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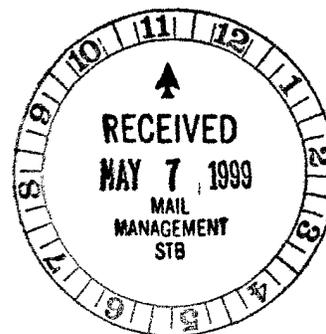
May 3, 1999

Honorable Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

RECORDATION NO. **21447-B** FILED

MAY 7 '99

11-00AM



Dear Secretary Williams:

I have enclosed two (2) originals of the document described below, to be recorded pursuant to Section 11301 of Title 49 of the United States Code.

The Amended, Restated and Consolidated Security Agreement (the "Agreement") is a secondary document amending the primary document recorded June 4, 1998 with the Surface Transportation Board (the "Board") under recordation number 21447 (the "Prior Security Document"), as such Prior Security Document was amended by an Amended, Restated and Consolidated Security Agreement recorded July 7, 1998 with the Board under recordation number 21447-A.

The parties to the Agreement are as follows:

The Grantors of the Security Interest (the "Grantors"):

Rio Grande Pacific Corporation
Idaho Northern & Pacific Railroad Company
Wichita, Tillman & Jackson Railway Company
Nebraska Central Railroad Company
Switchmaster Corporation of America
New Orleans & Gulf Coast Railway Company

The Chief Executive Offices for each of the Grantors is located at:

4420 West Vickery Boulevard, Suite 110
Fort Worth, Texas 76107

Secured Party:

NationsBank, N.A. (successor by name change to NationsBank of Tennessee, N.A.)
550 Main Avenue
Knoxville, Tennessee 37902
(Attn: C. Howard Capito)

Honorable Vernon A. Williams, Secretary
Page 2
May 3, 1999

Please index this Agreement under each of the names listed above.

Included in the property covered by the Agreement are:

the rolling stock, locomotives, railcars, boxcars, hopper cars listed on Exhibit "A" attached to the Agreement and all machinery, tools, implements and other railroad related appliances, fixtures, apparatus, facilities, material and supplies used in connection with or pertaining to such rolling stock, locomotives, railcars, boxcars and hopper cars.

A fee of \$26.00 is enclosed pursuant to the schedule of filing fees appearing at 49 C.F.R. §1002(f)(83). Please return one original and the extra original, if not needed to:

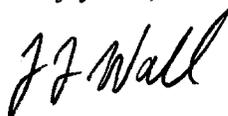
Schmid, Jones & Meadows, PLLC
P.O. Box 377
Knoxville, TN 37901-0377
Attn: Jeffrey J. Wall, Esq.

The Agreement should be indexed as follows:

Amended, Restated and Consolidated Security Agreement creating a security interest in certain rolling stock, locomotives, railcars, boxcars, hopper cars and other railroad equipment owned by the Grantors.

If you have any questions or require any further information, please contact me at the phone number or address listed above. Thank you for your assistance.

Very truly yours,



JEFFREY J. WALL
Attorney for NationsBank, N.A.

JJW/jlp

Enclosures

cc: Mr. C. Howard Capito (w/o enclosures)

MAY 7 '99 11-00AM

AMENDED, RESTATED AND CONSOLIDATED SECURITY AGREEMENT

AMENDED, RESTATED AND CONSOLIDATED SECURITY AGREEMENT
 (this "Security Agreement"), dated as of April 23, 1999, made by **RIO GRANDE PACIFIC CORPORATION**, a Texas corporation ("Rio Grande"); **IDAHO NORTHERN & PACIFIC RAILROAD COMPANY**, a Delaware corporation ("Idaho"); **WICHITA, TILLMAN & JACKSON RAILWAY COMPANY**, an Oklahoma corporation ("Wichita"); **NEBRASKA CENTRAL RAILROAD COMPANY**, a Delaware corporation ("Nebraska"); **SWITCHMASTER CORPORATION OF AMERICA**, a Delaware corporation ("Switchmaster") and **NEW ORLEANS & GULF COAST RAILWAY COMPANY**, a Delaware corporation ("New Orleans") (hereinafter Rio Grande, Idaho, Wichita, Nebraska, Switchmaster and New Orleans are referred to collectively as the "Grantors") to **NATIONSBANK, N.A.**, a national banking association and successor by name change to NationsBank of Tennessee, N.A. (the "Bank"), pursuant to the terms of the Amended and Restated Credit Agreement dated as of the date hereof by and among Rio Grande, the Bank and certain other parties thereto (hereinafter, as the same may from time to time be further amended, supplemented or otherwise modified, the "Loan Agreement", and except as otherwise may be defined herein, all capitalized terms herein shall have the meanings set forth in the Loan Agreement):

*Sec Agmts*WITNESSETH:*(2)*

WHEREAS, pursuant to the terms of the Loan Agreement, the Bank has agreed to make available to Rio Grande (as borrower) a revolving credit facility in the original, maximum principal amount of \$11,000,000, evidenced by the Revolving Credit Note in such principal amount of \$11,000,000, for the purposes set forth in the Loan Agreement; and

WHEREAS, pursuant to the terms of the Loan Agreement, the Bank is willing to make the Revolving Credit Facility available to Rio Grande, but only upon the condition, among others, that the Grantors shall have executed and delivered to the Bank this Security Agreement; and

WHEREAS, this Security Agreement amends, restates and consolidates (i) the Security Agreement dated as of July 5, 1994 made by Idaho for the benefit of the Bank, (ii) the Security Agreement dated as of September 26, 1994 made by Idaho for the benefit of the Bank, (iii) the Security Agreement dated as of November 15, 1994 made by Idaho for the benefit of the Bank, (iv) the Amended, Restated and Consolidated Security Agreement dated as of May 8, 1998 made by the Grantors (except New Orleans) for the benefit of the Bank, and (v) the Amended, Restated and Consolidated Security Agreement dated as of June 25, 1998 made by the Grantors (except New Orleans) for the benefit of the Bank (collectively, the "Prior Security Agreements").

NOW, THEREFORE, in consideration of the premises and of the mutual covenants herein contained and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Defined Terms. The following terms shall have the following meanings when used herein, unless the context otherwise requires (such meanings to be equally applicable to the singular and plural):

"Accounts": any "Account", as such term is defined in Section 9-106 of the Code.

"Account Debtor": the party who is obligated on an Account.

"Chattel Paper": "chattel paper" as such term is defined in Section 9-105 of the Code.

"Code": the Uniform Commercial Code as the same may from time to time be in effect in the State of Texas.

"Collateral": the meaning assigned to it in Section 2 of this Security Agreement.

"Collateral Account": the meaning assigned to it in Section 3 of this Security Agreement.

"Contracts": all contracts, instruments, undertakings, documents or other agreements in or under which any Grantor may now or hereafter have any right, title or interest.

"Documents": any "documents", as such term is defined in Section 9-105 of the Code.

"Equipment": any "equipment", as such term is defined in Section 9-109(2) of the Code, including, without limitation, the railroad rolling stock described on Exhibit A attached hereto and incorporated herein by reference.

"Event of Default": any of the events specified in Section 9 of this Security Agreement.

"Fixtures": all goods that are or become "fixtures" as defined in Section 9-313(1)(a) of the Code, located on the Premises.

"General Intangibles": any "general intangibles", as such term is defined in Section 9-106 of the Code.

"Instrument": any "instrument" as such term is defined in Section 9-105 of the Code.

"Inventory": any "inventory", as such term is defined in Section 9-109(4) of the Code.

"Proceeds": any "proceeds", as such term is defined in Section 9-306 of the Code.

