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RECORDATION NO. 21554 FILED

AUG 7 '98 2-54 PM

LOUIS E. GITOMER
OF COUNSEL
(202) 466-6532

lgitomer@bjllp.com

Certificate - 1

August 7, 1998

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

Dear Secretary Williams:

I have enclosed the original and one certified copy of the document described below, to be recorded pursuant to 49 U.S.C. §11301.

The document is a Memorandum of Security Agreement, a primary document, dated as of May 21, 1998. Please record this document under the next available Recordation Number. The names and addresses of the parties to the Memorandum of Security Agreement are:

Secured Party/Agent:

NationsBank, N.A.
Third and Broadway
Pittsburg, KS 66762

Debtor:

Southeast Kansas Railroad Company
1230 South Walnut Street
Coffeeville, KS 67337

A description of the equipment covered by the Memorandum of Security Agreement is in Attachement and **ALL NOW OWNED OR HEREAFTER ACQUIRED.**

skolien.17

A fee of $26.00 is enclosed. Please return the original document to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the document to appear in the index follows: a Memorandum of Security Agreement between NationsBank, N.A., Third and Broadway, Pittsburg, KS 66762, and Southeast Kansas Railroad Company, 1230 South Walnut Street, Coffeeville, KS 67337, covering the equipment described in the Attachement and **ALL NOW OWNED OR HEREAFTER ACQUIRED.**

Very truly yours,

Louis E. Gitomer

Enclosures

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Memorandum of Security Agreement

SCHEDULE

Southeast Kansas Railroad Company. ..... See attached.

SEK	SEK	140 Ballast	WISC & SOUTHERN RR	1993
SEK	SEK	143 Ballast	WISC & SOUTHERN RR	1993
SEK	SEK	148 Ballast	WISC & SOUTHERN RR	1993
SEK	SEK	149 Ballast	WISC & SOUTHERN RR	1993
SEK	WSOR	141 Ballast	WISC & SOUTHERN RR	1993
SEK	WSOR	147 Ballast	WISC & SOUTHERN RR	1993
SEK	WSOR	144 Ballast	WISC & SOUTHERN RR	1993
SEK	WSOR	145 Ballast	WISC & SOUTHERN RR	1993
SEK	SKOL	8140 Covered Hoppers	GRAIN MARKETING	1994
SEK	SKOL	8139 Covered Hoppers	GRAIN MARKETING	1994
SEK	SKOL	8118 Covered Hoppers	GRAIN MARKETING	1994

Generations Holdings, Inc.
Pittsburg, Kansas

Date: 13-May-98

	<—Present Road ID—>			<—Manufacturer—>		Date	<—Acquisition Information—>		
	Corp Owner	Road Initials	Road #	Information Model #	Serial #(2)	Built or ReBuilt	Last Class I	From	Date
63	SEKRR	SEKR	1274	SW 10			UPR	UPR	10/1/91
no	SEKRR	SEKR	1001	CF7				ATSF	4/1/87

Exhibit J

CORP. OWNER	<--RAILROAD--> INITIALS	NUMBER	CAR TYPE	PURCHASED FROM	DATE ACQ.	S/A DATE	S/A FILE #	STB DATE
SEK	SKOL	7928	Covered Hoppers	GRAIN MARKETING	1994			
SEK	SKOL	7921	Covered Hoppers	GRAIN MARKETING	1994			
SEK	SKOL	7912	Covered Hoppers	GRAIN MARKETING	1994			
SEK	SKOL	7911	Covered Hoppers	GRAIN MARKETING	1994			
SEK	SKOL	7904	Covered Hoppers	GRAIN MARKETING	1994			
SEK	SKOL	7907	Covered Hoppers	GRAIN MARKETING	1994			
SEK	GELX	7913	Covered Hoppers	GRAIN MARKETING	1994			
SEK	GELX	7915	Covered Hoppers	GRAIN MARKETING	1994			
SEK	GELX	7927	Covered Hoppers	GRAIN MARKETING	1994			
SEK	GELX	7923	Covered Hoppers	GRAIN MARKETING	1994			
SEK	GELX	36	Covered Hoppers	GRAIN MARKETING	1994			
SEK	GELX	39	Covered Hoppers	GRAIN MARKETING	1994			
SEK	SKOL	423084	Ballast	BNR	1994			
SEK	SKOL	423689	Ballast	BNR	1994			
SEK	SKOL	423758	Ballast	BNR	1994			
SEK	SKOL	423849	Ballast	BNR	1994			
SEK	SKOL	423911	Ballast	BNR	1994			
SEK	SKOL	424004	Ballast	BNR	1994			
SEK	SKOL	424483	Ballast	BNR	1994			
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SEK	SKOL	75736	Ballast	BNR	1994			
SEK	SKOL	84154	Ballast	BNR	1994			
SEK	SKOL	423111	Ballast	BNR	1994			
SEK	SKOL	423076	Ballast	BNR	1994			
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SEK	SKOL	423780	Ballast	BNR	1994			
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SEK	SKOL	423999	Ballast	BNR	1994			
SEK	SKOL	424925	Ballast	BNR	1994			
SEK	SKOL	424388	Ballast	BNR	1994			
SEK	SKOL	436228	Ballast	BNR	1994			
SEK	SKOL	75731	Ballast	BNR	1994			
SEK	SKOL	175007	Ballast	BNR	1994			
SEK	SKOL	423914	Ballast	BNR	1995			
SEK	SKOL	423854	Ballast	BNR	1995			
SEK	SKOL	418925	Ballast	BNR	1995			

