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RECORDATION NO. 18692-m FILED
AUG 19 '98 2-59 pm

August 6, 1998

Secretary
Surface Transportation Board
Washington, D.C. 20423

Subject: Document to be Recorded (Railroad Cars)

Dear Secretary:

Enclosed for recording pursuant to Section 11301 of Title 49 of the U.S. Code are two fully executed counterpart originals of Second Amendment to Security Agreement dated May 31, 1995. The First Amendment to Security Agreement is a secondary document as defined in 49 C.F.R. § 1177. The primary document to which this is connected is a security agreement recorded under Recordation No. 18692 (the "Security Agreement").

The names and addresses of the parties to the Second Amendment to Security Agreement are as follows:

Debtor/Mortgagor:

Gunderson Marine, Inc.
4350 N.W. Front Avenue
Portland, Oregon 97210

Secured Party/Mortgagee:

U. S. Bank National Association, formerly known as
United States National Bank of Oregon, as Agent for Lenders
Oregon Corporate Banking
111 S.W. Fifth Avenue
Portland, Oregon 97204

Included in the property covered by the Second Amendment to Security Agreement are railroad cars intended for use related to interstate commerce, or interests therein,

owned by Gunderson Marine, Inc., at the date of the Security Agreement or thereafter manufactured or acquired by Gunderson Marine, Inc., or its successors as owners of the railroad cars covered by the Security Agreement.

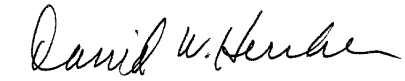
Also enclosed is a check in the amount of $24 payable to the Surface Transportation Board as the recording fee.

Please return a stamped original of the Second Amendment to Security Agreement to the undersigned.

A short summary of the Second Amendment to Security Agreement to appear in the Commission's index is as follows:

> Second Amendment to Security Agreement dated August 1, 1998, amending Security Agreement dated January 31, 1994, between Gunderson Marine, Inc., debtor/mortgagor, and U.S. Bank National Association, formerly known as United States National Bank of Oregon, as agent, secured party/mortgagee, with Recordation No. 18690, and covering all railroad car inventory now owned or hereafter manufactured or acquired by Gunderson Marine, Inc., or its successors.

Very truly yours,



David W. Hercher
Attorney for U.S. Bank National Association

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20423-0001

OFFICE OF THE SECRETARY DATE:8/19/98

David W. Hercher
Miller, Nash, Wiener, Hager &
Carlsen LLP
3500 US Bancorp Tower
111 SW Fifth Avenue
Portland, Oregon 97204-3699

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of 49 U.S.C. 11301 and 49 CFR 1177.3(c), on8/19/98 at 2:59PM ,and assigned recordation number(s).18688-M, 18689-M, 18690-M,18691-M, 18692-M ; and 18693-M.

Sincerely Yours,

Vernon A. Williams

Enclosure(s)
156.00
$----------The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid. In the event of an error or any questions concerning this fee, you will receive a notification after the Surface Transportation Board has an opportunity to examine your document.

Signature----------

SECOND AMENDMENT TO SECURITY AGREEMENT

DATE: August 1, 1998

RECORDATION NO. 18692-M FILED
AUG 19 '98 2-59 pm

BETWEEN: **GUNDERSON MARINE, INC.**, an Oregon corporation
4350 N.W. Front Avenue
Portland, Oregon 97210
Attention: Howard D. Werth ("Debtor")

AND: **U.S. BANK NATIONAL ASSOCIATION**,
a national banking association,
formerly known as United States National Bank of Oregon
Oregon Corporate Banking
111 S.W. Fifth Avenue
Portland, Oregon 97204
Attention: Sally J. Williams ("Secured Party")

RECITALS

A. The parties entered into a Security Agreement (Chattel Mortgage) dated January 31, 1994 (the "Security Agreement"), pursuant to the terms of a loan agreement among Gunderson, Inc., Bank of America Oregon (now known as Bank of America N.T. & S.A., and Secured Party (formerly known as United States National Bank of Oregon) for itself and as agent (the "Loan Agreement").

B. The Security Agreement was filed with the Interstate Commerce Commission on February 7, 1994, and given recordation No. 18692.

C. The parties amended the Security Agreement by first amendment to security agreement dated May 31, 1995.

D. The parties desire to again amend the Security Agreement in connection with an amendment and restatement of the Loan Agreement dated August 1, 1998.

NOW, THEREFORE, the parties hereby agree as follows:

1. The Security Agreement is amended to replace all references to United States National Bank of Oregon with references to U.S. Bank National Association, all references to Bank of America Oregon with references to Bank of America N.T. & S.A, and all references to Gunderson Springfield, Inc., with references to Gunderson Northwest, Inc.

2. Section 1.(b) of the Security Agreement is hereby deleted.

3. Section 2 of the Security Agreement is amended to read in full as follows:

Obligations Secured.

This Agreement is given to secure (a) performance of the covenants and agreements hereinafter made, (b) Debtor's obligations under that certain guaranty dated May 31, 1995 (the "Guaranty"), reaffirmed in connection with that certain Second Amended and Restated Loan Agreement dated August 1, 1998, among Gunderson, Inc. ("Borrower"), the Banks, and Secured Party as agent for the Banks (the "Loan Agreement"), pursuant to which Debtor has guaranteed the obligations of Gunderson, Inc., an Oregon corporation, under the Loan Agreement, as evidenced by promissory notes of even date herewith in the initial maximum principal amount of $40,000,000 (the "Notes") and any and all renewals and extensions thereof whether or not evidenced by new or additional instruments, (c) performance of the covenants and provisions in all other agreements, certificates, guaranties, or other documents executed by Debtor in connection with the Loan Agreement and the Notes, and (d) payment of all advances, costs, expenses and reasonable attorney fees at trial, on appeal, or in any bankruptcy proceeding incurred by Secured Party or the Banks in servicing and enforcing the debts, obligations and liabilities of Debtor and in preserving, handling, protecting, collecting, foreclosing, disposing and otherwise realizing on any and all security therefor.

4. Except as herein modified, the terms and conditions of the Security Agreement are reaffirmed and ratified as though fully set forth herein. Capitalized terms used and not defined herein have the meanings set forth in the Security Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

SECURED PARTY:

U.S. BANK NATIONAL ASSOCIATION

By _____
Sally J. Williams
Vice President

DEBTOR:

GUNDERSON MARINE, INC.

By _____
Howard D. Werth
Vice President

STATE OF OREGON)
) SS
COUNTY OF MULTNOMAH)

This instrument was acknowledged before me on Aug 4, 1998, by Sally J. Williams as vice president of U.S. Bank National Association, a national banking association.

OFFICIAL SEAL
LESLIE REPLIN
NOTARY PUBLIC-OREGON
COMMISSION NO. 062535
MY COMMISSION EXPIRES MAY 9, 2001

Leslie Replin
Notary Public for Oregon
My commission expires: 5-9-01

STATE OF OREGON)
) SS
COUNTY OF MULTNOMAH)

This instrument was acknowledged before me on July 31, 1998, by Howard D. Werth as vice president of Gunderson Marine, Inc.

Carol M. Laurent
Notary Public for Oregon
My commission expires: 10-27-2001

OFFICIAL SEAL
CAROL M. LAURENT
NOTARY PUBLIC-OREGON
COMMISSION NO. 305751
MY COMMISSION EXPIRES OCT. 27, 2001