

RECORDATION NO. 21389-A FILED

LAW OFFICES

ROSS & HARDIES

AUG 3 '98 10-15 AM

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

150 NORTH MICHIGAN AVENUE  
CHICAGO, ILLINOIS 60601-7567

312-558-1000

WRITER'S DIRECT LINE  
(312) 750-8655

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212-421-5555

580 HOWARD AVENUE  
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732-563-2700

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

TELECOPIER  
312-750-8600

SUSAN G. LICHTENFELD

July 31, 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

*copy 3*  
10 15 AM '98  
RECEIVED  
SURFACE TRANSPORTATION  
BOARD

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 29, 1998 (the "Termination Agreement"), between Johnstown America Corporation and Consumers Energy Company, 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 24, 1998 (the "Security Agreement"), between Johnstown America Corporation, as the Secured Party, and Consumers Energy Company, 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 May 8, 1998 and assigned recordation number 21389.

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

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

Mr. Vernon A. Williams  
July 31, 1998  
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Debtor: Consumers Energy Company  
212 West Michigan Avenue  
Jackson, Michigan 49201-2277

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 copies, 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 29, 1998, between Johnstown America Corporation and Consumers Energy Company, which related to and terminates the Memorandum of Security Agreement dated as of April 24, 1998.

Primary Document to Which it Relates

Memorandum of Railcar Security Agreement, dated as of April 24, 1998, between Johnstown America Corporation, as Secured Party, and Consumers Energy Company, as Debtor, duly recorded and filed, pursuant to 49 U.S.C. §11301, with the Surface Transportation Board on May 8, 1998 and assigned Recordation Number 21389.

Very truly yours,

  
Susan G. Lichtenfeld

SGL/vgc  
Enclosure

cc: Robert W. Kleinman  
Joseph A. McQuade

AUG 3 '98

10-15 AM

**TERMINATION OF SECURITY AGREEMENT**

THIS TERMINATION OF SECURITY AGREEMENT is made this 29th day of May, 1998, by and between Johnstown America Corporation ("JAC"), and Consumers Energy Company ("Debtor").

WHEREAS, JAC and Debtor are parties to a Railcar Security Agreement, dated as of April 24, 1998 (the "Security Agreement"); and

WHEREAS, the Security Agreement created a lien and security interest in favor of JAC 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 May 8, 1998, at 10:29 a.m. and given Recordation Number 21389; and

WHEREAS, JAC 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, JAC and Debtor, intending to be legally bound, agree as follows:

1. JAC 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 JAC and Debtor hereby agree that no rights, duties or liabilities under the Security Agreement shall survive such termination and cancellation of the Security Agreement.

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

JOHNSTOWN AMERICA CORPORATION

By *Michael P. Lutz*  
Its *CONTRACT ADMINISTRATOR*

APV'D AS TO FORM  
*DSB*

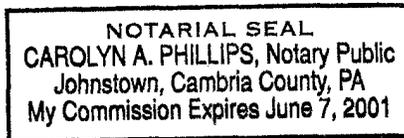
CONSUMERS ENERGY COMPANY

By *David [unclear]*  
Its

STATE OF PENNSYLVANIA )  
 ) : SS  
COUNTY OF CAMBRIA )

On this, the 29<sup>th</sup> day of May, 1998, 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.



Carolyn Phillips  
Name: \_\_\_\_\_  
Notary Public  
My Commission Expires: \_\_\_\_\_  
Residing in \_\_\_\_\_

STATE OF MICHIGAN )  
 ) : SS  
COUNTY OF Jackson )

On this, the 26<sup>th</sup> day of May, 1998, before me, a Notary Public in and for said County and State, personally appeared David W. Joos of CONSUMERS ENERGY COMPANY, who acknowledged himself to be a duly authorized officer of CONSUMERS ENERGY COMPANY and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

Janet Sanders  
Name: Janet Sanders  
Notary Public  
My Commission Expires: 3/29/2002  
Residing in Jackson Co, Michigan

**SCHEDULE 1**  
**TO TERMINATION OF SECURITY AGREEMENT**

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442 Aluminum BethGon Coalporter Cars bearing road marks and numbers ESCX 6001 through ESCX 6442 (both inclusive).