"Security Agreement": this Amended, Restated and Consolidated Security Agreement, as the same may be further amended, restated, supplemented or otherwise modified from time to time.

Section 2. Grant of Security Interest. As collateral security for the prompt and complete payment and performance when due of all the Obligations and in order to induce the Bank to enter into the Loan Agreement and make available to Rio Grande the Revolving Credit Facility, each of the Grantors hereby sells, assigns, conveys, mortgages, pledges, hypothecates and transfers to the Bank, a security interest and lien in, all such Grantor's rights, titles and interests in, to and under the following, whether now existing or hereafter acquired (all of which being hereinafter collectively called the "Collateral"):

- (i) all Accounts, Contracts and contract rights and General Intangibles;

- (ii) all Equipment and Fixtures;
- (iii) all Inventory;
- (iv) all other personal property of each such Grantor, including, without limitation, all rolling stock, locomotives, railcars, boxcars, hopper cars and all machinery, tools, implements and other railroad related appliances, fixtures, apparatus and facilities, material and supplies used in connection with or pertaining to any railroad lines owned, leased and/or operated by each such Grantor, including, without limitation, the rolling stock, boxcars and locomotives listed on Exhibit A attached hereto and which by this reference are incorporated herein as if fully set forth herein;
- (v) all Documents, Instruments and Chattel Paper;
- (vi) all of each such Grantor's books of account, records, ledger sheets and documents relating to the foregoing; and
- (vii) to the extent not otherwise included, all Proceeds and products of any or all of the foregoing (hereinafter, the items described in (ii), (iii), (iv), (v) and (vi) above are referred to collectively sometimes as the "Personal Property").

Section 3. Rights of the Bank; Limitations on Bank's Obligations; Sales and Collections.

If required by the Bank at any time after the occurrence of an Event of Default, any Proceeds, when collected by any Grantor, shall be promptly deposited by such Grantor in precisely the form received, except for its endorsement when required, in a special bank account maintained by the Bank (the "Collateral Account"), subject to withdrawal by the Bank only, as hereinafter provided, and until so turned over, shall be deemed to be held in trust by such Grantor for and as the Bank's property and shall not be commingled with such Grantor's other funds. Such Proceeds, when deposited, shall continue to be collateral security for all of the Obligations and shall not constitute payment thereof until applied as hereinafter provided. If an Event of Default shall have occurred and be continuing, the Bank shall, at such intervals as it shall determine, apply all or any part of the funds on deposit in the Collateral Account on account of the principal of and/or interest on any of the Obligations, the order and method of such application to be in the discretion of the Bank and any part of such funds which the Bank elects not so to apply and deems not required as collateral security for the Obligations shall be paid over from time to time by the Bank to the applicable Grantor. If an Event of Default shall not be continuing, funds deposited in the Collateral Account from any particular Grantor shall be released immediately to such Grantor.

Section 4. Representations and Warranties. Each Grantor hereby represents and warrants that:

- (a) This Security Agreement constitutes a valid obligation of such Grantor, legally binding upon it and enforceable in accordance with its terms. No consent of any other party (including, without limitation, shareholders and/or creditors of such Grantor) and no consent, license, approval or authorization of, or registration or declaration with, any Governmental

Authority, except for filing of this Security Agreement with the STB and the filing of UCC Financing Statements in all appropriate jurisdictions as such are set forth and described on Exhibit D attached hereto (collectively, the "Filing Offices"), in accordance with applicable law, rules or regulations, is required in connection with the execution, delivery, performance, validity or enforceability of this Security Agreement with respect to Collateral in existence on the date hereof.

(b) Except for the security interest granted to the Bank pursuant to this Security Agreement, the Grantors are (or, in the case of after-acquired property, will be) the owners of the Collateral, having good and marketable title thereto, free and clear of any and all liens except for Permitted Liens.

(c) No security agreement, financing statement, equivalent security or lien instrument covering all or any part of the Collateral is on file or of record in any public office, except such (i) as may have been filed by the Grantors in favor of the Bank, and (ii) as the Bank otherwise has knowledge thereof and to which the Bank has expressly consented.

(d) This Security Agreement creates a valid and continuing lien on the Collateral, and once this Security Agreement is filed with the STB and all UCC Financing Statements referred to herein are filed with the Filing Offices, this Security Agreement will evidence a perfected security interest in the Collateral in which a security interest can be perfected by the filing of this Security Agreement with the STB and the filing of such UCC Financing Statements with the Filing Offices, in favor of the Bank, which lien and security interest will be prior to all other liens, encumbrances, security interests and rights of others once this Security Agreement is filed. The lien of this Security Agreement is enforceable as such as against creditors of and purchasers from the Grantors. All action necessary or desirable to protect and perfect such security interest in each item of the Collateral has been duly taken, or, concurrently with the execution and filing of this Security Agreement with the STB and the UCC Financing Statements referred to herein with the Filing Offices, will be duly taken.

(e) The Grantors' principal places of business and chief executive offices, the places where their records concerning the Collateral are kept and the principal operational offices are described on Exhibit B attached hereto, and the Grantors will not change such principal places of business, change the places where their records concerning the Collateral are kept or remove such records without the express prior written consent of the Bank.

(f) The only names under which the Collateral is owned, used or sold are the names of the Grantors as described in Exhibit C to this Security Agreement.

(g) Each Exhibit or Schedule hereto contains true and complete information with respect to the subject matter covered thereby.

Section 5. Covenants. The Grantors covenant and agree with the Bank that from and after the date of this Security Agreement and until the Obligations are fully satisfied:

(a) Further Documentation; Pledge of Instruments. From time to time, upon the reasonable written request of the Bank, and at the sole expense of the Grantors, the Grantors will promptly and duly execute and deliver any and all such further instruments and documents and take such further action as the Bank may reasonably deem desirable in obtaining the full benefits of this Security Agreement and of the rights and powers herein granted, including, without limitation, the filing of any financing or continuation statements under the Uniform Commercial Code in effect in any jurisdiction with respect to the liens and security interests granted hereby, conveying the Grantors' interests in the Collateral to the Bank and using their best efforts to obtain waivers from landlords and mortgagees. The Grantors also hereby authorize the Bank to file any such financing or continuation statement without the signature of such Grantors to the extent permitted by applicable law.

(b) Maintenance of Records. The Grantors will keep and maintain at their own cost and expense satisfactory and complete records of the Collateral including, without limitation, a record of all payments received and all credits granted with respect to the Collateral and all other dealings with the Collateral. The Grantors will mark their books and records pertaining to the Collateral to evidence this Security Agreement and the security interests granted hereby. For the Bank's further security, the Grantors agree that the Bank shall have a special property interest in all of such Grantors' books and records pertaining to the Collateral, and the Grantors shall make available to the Bank or its representatives such books and records at any time on reasonable demand of the Bank.

(c) Indemnification. In any suit, proceedings or action brought by the Bank relating to the Collateral, the Grantors will jointly and severally save, indemnify and keep the Bank harmless from and against all expense, loss or damage suffered by reason of any defense, setoff, counterclaim, recoupment or reduction of liability whatsoever of the obligor thereunder, arising out of a breach by any Grantor of any obligation thereunder or arising out of any other Contract, Indebtedness or liability at any time owing to or in favor of such obligor or its successors from any Grantor, and all such obligations of any Grantor shall be and remain enforceable against and only against such Grantor(s) and shall not be enforceable against the Bank.

(d) Compliance with Laws, etc. The Grantors will comply, in all material respects, with all acts, rules, regulations, orders, decrees and directions of any Governmental Authority or any court applicable to the Collateral or any part thereof or to the operation of the Grantors' businesses.

