

## SECURITY AGREEMENT SUPPLEMENT

This Security Agreement Supplement dated as of May 12, 1995 is entered into by and between JAIX Leasing Company, a Delaware corporation (the "Borrower"), and The First National Bank of Chicago, in its capacity as agent (the "Agent") for the lenders from time to time party to the Credit Agreement referred to below.

## PRELIMINARY STATEMENT

The Borrower, the Agent and various financial institutions as lenders have entered into a Credit Agreement dated as of May 12, 1995 (as amended, supplemented or otherwise modified from time to time, the "Credit Agreement"), and the Borrower and the Agent have entered into a Security Agreement and Mortgage dated as of May 12, 1995 (as amended, supplemented or otherwise modified from time to time, the "Security Agreement"). The Borrower is entering into this Security Agreement Supplement pursuant to the Security Agreement in order to induce the lenders from time to time party to the Credit Agreement to enter into and extend credit to the Borrower under the Credit Agreement.

ACCORDINGLY, the Borrower and the Agent, on behalf of the Lenders, hereby agree as follows:

1. This Security Agreement Supplement hereby incorporates by reference all of the terms and conditions of the Security Agreement and, unless the context otherwise requires, all terms used in this Security Agreement Supplement which are defined in the Security Agreement shall have the meanings assigned to them in the Security Agreement.

2. As of the date hereof, pursuant to the terms and conditions of the Security Agreement and in order to secure the prompt and complete payment and performance of the Secured Obligations, the Borrower hereby pledges, assigns and grants to the Agent, on behalf of and for the ratable benefit of the Lenders, a security interest in all of the Borrower's right, title and interest in and to (i) the railroad cars described on the attached Schedule(s) of Equipment and all accessories, equipment, parts and appurtenances appertaining or attached thereto, (ii) the leases described on the attached Schedule(s) of Leases, and (iii) all accounts, contract rights, instruments, documents and chattel paper from time to time arising from or related to such railroad cars and leases, including, without limitation, (1) all amendments and modifications made from time to time to such leases, (2) the right to receive all rent payable in connection with the use of such railroad cars, (3) all claims for damages arising out of the breach of any such lease, (4) the right, if any, to terminate any such lease, to perform thereunder and to compel performance of the terms thereof, and (5) the right to take possession of any of such railroad cars; provided that, to the extent set forth in Section 8.17 of the Security Agreement, the Agent's security interest in the Equipment shall be subject to the rights of the Lessees under the Leases.

3. In order to induce the Lenders to extend credit to the Borrower pursuant to the Credit Agreement, the Borrower hereby represents and warrants to the Agent and the Lenders as follows:

(a) On and as of the date of this Security Agreement Supplement, there exists no Default or event which but for the lapse of time or the giving of notice, or both, would constitute a Default.

(b) The representations and warranties of the Borrower contained in Article III of the Security Agreement and Article V of the Credit Agreement are true and correct in all material respects on and as of the date of this Security Agreement Supplement except to the extent such representations and warranties relate to an earlier date, in which case such representations and warranties were true and correct in all material respects as of such earlier date.

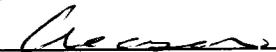
(c) The information concerning the Equipment set forth in the attached Schedule(s) of Equipment is true and correct.

(d) The information concerning the Leases set forth in the attached Schedule(s) of Leases is true and correct.

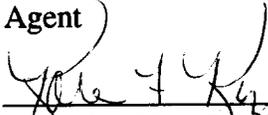
IN WITNESS WHEREOF, the Borrower and the Agent have executed this Security Agreement Supplement as of the date first above written.

JAIX LEASING COMPANY

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

Title:  \_\_\_\_\_

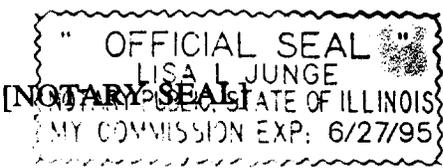
THE FIRST NATIONAL BANK OF CHICAGO,  
as Agent )

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

Senior Vice President

STATE OF ILLINOIS     )  
  : ss.:  
COUNTY OF COOK     )

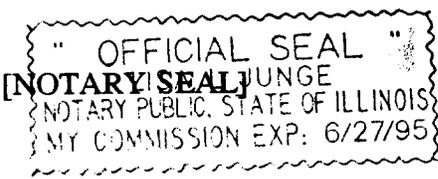
On this 12th day of May, 1995, before me, personally appeared David W. Riesmeyer to me personally known, who being by me duly sworn, says that he/she is a Treasurer of JAIX Leasing Company, a Delaware corporation, that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Lisa L. Junge  
Notary Public

STATE OF ILLINOIS     )  
  : ss.:  
COUNTY OF COOK     )

On this 12th day of May, 1995, before me, personally appeared Karen F. Kizer to me personally known, who being by me duly sworn, says that she is a Senior Vice President of The First National Bank of Chicago, a national banking association, that the foregoing instrument was signed on behalf of said national banking association by authority of its Board of Directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said national banking association.



Lisa L. Junge  
Notary Public

## SCHEDULE OF EQUIPMENT

<u>Type of Railroad Cars</u>	<u>Number of Railroad Cars</u>	<u>Car Marks and Numbers</u>
Aluminum Quad Hopper Cars built by Johnstown America Corporation	85	ECXX 94001 through ECXX 94026 ECXX 94028 through ECXX 94040 ECXX 94042 through ECXX 94052 ECXX 94054 through ECXX 94056 ECXX 94058 through ECXX 94083 ECXX 94085 through ECXX 94090 (all inclusive)
Aluminum BethGon Coalporter Cars built by Johnstown America Corporation	224	CNA 193655 through CNA 193878 (all inclusive)

## SCHEDULE OF LEASES

Railroad Equipment Lease dated as of February 25, 1994 by and between JAIX Leasing Company, a Delaware corporation and successor in interest to Johnstown America Corporation, a Delaware corporation, as lessor, and ECDC Environmental, L.C., a Utah limited liability company, as lessee, together with Rider 1 dated February 25, 1994 to such Railroad Equipment Lease.

Railroad Equipment Lease dated as of January 23, 1995 by and between JAIX Leasing Company, a Delaware corporation and successor in interest to Johnstown America Corporation, a Delaware corporation, as lessor, and Canadian National Railway Company, a Canadian corporation, as lessee, together with Rider 1 dated January 23, 1995 to such Railroad Equipment Lease.