

*Countersignature - [Signature]*

ALVORD AND ALVORD

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RECORDATION NO. 21734 FILED

OCT 26 '98

10-30 AM

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

OF COUNSEL  
URBAN A. LESTER

October 26, 1998

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Memorandum of Security Agreement, dated as of October 23, 1998, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Debtor: TTX Company  
101 North Wacker Street  
Chicago, IL 60606

Secured Party: The First National Bank of Maryland  
25 South Charles Street  
Baltimore, Maryland 21201

A description of the railroad equipment covered by the enclosed document is:

railcars bearing reporting marks and road numbers set forth on the Exhibit attached thereto.

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SURFACE TRANSPORTATION  
BOARD

Mr. Vernon A. Williams  
October 26, 1998  
Page 2

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 copy of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/bg  
Enclosures

RECORDATION NO. 21734 FILED

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**MEMORANDUM OF SECURITY AGREEMENT**

**dated October 23, 1998**

**by and between**

**TTX COMPANY,  
as Debtor**

**and**

**THE FIRST NATIONAL BANK OF MARYLAND,  
as Secured Party**

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MEMORANDUM OF SECURITY AGREEMENT

MEMORANDUM OF SECURITY AGREEMENT dated October 23, 1998, by and between TTX COMPANY, a Delaware corporation (the "Debtor"), and THE FIRST NATIONAL BANK OF MARYLAND (the "Secured Party").

WHEREAS the Debtor and the Secured Party are entering into that certain Security Agreement dated October 23, 1998 (the "Security Agreement"), pursuant to which the Debtor is granting to the Secured Party a security interest in and mortgage and charge on the railroad cars described in Exhibit A attached hereto and made a part hereof, together with (i) all additions, parts, fittings, accessories, special tools, attachments, and accessions now or hereafter affixed thereto or used in connection therewith (except special devices, racks, and automobile-carrying superstructures), (ii) all replacements thereof and substitutions therefor, and (iii) all cash and non-cash proceeds and products thereof.

IN WITNESS WHEREOF, the parties wish to show for the public record the mortgage of and security interest in the aforesaid property in favor of the Secured Party, and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

TTX COMPANY

By: \_\_\_\_\_

  
Thomas D. Marion  
Treasurer

THE FIRST NATIONAL BANK OF MARYLAND

By: \_\_\_\_\_

  
Richard M. Folio  
Vice President

STATE OF ILLINOIS

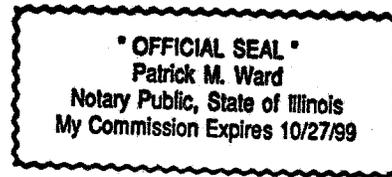
COUNTY OF COOK , TO WIT

On this 1st day of October, 1998, before me personally appeared Thomas D. Marion, to me personally known, who, by me being duly sworn, says that he is Treasurer of TTX COMPANY, and that the foregoing instrument was signed on behalf of said company 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 company.

*Patrick M. Ward*

Notary Public

My commission expires:



STATE OF MARYLAND

CITY OF BALTIMORE, TO WIT

On this 22nd day of October, 1998, before me personally appeared Richard M. Folio, to me personally known, who, by me being duly sworn, says that he is a Vice President of THE FIRST NATIONAL BANK OF MARYLAND, that the foregoing instrument was signed on behalf of said bank 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 bank.

*Deborah J. Hooper*  
Notary Public



My commission expires: 7-1-2000

J:Bond/TTX-AAL(1897)/FN189705.MEM/mes

DESCRIPTION OF RAILCARS

One hundred ninety-four (194) railroad cars as described below and bearing car marks and numbers as follows:

1. Twenty-nine (29) Gunderson built, five-unit, 48-foot articulated double-stack well cars for carrying containers bearing car numbers:

DTTX750555 through DTTX750583, inclusive;

2. Twenty-five (25) Gunderson built, five-unit, 48-foot articulated double-stack well cars for carrying containers bearing car numbers:

DTTX750229 through DTTX750253, inclusive;

3. Fifty-eight (58) National Steel Car built, three-unit, 48-foot all-purpose drawbar-connected double-stack well cars for carrying trailers or containers bearing car numbers:

DTTX430136 through DTTX430193, inclusive;

4. Six (6) National Steel Car built, three-unit, 48-foot drawbar-connected double-stack well cars for carrying containers bearing car numbers:

DTTX27328 through DTTX27333, inclusive;

5. Forty-three (43) National Steel Car built, three-unit, 48-foot drawbar-connected double-stack well cars for carrying containers bearing car numbers:

DTTX27581 through DTTX27623, inclusive;

6. Twenty-three (23) National Steel Car built, three-unit, 57-foot articulated all-purpose spine flatcars for carrying containers or trailers bearing car numbers:

TTRX370023 through TTRX370032, inclusive,  
TTRX370034, TTRX370035, TTRX370037,  
TTRX370039 through TTRX370042, inclusive,  
TTRX370163  
TTRX370165 through TTRX370167, inclusive,  
TTRX370171 and TTRX370172

7. Ten (10) National Steel Car built, 73-foot, center-partitioned bulkhead flatcars with winch tie-down devices for carrying packaged lumber products bearing car numbers:

TTZX864140 through TTZX864149