(e) Payment of Obligations. The Grantors will pay promptly when due, all taxes, assessments and governmental charges or levies imposed upon the Collateral or in respect of the income or profits therefrom, as well as all claims of any kind (including claims for labor, materials and supplies), except that no such charge need be paid if (i) the validity thereof is being contested in good faith (ii) such proceedings or negotiations do not involve any danger of the sale, forfeiture or loss of any of the Collateral or any interest therein and (iii) such charge is adequately reserved against on the books of such Grantor(s) in accordance with Generally Accepted Accounting Principles.

(f) Limitation on Liens on Collateral. Except as may otherwise be provided in the Loan Agreement or other Loan Documents, the Grantors will not create, permit or suffer to exist, and will defend the Collateral against and take such other action as is necessary to remove, any lien on the Collateral except Permitted Liens and will defend the right, title and interest of the Bank in and to any of the Grantors' rights to the Collateral and in and to the Proceeds and products thereof against the claims and demands of all Persons whomsoever.

(g) Maintenance of Insurance. The Grantors will maintain with financially sound and reputable companies, insurance policies (i) insuring the property of the Grantors (excepting rolling stock, locomotives, boxcars, hopper cars or other railcars which, the Grantors may self-insure in amounts reasonable and customary in the railroad industry) against loss by fire, explosion, theft and such other casualties as are usually insured against by companies engaged in the same or similar businesses and (ii) insuring the Grantors against liability for personal injury and property damage relating to the use, operation or maintenance of the property of the Grantors, such policies to be in such form and in such amounts and coverage as may be reasonably satisfactory to the Bank, with losses payable to the Grantors and the Bank as their respective interests may appear. The Grantors shall, if so requested by the Bank, deliver to the Bank as often as the Bank may reasonably request a report of a reputable insurance broker with respect to the insurance required herein. All insurance shall (i) provide that no cancellation, reduction in amount or change in coverage thereof shall be effective until at least 10 days after receipt by the Bank of written notice thereof, and (ii) be reasonably satisfactory in all material respects to the Bank.

(h) Limitations on Dispositions of Collateral. The Grantors will not sell, transfer, lease or otherwise dispose of any of the Collateral, or attempt, offer or contract to do so except to the extent, if any, in the ordinary course of business or as permitted by the terms of the Loan Agreement or other Loan Documents.

(i) Further Identification of Collateral. The Grantors will furnish to the Bank from time to time all such statements and schedules further identifying and describing the Collateral and such other reports in connection with the Collateral as the Bank may reasonably request pursuant to the terms of the Loan Agreement and this Security Agreement, and all in reasonable detail.

(j) Notices. Except as may otherwise be provided in the Loan Agreement or the other Loan Documents, the Grantors will advise the Bank promptly, in reasonable detail, (i) of any lien asserted or claim made against any of the Collateral securing Indebtedness in excess of \$50,000, (ii) of any material change in the composition of the Collateral, and (iii) of the occurrence of any other event which with the passage of time or notice, or both, would constitute an Event of Default.

(k) Right of Inspection. Upon prior notice to the Grantors, the Bank shall at all times have full and free access during normal business hours to all the books, correspondence and records of the Grantors, and the Bank or its representatives may examine the same, take extracts therefrom and make photographs or photocopies thereof, and the Grantors agree to render to the

Bank, at the Grantors' cost and expense, such clerical and other assistance as may be reasonably requested with regard thereto without hindrance or delay. The Bank and its representatives shall at all times also have the right to enter into and upon any Premises of the Grantors for the purpose of inspecting the Collateral, observing its use or otherwise protecting its interests therein without hindrance or delay.

(l) Maintenance of Property and Premises. The Grantors will keep and maintain their property and the Premises in good operating condition, ordinary wear and tear excepted, and the Grantors will provide all maintenance, service and repairs necessary for such purpose.

(m) Continuous Perfection. The Grantors will not change their respective names, identities or corporate structures in any manner which might make any financing or continuation statement filed hereunder, or previously filed in favor of the Bank, seriously misleading within the meaning of Section 9-402(7) of the Code (or any other then applicable provision of the Code) unless the applicable Grantor shall have given the Bank at least 60 days' prior written notice thereof or shall have delivered to the Bank acknowledgment copies of UCC-3 financing statements (and any other security document amendments) duly executed and duly filed in each jurisdiction in which UCC-1 filings (or such other security document filings) were and are required in order to perfect the security interest and lien granted by this Security Agreement in the Collateral and shall have taken all action (or made arrangements to take such action substantially simultaneously with such change if it is impossible to take such action in advance) necessary or reasonably requested by the Bank to amend such financing statement, continuation statement or other filed security document so that it is not seriously misleading.

Section 6. Bank's Appointment as Attorney-in-Fact.

(a) The Grantors hereby irrevocably constitute and appoint the Bank and any officer or agent thereof, with full power of substitution, as their true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of each Grantor and in the name of each Grantor or in the Bank's own name, from time to time in the Bank's discretion, for the purpose of carrying out the terms of this Security Agreement, including, but not limited to, (i) furnishing documents or information about the Revolving Credit Facility to any potential purchaser of the Collateral (such authorization provided by the Grantors for the purposes of complying with Tenn. Code Ann. § 45-10-103, and all amendments thereof), and (ii) taking any and all appropriate action and to execute any and all documents and instruments which may be necessary or desirable to accomplish the purposes of this Security Agreement, provided, however, that this right will become effective only upon the occurrence of an Event of Default. This power of attorney is a power coupled with an interest and shall be irrevocable.

(b) The powers conferred on the Bank hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon it to exercise any such powers. The Bank shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to the Grantors for any act or failure to act, except for the Bank's own gross negligence, willful misconduct or unlawful act.

Section 7. Performance by Bank of Grantors' Obligations. If the Grantors fail to perform or comply with any of their agreements contained herein or in any other Loan Document and the Bank, as provided for by the terms of this Security Agreement or such other Loan Document, shall itself perform or comply, or otherwise cause performance or compliance, with such agreement, the expenses of the Bank incurred in connection with such performance or compliance, together with interest thereon at the Default Rate provided for in respect of the Revolving Credit Note, shall be payable by the Grantors to the Bank on demand and shall constitute Obligations secured hereby.

Section 8. Events of Default. Each of the following shall constitute an "Event of Default" under this Security Agreement:

(a) Failure of Rio Grande (or any other Grantor, as applicable) to pay any Obligation to the Bank when the same shall become due and payable, whether at maturity, as a result of the Bank's demand for payment or otherwise, and the expiration of all grace periods with respect thereto; or

(b) Failure of any Grantor to perform or observe any covenant set forth herein and ten (10) days shall have elapsed after the Bank has provided written notice to such Grantor of such default, provided, however, that this requirement of notice and cure provided herein shall not apply to any of the covenants set forth in Section 5(f)(h)(k) and (m) hereof; or

(c) Discovery by the Bank that any representation or warranty made by any Grantor herein, or any statement or representation made in any certificate, report or opinion delivered pursuant hereto or in connection herewith was materially untrue or is breached in any material respect; or

(d) The occurrence of an Event of Default, under or with respect to the Loan Agreement, the Revolving Credit Note, or any other Loan Document or other agreement, document or instrument executed in connection with any Obligations, and the expiration of all applicable grace or cure periods with respect thereto.

Section 9. Remedies; Rights Upon Default.