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MEMORANDUM OF SECURITY AGREEMENT

This Memorandum of Security Agreement, dated as of May 21, 1998, is by Southeast Kansas Railroad Company (the "Debtor"), and Nationsbank, N.A., as Agent for the Banks pursuant to the Credit Agreement (the "Credit Agreement"), dated as of May 21, 1998, among Generations Holdings, Inc. (the "Borrower"), the Banks listed therein (the "Banks"), and the Agent.

1. The Banks have made a loan to the Borrower pursuant to the Credit Agreement for the purpose of financing the operating needs of the Borrower and its affiliates (including the Debtor). Such loans are secured by the Debtor's assets pursuant to a Security Agreement, dated as of May 21, 1998.

2. Pursuant to the Security Agreement Debtor grants to the Banks a lien on and security interest in all of Debtor's right, title and interest in and to the equipment (as defined in the Security Agreement) identified in the Schedule attached hereto and now owned or hereafter acquired, pursuant to Section 2 of the Security Agreement.

IN WITNESS WHEREOF, each of the parties hereto have caused this MEMORANDUM OF SECURITY AGREEMENT to be executed by its duly authorized officer as of the date first above written.

SOUTHEAST KANSAS RAILROAD COMPANY
as Debtor

By: Charles R. Webb
Name: ~~President~~ Charles R. Webb
Title: President

NATIONSBANK, N.A.
as Agent

By:
Name: Jeffrey G. Elliott
Title: Vice President

State of Kansas)
) ss.
County of Crawford

On this 21 day of May, 1998, before me personally appeared Charles L. Webb, to me personally known, who, being by me duly sworn, says that (s)he is President of Southeast Kansas Railroad Company, and that (s)he is duly authorized to sign the foregoing instrument on behalf of Southeast Kansas Railroad Company, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of Southeast Kansas Railroad Company.

Jean Bergmann
NOTARY PUBLIC
STATE OF KANSAS
MY APPT. EXPIRES

Jean Bergmann
Notary Public

My commission expires: 6-21-98

State of Kansas)
) ss.
County of Crawford

On this 21 day of June, 1998, before me personally appeared Jeffrey G. Elliott to me personally known, who, being by me duly sworn, says that (s)he is Vice President of Nationsbank, N.A., and that (s)he is duly authorized to sign the foregoing instrument on behalf of Nationsbank, N.A., and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of Nationsbank, N.A.

Jean Bergmann
NOTARY PUBLIC
STATE OF KANSAS
MY APPT. EXPIRES

Jean Bergmann
Notary Public

My commission expires: 6-21-98

Memorandum of Security Agreement

SCHEDULE

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Generations Holdings, Inc.
Pittsburg, Kansas

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SEK	SKOL	423854	Ballast	BNR	1995			
SEK	SKOL	418925	Ballast	BNR	1995			

CERTIFICATION

I, LOUIS E. GITOMER, have compared this copy to the original Memorandum of Security Agreement dated as of May 21, 1998, and found the copy to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.

Louis E. Gitomer
August 7, 1998