

BALL JANIK LLP

A T T O R N E Y S

1455 F STREET, NW, SUITE 225
WASHINGTON, D.C. 20005

TELEPHONE 202-638-3307
FACSIMILE 202-783-6947

December 21, 1998

RECEIVED
SURFACE TRANSPORTATION
BOARD

DEC 21 2 11 PM '00

igitomer@bjllp.com

RECORDATION NO. 21671- FILED *RE*

DEC 21 '98 2-11 PM

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

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

Dear Secretary Williams:

I have enclosed two originals of the two documents described below, to be recorded pursuant to 49 U.S.C. § 11301.

The first document is a Memorandum of Security Agreement and Lease Assignment, a secondary document, dated as of December 21, 1998. The primary document to which this is connected is recorded under Recordation No. 21671. We request that this document be recorded under Recordation No. 21671-D.

The names and addresses of the parties to the Memorandum of Security Agreement and Lease Assignment are:

Lender:

Crestar Leasing Corporation
120 E. Baltimore Street, 23rd Floor
Baltimore, MD 21202

Borrower:

D → Southern Rail Leasing, Inc.
955 South Virginia Street
Reno, NV 89502

A description of the equipment covered by the Memorandum of Security Agreement and Lease Assignment consists of 31 gondola cars numbered SRLX 2030-2059, inclusive, and 2091, formerly numbered DEEX 9232, 9146, 9225, 9021, 9038, 9200, 9052, 9234, 9168, 9160, 9148,

Counterparts - J. Williams

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Honorable Vernon A. Williams
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9288, 9119, 9177, 9227, 9031, 9175, 9275, 9114, 9058, 9027, 9071, 9117, 9206, 9222, 9261, 9033, 9272, 9080, 9130, and 9224, respectively.

The Second document is a Memorandum of Lease Agreement, a secondary document, dated as of December 21, 1998. The primary document to which this is connected is recorded under Recordation No. 21671. We request this document be recorded under Recordation No. 21671-E.

The names and addresses of the parties to the Memorandum of Lease Agreement are:

Lessor:

Southern Rail Leasing, Inc.
955 South Virginia Street
Reno, NV 89502

Lessee:

Plasser American Corporation, Inc.
2001 Myers Road
Chesapeake, VA 23324

A description of the equipment covered by the Memorandum of Lease Agreement consists of 31 gondola cars numbered SRLX 2030-2059, inclusive, and 2091, formerly numbered DEEX 9232, 9146, 9225, 9021, 9038, 9200, 9052, 9234, 9168, 9160, 9148, 9288, 9119, 9177, 9227, 9031, 9175, 9275, 9114, 9058, 9027, 9071, 9117, 9206, 9222, 9261, 9033, 9272, 9080, 9130, and 9224, respectively.

A fee of \$52.00 is enclosed. Please return one original of each 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: (1) a Memorandum of Security Agreement and Lease Assignment between Crestar Leasing Corporation, 120 E.

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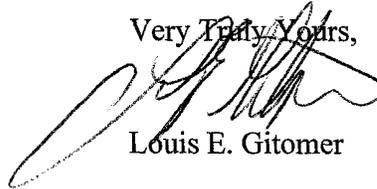
Honorable Vernon A. Williams

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Baltimore Street, 23rd Floor, Baltimore, MD 21202, and Southern Rail Leasing, Inc., 955 South Virginia Street, Reno, NV 89502; and (2) a Memorandum of Lease Agreement between Southern Rail Leasing, Inc., 955 South Virginia Street, Reno, NV 89502, and Plasser American Corporation, Inc., 2001 Myers Road, Chesapeake, VA 23324, both covering 31 gondola cars numbered SRLX 2030-2059, inclusive, and 2091, formerly numbered DEEX 9232, 9146, 9225, 9021, 9038, 9200, 9052, 9234, 9168, 9160, 9148, 9288, 9119, 9177, 9227, 9031, 9175, 9275, 9114, 9058, 9027, 9071, 9117, 9206, 9222, 9261, 9033, 9272, 9080, 9130, and 9224, respectively.

Very Truly Yours,

A handwritten signature in black ink, appearing to read "Louis E. Gitomer", is written over the typed name. The signature is fluid and cursive, with a large loop at the end.

Louis E. Gitomer

Enclosures

RECORDATION NO. 21671-D FILED

DEC 21 '98

2-11 PM

EXECUTION COPY

**MEMORANDUM OF SECURITY AGREEMENT
AND LEASE ASSIGNMENT**

dated as of December 21, 1998

between

SOUTHERN RAIL LEASING, INC.
as Borrower

and

CRESTAR LEASING CORPORATION
as Lender

**FILED WITH THE SURFACE TRANSPORTATION BOARD
PURSUANT TO 49 U.S.C. § 11301
on December __, 1998 at __:__.m.**

MEMORANDUM OF SECURITY AGREEMENT AND LEASE ASSIGNMENT

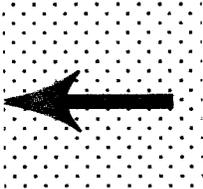
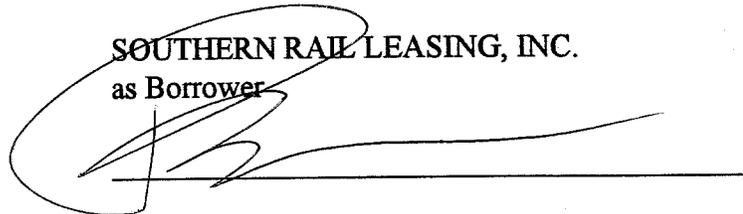
This Memorandum of Security Agreement and Lease Assignment, dated as of December 21, 1998, by and between SOUTHERN RAIL LEASING, INC. (the "Borrower"), and CRESTAR LEASING CORPORATION (the "Lender").

1. The Lender has made a loan to the Borrower pursuant to a Loan and Security Agreement, dated as of September 25, 1998 (the "Security Agreement").

2. Pursuant to the Security Agreement, Borrower grants to Lender a security interest in all of Borrower's right, title and interest in and to (but none of its obligations with respect to) (i) thirty-one (31) railcars, as modified by the Borrower or at its direction, having running numbers SRLX 2030 through 2059, inclusive and running number SRLX 2091 (collectively, the "Railcars") as more fully described in attached Exhibit A, and all replacements, substitutions and alternatives therefor, and thereof and accessions thereto, now owned or hereafter acquired, (ii) that certain Lease Agreement dated as of January 20, 1998 (the "Agreement"), between Borrower, as Lessor and Plasser American Corporation, Inc. ("Lessee") and Schedule Number 4 thereto, dated as of January 20, 1998 (the "Schedule"; and collectively with the Agreement, as amended and supplemented from time to time, the "Lease"), and (iii) all rent, insurance and other casualty payments, and all other sums due now or hereafter under or with respect to any or all of the Railcars or the Lease, and all other proceeds of the foregoing.

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

SOUTHERN RAIL LEASING, INC.
as Borrower



CRESTAR LEASING CORPORATION
as Lender

By: 
Name: Daniel E. McGee
Title: President