(a) If an Event of Default shall occur and be continuing:

(i) All payments received by any Grantor by the sale or other disposition of the Collateral shall be held by such Grantor in trust for the Bank, shall be segregated from other funds of such Grantor and shall forthwith upon receipt by such Grantor, be turned over to the Bank, in the same form as received by such Grantor (duly indorsed by such Grantor to the Bank, if required); and

(ii) Any and all such payments so received by the Bank (whether from any Grantor or otherwise) may, in the sole discretion of the Bank, be held by the Bank as collateral security for, and/or then or at any time thereafter applied in whole or in part by the Bank, against all or any part of the Obligations in such order as the Bank shall elect.

Any balance of such payments held by the Bank and remaining after payment in full of all the Obligations shall be paid over to such Grantor or to whomsoever may be lawfully entitled to receive the same.

(b) The Bank may exercise in addition to all other rights and remedies granted to it in this Security Agreement and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of a secured party under the Code.

(c) The Grantors hereby authorize the Bank to take whatever marketing and sale activities as are deemed reasonable by the Bank to sell the Collateral and agree to cooperate with the Bank or its representatives in such marketing and sale efforts, including but not limited to entering into a marketing, sale or lease agreement for the marketing, sale or lease of the Collateral satisfactory to the Bank in its sole judgment.

(d) The Grantors also agree to pay all costs of the Bank, including reasonable attorneys' fees, arbitration costs, etc. incurred with respect to the collection of any of the Obligations and the enforcement of any of its rights hereunder.

(e) The Grantors hereby waive presentment, demand, protest or any notice (to the extent permitted by applicable law) of any kind in connection with this Security Agreement or any Collateral, except as otherwise provided herein or in the Loan Agreement.

(f) The Bank shall give the Grantors ninety (90) days prior written notice of (i) any public sale of any Collateral and (ii) the date after which any private sale of any Collateral may be made, except as otherwise required by applicable law.

Section 10. Limitation on Bank's Duty in Respect of Collateral. Beyond the safe custody thereof, the Bank shall not have any duty as to any Collateral in its possession or control or in the possession or control of any agent or nominee of it or any income thereon or as to the preservation of rights against prior or other parties or any other rights pertaining thereto.

Section 11. Notices. All notices hereunder to any party hereto shall be delivered in the manner and according to the terms set forth in the Loan Agreement.

Section 12. Severability. Any provision of this Security Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

Section 13. No Waiver; Cumulative Remedies; Amendments. The Bank and each Grantor shall not by any act, delay, omission or otherwise be deemed to have waived any of its or their rights or remedies hereunder and no waiver shall be valid unless in writing, signed by the parties to be charged, and then only to the extent therein set forth. A waiver by the Bank or any Grantor of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which such party would otherwise have had on any future occasion. No

failure to exercise nor any delay in exercising on the part of the Bank or any Grantor, any right, power or privilege hereunder, shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege hereunder preclude any other or future exercise thereof or the exercise of any other right, power or privilege. The rights and remedies hereunder provided are cumulative and may be exercised singly or concurrently, and are not exclusive of any rights and remedies provided by law. None of the provisions of this Security Agreement may be waived, altered, modified or amended except by an instrument in writing, duly executed by the parties hereto.

Section 14. Successors and Assigns; Governing Law. This Security Agreement and all obligations of the Grantors hereunder shall be binding upon the successors and assigns of the Grantors and inure to the benefit of the Bank and its successors and assigns. This Security Agreement shall be governed by, and be construed and interpreted in accordance with, the laws of the State of Texas without regard to conflicts of law principles except as may otherwise be required by applicable federal or state law.

Section 15. Counterparts. This Security Agreement may be signed in any number of counterparts with the same effect as if the signatures hereto and thereto were upon the same instrument.

Section 16. ARBITRATION.

(a) GENERAL PROVISION. ANY CONTROVERSY OR CLAIM BETWEEN OR AMONG THE PARTIES HERETO INCLUDING, BUT NOT LIMITED TO, THOSE ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT, THE LOAN AGREEMENT, THE REVOLVING CREDIT NOTE OR ANY OTHER LOAN DOCUMENT OR ANY OTHER INSTRUMENT, INCLUDING ANY CLAIM BASED ON OR ARISING FROM AN ALLEGED TORT, SHALL BE DETERMINED BY BINDING ARBITRATION IN ACCORDANCE WITH THE FEDERAL ARBITRATION ACT (OR IF NOT APPLICABLE, THE APPLICABLE STATE LAW), THE RULES OF PRACTICE AND PROCEDURE FOR THE ARBITRATION OF COMMERCIAL DISPUTES OF J.A.M.S./ENDISPUTE ("J.A.M.S.") AND THE "SPECIAL RULES" SET FORTH BELOW. IN THE EVENT OF ANY INCONSISTENCY, THE SPECIAL RULES SHALL CONTROL. JUDGMENT UPON ANY ARBITRATION AWARD MAY BE ENTERED IN ANY COURT HAVING JURISDICTION. ANY PARTY TO THIS SECURITY AGREEMENT MAY BRING AN ACTION, INCLUDING A SUMMARY OR EXPEDITED PROCEEDING, TO COMPEL ARBITRATION OF ANY CONTROVERSY OR CLAIM TO WHICH THIS SECURITY AGREEMENT APPLIES IN ANY COURT HAVING JURISDICTION OVER SUCH ACTION.

(b) SPECIAL RULES. THE ARBITRATION SHALL BE CONDUCTED IN FORT WORTH, TEXAS AND ADMINISTERED BY J.A.M.S. WHO WILL APPOINT AN ARBITRATOR. IF J.A.M.S. IS UNABLE OR LEGALLY PRECLUDED FROM ADMINISTERING THE ARBITRATION, THEN THE AMERICAN ARBITRATION ASSOCIATION WILL SERVE. ALL ARBITRATION HEARINGS WILL BE COMMENCED

WITHIN 90 DAYS OF THE DEMAND FOR ARBITRATION. FURTHER, THE ARBITRATOR SHALL ONLY, UPON A SHOWING OF CAUSE, BE PERMITTED TO EXTEND THE COMMENCEMENT OF SUCH HEARING FOR AN ADDITIONAL 60 DAYS.

(c) RESERVATION OF RIGHTS. NOTHING IN THIS SECURITY AGREEMENT, THE LOAN AGREEMENT, THE REVOLVING CREDIT NOTE OR ANY LOAN DOCUMENT SHALL BE DEEMED TO (i) LIMIT THE APPLICABILITY OF ANY OTHERWISE APPLICABLE STATUTES OF LIMITATION OR REPOSE AND ANY WAIVER CONTAINED IN THIS SECURITY AGREEMENT, THE LOAN AGREEMENT, THE REVOLVING CREDIT NOTE OR ANY LOAN DOCUMENT OR (ii) BE A WAIVER BY THE BANK OF THE PROTECTION AFFORDED TO IT BY 12 U.S.C. §91 OR ANY SUBSTANTIALLY EQUIVALENT STATE LAW, OR (iii) LIMIT THE RIGHT OF THE BANK HERETO (A) TO EXERCISE SELF HELP REMEDIES SUCH AS (BUT NOT LIMITED TO) SETOFF, OR (B) TO FORECLOSURE AGAINST ANY REAL OR PERSONAL PROPERTY COLLATERAL, OR (C) TO OBTAIN FROM A COURT PROVISIONAL OR ANCILLARY REMEDIES SUCH AS (BUT NOT LIMITED TO) INJUNCTIVE RELIEF, WRIT OF POSSESSION OR THE APPOINTMENT OF A RECEIVER. THE BANK MAY EXERCISE SUCH SELF HELP RIGHTS, FORECLOSURE UPON SUCH PROPERTY, OR OBTAIN SUCH PROVISIONAL OR ANCILLARY REMEDIES BEFORE, DURING OR AFTER THE PENDENCY OF ANY ARBITRATION PROCEEDING BROUGHT PURSUANT TO THIS SECURITY AGREEMENT, THE LOAN AGREEMENT, THE REVOLVING CREDIT NOTE OR ANY LOAN DOCUMENT. NEITHER THE EXERCISE OF SELF HELP REMEDIES NOR THE INSTITUTION OR MAINTENANCE OF AN ACTION FOR FORECLOSURE OR PROVISIONAL OR ANCILLARY REMEDIES SHALL CONSTITUTE A WAIVER OF THE RIGHT OF ANY PARTY, INCLUDING THE CLAIMANT IN SUCH ACTION, TO ARBITRATE THE MERITS OF THE CONTROVERSY OR CLAIM OCCASIONING RESORT TO SUCH REMEDIES.

