

RECORDATION NO. 21307-C FILED

MAY 12 '98 10-40AM

LAW OFFICES

ROSS & HARDIES

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

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SOMERSET, NEW JERSEY 08873
732-563-2700

888 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20006-4103
202-296-8600

SUSAN G. LICHTENFELD

May 11, 1998

VIA OVERNIGHT COURIER

Mr. Vernon A. Williams
Secretary
Office of the Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Attention: Janice Fort, Room 2311

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two original executed copies and two photostatic copies of a Termination of Security Agreement, dated as of May 1, 1998 (the "Termination Agreement"), between Freight Car Services, Inc. and National City Leasing Corporation, which Termination Agreement is a secondary document as defined in the Commission's Rules for the Recordation of Documents. The Termination Agreement relates to that certain Memorandum of Railcar Security Agreement, dated as of April 15, 1998 (the "Security Agreement"), between Freight Car Services, Inc. as the Secured Party, and National City Leasing Corporation, as the Debtor, which Security Agreement was duly recorded and filed, pursuant to 49 U.S.C. Section 11301, with the Surface Transportation Board on April 23, 1998 and assigned recordation number 21307-B.

The names and addresses of the parties to the enclosed Termination Agreement are:

Secured Party: Freight Car Services, Inc.
2313 Cannon Street
Danville, Illinois 61832

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RECEIVED
SURFACE TRANSPORTATION
BOARD

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Debtor: National City Leasing Corporation
1900 East 9th Street
Cleveland, Ohio 44114

A description of the railroad equipment covered by the enclosed document is set forth in the Termination Agreement.

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped original copy, two stamped photostatic copies of the enclosed document and the stamped photostatic copy of this letter to Susan G. Lichtenfeld at Ross & Hardies, 150 North Michigan Avenue, Suite 2500, Chicago, Illinois 60601.

Following is a short summary of the enclosed document:

Document to be Recorded

Termination of Security Agreement, dated as of May 1, 1998, between Freight Car Services, Inc. and National City Leasing Corporation, which related to and terminates the Memorandum of Security Agreement dated as of April 15, 1998.

Document to Which it Relates

Memorandum of Railcar Security Agreement, dated as of April 15, 1998, between Freight Car Services, Inc., as Secured Party, and National City Leasing Corporation, as Grantor, duly recorded and filed, pursuant to 49 U.S.C. §11301, with the Surface Transportation Board on April 23, 1998 and assigned Recordation Number 21307-B.

Very truly yours,


Susan G. Lichtenfeld

SGL/vgc
Enclosure

cc: Robert W. Kleinman
Joseph A. McQuade

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

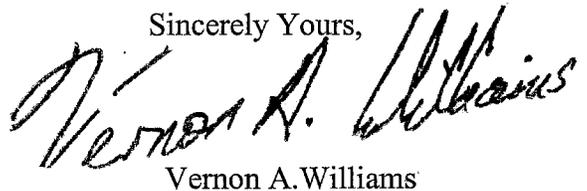
OFFICE OF THE SECRETARY
Susan G. Lichtenfeld
Ross & Hardies
150 North Michigan Avenue
Chicago, Illinois 60601-7567

DATE:5/12/98

Dear Madam:

The enclosed document(s) was recorded pursuant to the provisions of 49 U.S.C. 11301
and 49 CFR 1177.3(c), on 5/12/98 at 10:40AM, and
assigned recordation number(s).21307-C

Sincerely Yours,



Vernon A. Williams

Enclosure(s)
26.00

\$-----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



MAY 12 '98

10-40AM

TERMINATION OF SECURITY AGREEMENT

THIS TERMINATION OF SECURITY AGREEMENT is made this 1st day of May, 1998, by and between Freight Car Services, Inc. ("FCS"), and National City Leasing Corporation ("Debtor")

WHEREAS, FCS and Debtor are parties to a Railcar Security Agreement, dated as of April 15, 1998 (the "Security Agreement"); and

WHEREAS, the Security Agreement created a lien and security interest in favor of FCS in and to the railcars described on Schedule 1 attached hereto (the "Equipment"); 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 April 23, 1998, at 9:23 A.M. and assigned Recordation Number 21307-B; and

WHEREAS, FCS and Debtor desire to terminate and cancel the Security Agreement 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 and sufficiency of which is hereby acknowledged, FCS and Debtor, intending to be legally bound, agree as follows:

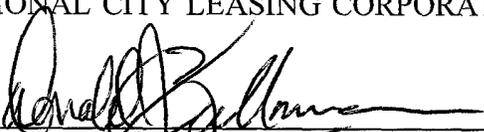
1. FCS and Debtor hereby terminate and cancel the Security Agreement, effective as of the date this Termination of Security Agreement is filed with the STB, and FCS and Debtor hereby agree that no rights, duties or liabilities under the Security Agreement shall survive such termination and cancellation 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 Equipment created by or arising out of the Security Agreement.
3. This Termination of Security Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but all together constituting only one and the same agreement.

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

FREIGHT CAR SERVICES, INC.

By 
Its Controller

NATIONAL CITY LEASING CORPORATION

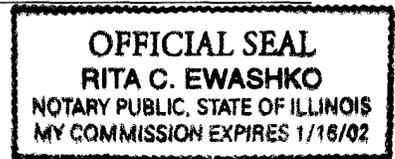
By 
Its Vice President

STATE OF ILLINOIS)
) : SS
COUNTY OF VERMILION)

On this, the 8 day of May, 1998, before me, a Notary Public in and for said County and State, personally appeared Alan W. Morgant of FREIGHT CAR SERVICES, INC. who acknowledged himself to be a duly authorized officer of FREIGHT CAR SERVICES, INC., 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.

Rita C. Ewashko
Name:
Notary Public
My Commission Expires:
Residing in _____



STATE OF KENTUCKY)
) : SS
COUNTY OF JEFFERSON)

On this, the 6th day of May, 1998, before me, a Notary Public in and for said County and State, personally appeared Donald J. Zeilmann of NATIONAL CITY LEASING CORPORATION, who acknowledged himself to be a duly authorized officer, of NATIONAL CITY LEASING CORPORATION and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

Regina J. Milles
Name:
Notary Public
My Commission Expires:
Residing in _____

Notary Public, State at Large, KY
My commission expires Jan. 29, 2000

SCHEDULE 1
TO TERMINATION OF SECURITY AGREEMENT

240 Aluminum BethGon Coalporter Railcars bearing road marks and numbers: EGSX 950241 through EGSX 950480 (inclusive).