Denver, Colorado 80202

The said Security Agreement, among other things, grants a security interest by the Borrower to the Secured Party in ALL ROLLING STOCK NOW OWNED OR HEREAFTER ACQUIRED and also now existing or hereafter acquired interest in any Rolling Stock.

The equipment covered by the instant Security Agreement is all now owned or hereafter acquired Rolling Stock.

A short summary of the Security Agreement to appear in the Surface Transportation Board Index is as follows:

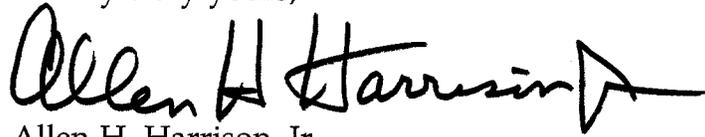
"Covers all Rolling Stock now owned or hereafter acquired and all now existing or hereafter acquired interest therein."

Enclosed is a check in the amount of twenty-six dollars in payment of the filing fee.

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the letter/fee receipt from the

Surface Transportation Board acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,

A handwritten signature in black ink that reads "Allen H. Harrison, Jr." with a stylized flourish at the end.

Allen H. Harrison, Jr.  
*Attorney for Bankers Trust Company,  
as Collateral Agent,  
for the purpose of this filing.*

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

*Enclosures*

BY HAND

8208-020

JUL 26 1999

3:20 PM

MEMORANDUM OF SECURITY AGREEMENT

This MEMORANDUM OF SECURITY AGREEMENT, dated as of July 19, 1999, is made by Pacer Rail Services LLC, a Colorado limited liability company (the "Company"), with an address at 1675 Larimer Street, Suite 620, Denver, Colorado 80202 and Bankers Trust Company, secured party, as collateral agent for the secured creditors (the "Collateral Agent"), with an address at 130 Liberty Street, New York, New York 10006.

KNOW ALL PERSONS BY THESE PRESENTS THAT:

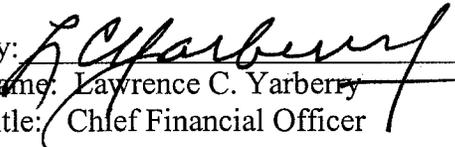
WHEREAS, Pacer International, Inc. (the "Borrower") each subsidiary of the Borrower (including the Company) and the Collateral Agent have entered into a Security Agreement, dated as of May 28, 1999 (the "Security Agreement"); and

WHEREAS, among the collateral pledged by the Company to the Collateral Agent are any and all railroad cars, locomotives, stacktrains and other rolling stock, and accessories used on such railroad cars, locomotives and other rolling stock (including superstructures and racks) (collectively, "Rolling Stock") NOW OWNED OR HEREAFTER ACQUIRED by the Company and all now existing and hereafter acquired interest of the Company in any Rolling Stock.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Security Agreement to be executed by their duly authorized officers as of the day and year first above written.

PACER RAIL SERVICES LLC

By: Pacer Logistics, Inc., its Manager

By:   
Name: Lawrence C. Yarberry  
Title: Chief Financial Officer

BANKERS TRUST COMPANY, as  
Collateral Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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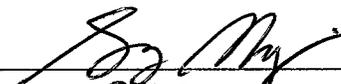
IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Security Agreement to be executed by their duly authorized officers as of the day and year first above written.

PACER RAIL SERVICES LLC

By: Pacer Logistics, Inc., its Manager

By: \_\_\_\_\_  
Name: Lawrence C. Yarberry  
Title: Chief Financial Officer

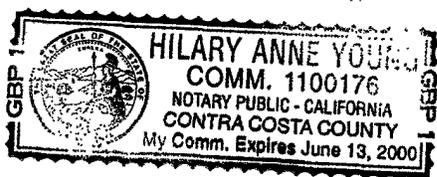
BANKERS TRUST COMPANY, as  
Collateral Agent

By:  \_\_\_\_\_  
Name: **GREGORY SHEFRIN**  
Title: **PRINCIPAL**

COUNTY OF Contra Costa )  
STATE OF California )

On this 19<sup>th</sup> day of July, 1999 personally appeared before me Lawrence C. Yarberry, who duly sworn by me, said that he is the Chief Financial Officer of Pacer Logistics, Inc. and is authorized to sign the foregoing Memorandum of Security Agreement on behalf of Pacer Logistics, Inc., in its capacity as manager of Pacer Rail Services LLC.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



Hilary Anne Young  
Notary Public

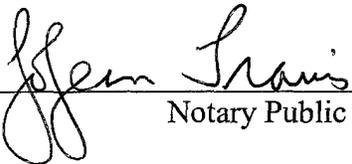
[SEAL]

My Commission expires: 6/13/2000

COUNTY OF NEW YORK )  
STATE OF NEW YORK )

On this 22<sup>ND</sup> day of July, 1999 personally appeared before me GREGORY ~~SHERIN~~ who duly sworn by me, said that he/~~she~~ is the DIRECTOR of Bankers Trust Company and is authorized to sign the foregoing Memorandum of Security Agreement on behalf of Bankers Trust Company, as collateral agent.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

  
\_\_\_\_\_  
Notary Public

[SEAL]

My Commission expires:

**JOJEAN TRAVIS**  
Notary Public, State of New York  
No. 01TR5013241  
Qualified in New York County  
Commission Expires July 15, 2001