Section 17. FINAL AGREEMENT. THIS SECURITY AGREEMENT MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE BANK AND THE GRANTORS.

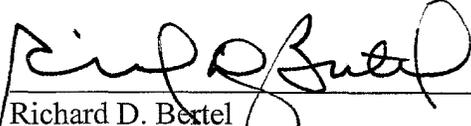
Section 18. Conflicting Terms. If any term or provision of this Security Agreement conflicts with any term or provision of the Loan Agreement, such term or provision of the Loan Agreement shall take precedence and be deemed to apply, except as such term or provision of the Loan Agreement may be limited by applicable law, in which case the terms and provisions of this Security Agreement in such instance shall be deemed to apply.

Section 19. Amendment, Restatement and Consolidation. This Security Agreement amends, restates and consolidates the Prior Security Agreements.

IN WITNESS WHEREOF, the Grantors and the Bank have caused this Security Agreement to be executed by their duly authorized officers as of the date first set forth above.

GRANTORS:

RIO GRANDE PACIFIC CORPORATION

By: 
Name: Richard D. Bertel
Title: Chief Executive Officer

IDAHO NORTHERN & PACIFIC RAILROAD COMPANY

By: 
Name: Richard D. Bertel
Title: Chief Executive Officer

WICHITA, TILLMAN & JACKSON RAILWAY COMPANY

By: 
Name: Richard D. Bertel
Title: Chief Executive Officer

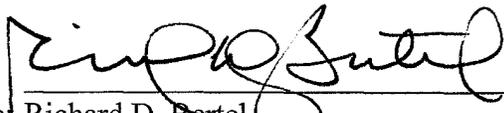
NEBRASKA CENTRAL RAILROAD COMPANY

By: 
Name: Richard D. Bertel
Title: Chief Executive Officer

SWITCHMASTER CORPORATION OF
AMERICA

By: 
Name: Richard D. Bertel
Title: Chief Executive Officer

NEW ORLEANS & GULF COAST RAILWAY
COMPANY

By: 
Name: Richard D. Bertel
Title: Chief Executive Officer

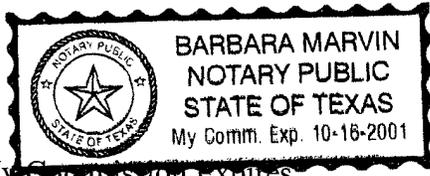
BANK:

NATIONSBANK, N.A.

By: 
Name: C. Howard Capito
Title: Senior Vice President

STATE OF TEXAS
COUNTY OF TARRANT

On this 23rd day of April, 1999 before me personally appeared Richard D. Bertel, to me personally known, who being by me duly sworn, says that he is Chief Executive Officer of Rio Grande Pacific Corporation, a Texas corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

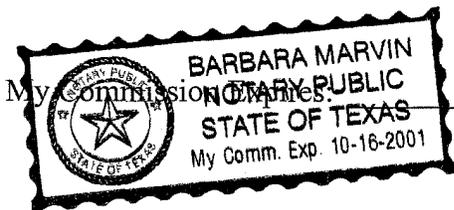


My Commission Expires. _____

Barbara Marvin
Notary Public

STATE OF TEXAS
COUNTY OF TARRANT

On this 23rd day of April, 1999 before me personally appeared Richard D. Bertel, to me personally known, who being by me duly sworn, says that he is Chief Executive Officer of Idaho Northern & Pacific Railroad Company, a Delaware corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

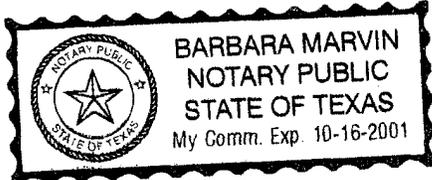


My Commission Expires. _____

Barbara Marvin
Notary Public

STATE OF TEXAS
COUNTY OF TARRANT

On this 23rd day of April, 1999 before me personally appeared Richard D. Bertel, to me personally known, who being by me duly sworn, says that he is Chief Executive Officer of Wichita, Tillman & Jackson Railway Company, an Oklahoma corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

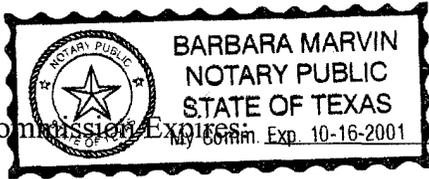


Barbara Marvin
Notary Public

My Commission Expires: _____

STATE OF TEXAS
COUNTY OF TARRANT

On this 23rd day of April, 1999 before me personally appeared Richard D. Bertel, to me personally known, who being by me duly sworn, says that he is Chief Executive Officer of Nebraska Central Railroad Company, a Delaware corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

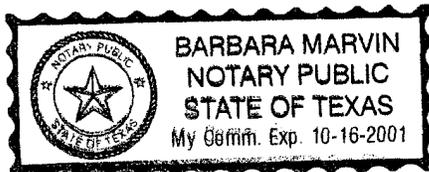


Barbara Marvin
Notary Public

My Commission Expires: _____

STATE OF TEXAS
COUNTY OF TARRANT

On this 23rd day of April, 1999 before me personally appeared Richard D. Bertel, to me personally known, who being by me duly sworn, says that he is Chief Executive Officer of Switchmaster Corporation of America, a Delaware corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

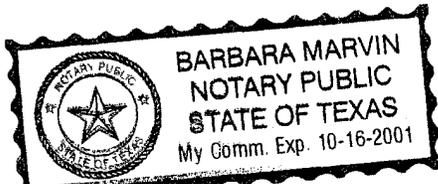


Barbara Marvin
Notary Public

My Commission Expires: _____

STATE OF TEXAS
COUNTY OF TARRANT

On this 23rd day of April, 1999 before me personally appeared Richard D. Bertel, to me personally known, who being by me duly sworn, says that he is Chief Executive Officer of New Orleans & Gulf Coast Railway Company, a Delaware corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Barbara Marvin
Notary Public

My Commission Expires: _____

STATE OF TENNESSEE
COUNTY OF KNOX

On this 28th day of April, 1999 before me personally appeared C. Howard Capito, to me personally known, who being by me duly sworn, says that he is the Senior Vice President of NationsBank, N.A., a national banking association organized under the laws of the United States and successor by name change to NationsBank of Tennessee, N.A., and that he as such Senior Vice President, being authorized so to do, executed the foregoing instrument for the purpose therein contained, by personally signing the name of the Bank by himself as such Senior Vice President.



Notary Public

My Commission Expires: 10-31-2001

Exhibit A

Rio Grande Pacific Corporation Fort Worth, Texas		Revenue Equipment Roster & Collateral Report												12/31/98
Item #	Owner	Present INPR ID----->			Acquisition Data			<-----Valuation Data----->			Date	Operational Status		
		Road ID	Road No.	Serial #	Model	Date	Cost	FMV	Source					
1	INPR	4500	7929-7	GP-40	9/1/94	140,000	225,000	Mgmt. Es	May-98	Out of Service				
2	INPR	4501	7929-12	GP-40	9/1/94	140,000	225,000	Mgmt. Es	May-98	In Service				
3	INPR	4502	7944-1	GP-40	9/1/94	140,000	225,000	Mgmt. Es	May-98	In Service				
4	INPR	4503	7183-7	GP-40	9/1/94	155,000	225,000	Mgmt. Es	May-98	Out of Service				
5	INPR	4504	7183-15	GP-40	9/1/94	155,000	225,000	Mgmt. Es	May-98	In Service				
6	INPR	4505	7229-18	GP-40	9/1/94	155,000	225,000	Mgmt. Es	May-98	In Service				
7	INPR	4506	7075-2	GP-35	9/1/94	120,000	120,000	Acq. Cost	May-94	In Service				
8	INPR	4507	7774-12	GP-35	9/1/94	120,000	120,000	Acq. Cost	May-94	In Service				
9	INPR	4508	7774-13	GP-35	9/1/94	120,000	120,000	Acq. Cost	May-94	In Service				
10	INPR	4509	7774-26	GP-35	9/1/94	120,000	120,000	Acq. Cost	May-94	Out of Service				
11	INPR	4510	7774-29	GP-35	9/1/94	120,000	120,000	Acq. Cost	May-94	In Service				
12	INPR	1707		GP-16	11/1/94	65,000	90,000	Mgmt. Es	May-98	Out of Service				
13	NCRC	4200		GP-38	9/1/93	213,730	215,000	DWBAI	Feb-96	In Service				
14	NCRC	4201		GP-38	10/1/93	213,730	215,000	DWBAI	Feb-96	In Service				
15	NCRC	4202		GP-38	10/1/93	213,730	215,000	DWBAI	Feb-96	In Service				
16	NCRC	4203		GP-38	10/1/93	213,730	215,000	DWBAI	Feb-96	In Service				
17	NCRC	4204		GP-38	11/1/93	213,730	215,000	DWBAI	Feb-96	In Service				
18	WTJR	4443		GP-7	3/1/91	91,869	75,000	Mgmt. Es	May-98	In Service				
19	WTJR	4451		GP-7	3/1/91	91,869	75,000	Mgmt. Es	May-98	In Service				
20	WTJR	4454		GP-7	4/12/91	91,869	75,000	Mgmt. Es	May-98	In Service				
21	WTJR	4367		GP-7	4/12/91	91,869	75,000	Mgmt. Es	May-98	In Service				
22	WTJR	4364		GP-7	4/12/91	91,869	75,000	Mgmt. Es	May-98	In Service				
23	WTJR	4370		GP-7	4/12/91	91,869	75,000	Mgmt. Es	May-98	In Service				
24	NCRC	5315		SD-45	5/29/97	175,000	275,000	Mgmt. Es	May-98	In Service				
25	NCRC	5332		SD-45	3/24/97	175,000	275,000	Mgmt. Es	May-98	In Service				
26	NOGC	2180		GP-7	4/24/99	125,000	125,000	Acq. Cost	Apr-99	In Service				
27	NOGC	1229		SW-1200	4/24/99	150,000	150,000	Acq. Cost	Apr-99	In Service				
						3,794,864	4,390,000							
1	The old collateral report indicated a locomotive number of INPR 4515. This locomotive didn't have its numbers changed when painted to reflect the old collateral reports, but kept its original number of 1707.													

Rio Grande Pacific Corporation
Fort Worth, Texas

12/31/98

Revenue Equipment Roster & Collateral Report

12/31/98

Item #	Owner	Road ID	Road No.	Steel	Stencil #	AAR Type	Acquisition Date	Cost	FMV	Source	Date	Operational Status
1	INPR	INPR	51009						3,500	Rosen	Jun-94	at INPR in service
2	INPR	INPR	51023						3,500	Rosen	Jun-94	at INPR in service
3	INPR	INPR	51025						3,500	Rosen	Jun-94	at INPR in service
4	INPR	INPR	51026						3,500	Rosen	Jun-94	at INPR in service
5	INPR	INPR	51038						3,500	Rosen	Jun-94	at INPR in service
6	INPR	INPR	51048						3,500	Rosen	Jun-94	at INPR in service
7	INPR	INPR	51049						3,500	Rosen	Jun-94	at INPR in service
8	INPR	INPR	51066						3,500	Rosen	Jun-94	at INPR in service
9	INPR	INPR	51083						3,500	Rosen	Jun-94	at INPR in service
10	INPR	INPR	51101						3,500	Rosen	Jun-94	at INPR in service
11	INPR	INPR	51108						3,500	Rosen	Jun-94	at INPR in service
12	INPR	INPR	51114						3,500	Rosen	Jun-94	at INPR in service
13	INPR	INPR	51125						3,500	Rosen	Jun-94	at INPR in service
14	INPR	INPR	51136						3,500	Rosen	Jun-94	at INPR in service
15	INPR	INPR	51143						3,500	Rosen	Jun-94	at INPR in service
16	INPR	INPR	51147						3,500	Rosen	Jun-94	at INPR in service
17	INPR	INPR	51142						3,500	Rosen	Jun-94	at INPR in service
18	INPR	INPR	51164						3,500	Rosen	Jun-94	at WTJR in service
19	INPR	INPR	51165						3,500	Rosen	Jun-94	at INPR in service
20	INPR	INPR	51172						3,500	Rosen	Jun-94	at NCRG in service
21	INPR	INPR	51183						3,500	Rosen	Jun-94	at INPR in service
22	INPR	INPR	51197						3,500	Rosen	Jun-94	at INPR in service
23	INPR	INPR	51222						3,500	Rosen	Jun-94	at INPR in service
24	INPR	INPR	51229						3,500	Rosen	Jun-94	at INPR in service
25	INPR	INPR	51239						3,500	Rosen	Jun-94	at INPR in service
26	INPR	INPR	51263						3,500	Rosen	Jun-94	at INPR in service
27	INPR	INPR	51285						3,500	Rosen	Jun-94	at INPR in service
28	INPR	INPR	51318						3,500	Rosen	Jun-94	at INPR in service
29	INPR	INPR	51330						3,500	Rosen	Jun-94	at WTJR in service

NationsBank

Confidential
Cars

		<-----Present INPR ID----->		Steel	Acquisition Data		<-----Valuation Data----->		Operational
Item #	Owner	Road ID	Road No.	Stencil #	Date	Cost	FMV	Source	Status
30	INPR		51340				3,500	Rosen	Jun-94 at INPR in service
31	INPR		51364				3,500	Rosen	Jun-94 at INPR in service
32	INPR		51371				3,500	Rosen	Jun-94 at INPR in service
33	INPR		51431				3,500	Rosen	Jun-94 at INPR in service
34	INPR		51477				3,500	Rosen	Jun-94 at INPR in service
35	INPR		51512				3,500	Rosen	Jun-94 at INPR in service
36	INPR		51540				3,500	Rosen	Jun-94 at INPR in service
37	INPR		51585				3,500	Rosen	Jun-94 at INPR in service
38	INPR		51600				3,500	Rosen	Jun-94 at INPR in service
39	INPR		51629				3,500	Rosen	Jun-94 at INPR in service
40	INPR		51726				3,500	Rosen	Jun-94 at INPR in service
42	INPR		51752				3,500	Rosen	Jun-94 at INPR in service
43	INPR		51774				3,500	Rosen	Jun-94 at INPR in service
44	INPR		57987				5,500	Rosen	Jun-94 at INPR in service
45	INPR		58007				5,500	Rosen	Jun-94 at INPR in service
46	INPR		58008				5,500	Rosen	Jun-94 at INPR in service
47	INPR		58025				5,500	Rosen	Jun-94 at INPR in service
48	INPR		58086				5,500	Rosen	Jun-94 at INPR in service
49	INPR		58095				5,500	Rosen	Jun-94 at INPR in service
50	INPR		58115				5,500	Rosen	Jun-94 at INPR in service
51	INPR		58133				5,500	Rosen	Jun-94 at INPR in service
52	INPR		58198				5,500	Rosen	Jun-94 at INPR in service
53	INPR		58315				5,500	Rosen	Jun-94 at INPR in service
54	INPR		58351				5,500	Rosen	Jun-94 at INPR in service
56	INPR		58422				5,500	Rosen	Jun-94 at INPR in service
57	INPR		58450				5,500	Rosen	Jun-94 at INPR in service
58	INPR		58551				5,500	Rosen	Jun-94 at INPR in service
59	INPR		58563				5,500	Rosen	Jun-94 at WTJR in service
60	INPR		58571				5,500	Rosen	Jun-94 at INPR in service
61	INPR		58580				5,500	Rosen	Jun-94 at INPR in service
62	INPR		58584				5,500	Rosen	Jun-94 at INPR in service
63	INPR		58758				5,500	Rosen	Jun-94 at INPR in service

Item #	Owner	Road ID	Road No.	Steel	Stencil #	AAR Type	Acquisition Data		Valuation Data		Operational Status
							Date	Cost	FMV	Source	
64	INPR		58768					5,500	Rosen	Jun-94	at INPR in service
65	INPR		58795					5,500	Rosen	Jun-94	at INPR in service
66	INPR		58796					5,500	Rosen	Jun-94	at INPR in service
67	INPR		58819					5,500	Rosen	Jun-94	at INPR in service
68	INPR		58825					5,500	Rosen	Jun-94	at INPR in service
69	INPR		58826					5,500	Rosen	Jun-94	at INPR in service
70	INPR		58846					5,500	Rosen	Jun-94	at INPR in service
71	INPR		58875					5,500	Rosen	Jun-94	at INPR in service
72	INPR		58889					5,500	Rosen	Jun-94	at INPR in service
73	INPR		58892					5,500	Rosen	Jun-94	at INPR in service
74	INPR		58907					5,500	Rosen	Jun-94	at INPR in service
75	INPR		58956					5,500	Rosen	Jun-94	at INPR in service
76	INPR		58958					5,500	Rosen	Jun-94	at NCRC in service
77	INPR		58985					5,500	Rosen	Jun-94	at INPR in service
78	INPR		58989					5,500	Rosen	Jun-94	at INPR in service
79	INPR		59567					5,500	Rosen	Jun-94	at WTJR in service
80	INPR		59610					5,500	Rosen	Jun-94	at NCRC in service
81	INPR		59653					5,500	Rosen	Jun-94	at INPR in service
82	INPR		59682					5,500	Rosen	Jun-94	at INPR in service
83	INPR		59701					5,500	Rosen	Jun-94	at INPR in service
84	INPR		66804					4,500	Rosen	Jun-94	at INPR in service
85	INPR		66806					4,500	Rosen	Jun-94	at INPR in service
86	INPR		66819					4,500	Rosen	Jun-94	at NCRC in service
87	INPR		66825					4,500	Rosen	Jun-94	at NCRC in service
88	INPR		66833					4,500	Rosen	Jun-94	at NCRC in service
89	INPR		66844					4,500	Rosen	Jun-94	at NCRC in service
90	INPR		66845					4,500	Rosen	Jun-94	at NCRC in service
92	INPR		66860					4,500	Rosen	Jun-94	at INPR in service
93	INPR		66861					4,500	Rosen	Jun-94	at NCRC in service
94	INPR		66868					4,500	Rosen	Jun-94	at NCRC in service
95	INPR		66871					4,500	Rosen	Jun-94	at INPR in service
96	INPR		66876					4,500	Rosen	Jun-94	at INPR in service

Item #	Owner	Present Road ID	INPR ID	Road No.	Steel Stencil #	AAR Type	Acquisition Data		Valuation Data		Operational Status
							Date	Cost	FMV	Source	
97	INPR			66880					4,500	Rosen	Jun-94 at NCRC in service
98	INPR			66888					4,500	Rosen	Jun-94 at INPR in service
99	INPR			66893					4,500	Rosen	Jun-94 at INPR in service
100	INPR			66900					4,500	Rosen	Jun-94 at NCRC in service
101	INPR			66903					4,500	Rosen	Jun-94 at INPR in service
102	INPR			66907					4,500	Rosen	Jun-94 at NCRC in service
103	INPR			66908					4,500	Rosen	Jun-94 at NCRC in service
104	INPR			66909					4,500	Rosen	Jun-94 at NCRC in service
105	INPR			66911					4,500	Rosen	Jun-94 at NCRC in service
106	INPR			66914					4,500	Rosen	Jun-94 at NCRC in service
107	INPR			66922					4,500	Rosen	Jun-94 at INPR in service
108	INPR			66924					4,500	Rosen	Jun-94 at NCRC in service
109	INPR			66926					4,500	Rosen	Jun-94 at NCRC in service
110	INPR			66931					4,500	Rosen	Jun-94 at INPR in service
111	INPR			66938					4,500	Rosen	Jun-94 at NCRC in service
112	INPR			66944					4,500	Rosen	Jun-94 at NCRC in service
113	INPR			66948					4,500	Rosen	Jun-94 at NCRC in service
114	INPR			67501					4,500	Rosen	Jun-94 at NCRC in service
115	INPR			67502					4,500	Rosen	Jun-94 at INPR in service
116	INPR			67503					4,500	Rosen	Jun-94 at INPR in service
117	INPR			67513					4,500	Rosen	Jun-94 at INPR in service
118	INPR			67522					4,500	Rosen	Jun-94 at NCRC in service
119	INPR			67524					4,500	Rosen	Jun-94 at NCRC in service
120	INPR			67537					4,500	Rosen	Jun-94 at INPR in service
121	INPR			67544					4,500	Rosen	Jun-94 at NCRC in service
122	INPR			67553					4,500	Rosen	Jun-94 at NCRC in service
123	INPR			67556					4,500	Rosen	Jun-94 at NCRC in service
124	INPR			67559					4,500	Rosen	Jun-94 at INPR in service
125	INPR			67562					4,500	Rosen	Jun-94 at INPR in service
126	INPR			67564					4,500	Rosen	Jun-94 at NCRC in service
127	INPR			67568					4,500	Rosen	Jun-94 at INPR in service
128	INPR			67596					4,500	Rosen	Jun-94 at INPR in service

<-----Present INPR ID----->		Steel		Acquisition Data		<-----Valuation Data----->		Operational			
Item #	Owner	Road ID	Road No.	Stencil #	AAR Type	Date	Cost	FMV	Source	Date	Status
129	INPR		67602					4,500	Rosen	Jun-94	at INPR in service
130	INPR		67604					4,500	Rosen	Jun-94	at NCRC in service
131	INPR		67608					4,500	Rosen	Jun-94	at INPR in service
132	INPR		67613					4,500	Rosen	Jun-94	at NCRC in service
133	INPR		67616					4,500	Rosen	Jun-94	at INPR in service
134	INPR		67618					4,500	Rosen	Jun-94	at NCRC in service
135	INPR		67626					4,500	Rosen	Jun-94	at NCRC in service
136	INPR		67632					4,500	Rosen	Jun-94	at NCRC in service
137	INPR		67634					4,500	Rosen	Jun-94	at NCRC in service
138	INPR		67640					4,500	Rosen	Jun-94	at INPR in service
139	INPR		67646					4,500	Rosen	Jun-94	at INPR in service
140	INPR		54526					5,500	Rosen	Jun-94	at INPR in service
141	INPR		54579					5,500	Rosen	Jun-94	at INPR in service
143	INPR		54607					5,500	Rosen	Jun-94	at INPR in service
144	INPR		54620					5,500	Rosen	Jun-94	at INPR in service
145	INPR		54646					5,500	Rosen	Jun-94	at INPR in service
146	INPR		54662					5,500	Rosen	Jun-94	at INPR in service
147	INPR		54670					5,500	Rosen	Jun-94	at INPR in service
148	INPR		54690					5,500	Rosen	Jun-94	at INPR in service
149	INPR		54720					5,500	Rosen	Jun-94	at INPR in service
150	INPR		54736					5,500	Rosen	Jun-94	at INPR in service
151	INPR		54798					5,500	Rosen	Jun-94	at INPR in service
152	INPR		58186					5,500	Rosen	Jun-94	at WTJR in service
153	INPR		58304					5,500	Rosen	Jun-94	at INPR in service
154	INPR		58310					5,500	Rosen	Jun-94	at INPR in service
155	INPR		58365					5,500	Rosen	Jun-94	at INPR in service
156	INPR		58420					5,500	Rosen	Jun-94	at INPR in service
157	INPR		58449					5,500	Rosen	Jun-94	at INPR in service
158	INPR		58489					5,500	Rosen	Jun-94	at INPR in service
159	INPR		58775					5,500	Rosen	Jun-94	at INPR in service
160	INPR		58848					5,500	Rosen	Jun-94	at INPR in service
161	INPR		58882					5,500	Rosen	Jun-94	at INPR in service

Item #	Owner	Road ID	Road No.	Steel Stencil #	AAR Type	Acquisition Date	Cost	FMV	Source	Date	Operational Status
162	INPR		58934					5,500	Rosen	Jun-94	at INPR in service
163	INPR		59361					5,500	Rosen	Jun-94	at INPR in service
165	INPR		59665					5,500	Rosen	Jun-94	at INPR in service
166	INPR		5002					3,500	Rosen	Jun-94	at INPR in service
167	INPR		5009					3,500	Rosen	Jun-94	at INPR in service
168	INPR		5014					3,500	Rosen	Jun-94	at INPR in service
169	INPR		5069					3,500	Rosen	Jun-94	at INPR in service
170	INPR		58861					5,500	Rosen	Jun-94	at INPR in service
171	INPR		58931					5,500	Rosen	Jun-94	at INPR in service
172	INPR		57943					5,500	Mgm Est ¹	Jun-94	at INPR in service
173	INPR		57972					5,500	Mgm Est ¹	Jun-94	at WTJR in service
174	INPR		58001					5,500	Mgm Est ¹	Jun-94	at INPR in service
175	INPR		58003					5,500	Mgm Est ¹	Jun-94	at INPR in service
176	INPR		58073					5,500	Mgm Est ¹	Jun-94	at INPR in service
177	INPR		58162					5,500	Mgm Est ¹	Jun-94	at INPR in service
178	INPR		58266					5,500	Mgm Est ¹	Jun-94	at INPR in service
179	INPR		58281					5,500	Mgm Est ¹	Jun-94	at INPR in service
180	INPR		58341					5,500	Mgm Est ¹	Jun-94	at INPR in service
181	INPR		58352					5,500	Mgm Est ¹	Jun-94	at INPR in service
182	INPR		58354					5,500	Mgm Est ¹	Jun-94	at INPR in service
183	INPR		58373					5,500	Mgm Est ¹	Jun-94	at INPR in service
184	INPR		58385					5,500	Mgm Est ¹	Jun-94	at INPR in service
185	INPR		58390					5,500	Mgm Est ¹	Jun-94	at INPR in service
186	INPR		58395					5,500	Mgm Est ¹	Jun-94	at INPR in service
187	INPR		58397					5,500	Mgm Est ¹	Jun-94	at INPR in service
188	INPR		58416					5,500	Mgm Est ¹	Jun-94	at NCRC in service
189	INPR		58527					5,500	Mgm Est ¹	Jun-94	at INPR in service
190	INPR		58530					5,500	Mgm Est ¹	Jun-94	at INPR in service

EXHIBIT B

List of Grantors' Principal Places of Business and Chief Executive Offices:

Principal Places of Business

Rio Grande Pacific Corporation
4420 West Vickery Boulevard, Suite 110
Fort Worth, Texas 76107

Idaho Northern & Pacific Railroad Company
4420 West Vickery Boulevard, Suite 110
Fort Worth, Texas 76107

Wichita, Tillman & Jackson Railway Company
4420 West Vickery Boulevard, Suite 110
Fort Worth, Texas 76107

Nebraska Central Railroad Company
4420 West Vickery Boulevard, Suite 110
Fort Worth, Texas 76107

Switchmaster Corporation of America
4420 West Vickery Boulevard, Suite 110
Fort Worth, Texas 76107

New Orleans & Gulf Coast Railway Company
4420 West Vickery Boulevard, Suite 110
Fort Worth, Texas 76107

Chief Executive Offices

For all above:

4420 West Vickery Boulevard, Suite 110
Fort Worth, Texas 76107

Principal Operational Offices

Rio Grande Pacific Corporation
4420 W. Vickery Blvd., Suite 110
Fort Worth, Texas 76107

Rio Grande Pacific Corporation
1777 N.E. Loop 410, Suite 600
San Antonio, Texas 78217

Idaho Northern & Pacific Railroad Company
119 N. Commercial
Emmett, Idaho 83617

Idaho Northern & Pacific Railroad Company
10102 North "E" Street
Island City, Oregon 97850

Nebraska Central Railroad Company
1701 S. 13th Street
Norfolk, Nebraska 68701

Wichita, Tillman & Jackson Railway Company, Inc.
700 Jefferson
Wichita Falls, Texas 76304

New Orleans & Gulf Coast Railway Company
9387 Highway 23 South
Belle Chaffe, Louisiana 70037

EXHIBIT C

Names of Grantors under which Collateral is Owned, Used or Sold:

- (A) Rio Grande Pacific Corporation
- (B) Idaho Northern & Pacific Railroad Company
- (C) Wichita, Tillman & Jackson Railway Company
- (D) Nebraska Central Railroad Company
- (E) Switchmaster Corporation of America
- (F) New Orleans & Gulf Coast Railway Company

EXHIBIT D

UCC Filing Offices

- (1) Rio Grande Pacific Corporation – Texas Secretary of State
- (2) Idaho Northern & Pacific Railroad Company – Texas Secretary of State, Idaho Secretary of State and Oregon Secretary of State
- (3) Nebraska Central Railroad Company – Texas Secretary of State and Nebraska Secretary of State
- (4) Wichita, Tillman & Jackson Railway Company – Texas Secretary of State and Oklahoma Secretary of State
- (5) Switchmaster Corporation of America – Texas Secretary of State
- (6) New Orleans & Gulf Coast Railway Company – Texas Secretary of State and Orleans Parish, Louisiana