

DONELAN, CLEARY, WOOD & MASER, P.C.

ATTORNEYS AND COUNSELORS AT LAW

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WASHINGTON, D.C. 20005-3934

OFFICE: (202) 371-9500

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November 13, 1995

19701
NOV 14 1995 10:00 AM

Via Hand Delivery

Honorable Vernon A. Williams
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Dear Secretary Williams:

Enclosed for recordation, under the provisions of 49 U.S.C. § 11303(a) and the regulations promulgated thereunder, are executed counterparts of a Memorandum of Security Agreement, dated as of September 28, 1995, from Rail Co. VII Investors, Inc., as debtor ("Debtor") to First Security Bank of Utah, National Association, not in its individual capacity, but solely as Security Trustee ("Secured Party") a primary document not previously recorded.

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

DEBTOR	-	Rail Co. VII Investors, Inc. c/o JH Management Corporation One International Place, Room 608 Boston, Massachusetts 02110
SECURED PARTY	-	First Security Bank of Utah, National Association 79 South Main Street Salt Lake City, Utah 84111

The Debtor and the Secured Party are entering into that certain Security Agreement ("Security Agreement"), dated as of September 28, 1995 and amendments and supplements thereto, pursuant to which Debtor grants Secured Party a security interest in all of its right, title and interest in the 505 new Aluminum Hopper Cars manufactured by Trinity Industries, Inc. with 286,000 lbs. gross rail load capacity and assigned Identification Nos. CGAX 9001-9505 and the 481 5400-CFC Aluminum Grain Cars manufactured by Johnstown America Corporation with 286,000 lbs. gross rail load capacity and assigned Identification Nos. CGAX 9519-9999 (the "Equipment") and in that certain Equipment Security and Leasing Agreement (the "Lease") dated as of September 28, 1995 as it may be amended from time to time and supplements thereto between Rail Co. VII Investors, Inc., as Lessor, and Cargill, Incorporated, as Lessee, a memorandum of which has been recorded with the Commission and assigned Recordation No. 19669 and which covers the Equipment. Debtor and Secured Party wish to show for the public record the security interest in the said Equipment and in the said Security Agreement in favor of the Secured Party, and accordingly have caused this memorandum to be executed and recorded with the Commission.

Enclosed is a remittance in the amount of \$21.00 for the required recording fee.

Counterparts



Interstate Commerce Commission
Washington, D.C. 20423-0001

11/13/95

Office Of The Secretary

John K. Maser III
Donelan, Cleary, Wood & Maser, PC
1100 New York Avenue, NW., Ste. 750
Washington, DC., 20005-3934

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 11/13/95 at 10:35AM, and assigned recordation number(s). 19669-A., 19701 and 19702.

Sincerely yours,

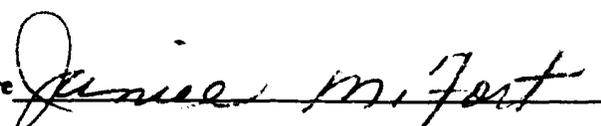

Vernon A. Williams
Secretary

Enclosure(s)

(0100851002)

\$ 63.00 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 and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



19701

1995 AM

**MEMORANDUM OF
SECURITY AGREEMENT**

MEMORANDUM OF SECURITY AGREEMENT dated as of September 28, 1995, from Rail Co. VII Investors, Inc., having an address at c/o JH Management Corporation, One International Place, Room 608, Boston, MA 02110, as debtor (hereinafter referred to as "Debtor") to First Security Bank of Utah, National Association, not in its individual capacity, but solely as Security Trustee, having an address at 79 South Main Street, Salt Lake City, Utah 84111, as Security Trustee and secured party (hereinafter referred to as "Secured Party").

WHEREAS the Debtor and the Secured Party are entering into that certain Security Agreement dated as of the date hereof and amendments and supplements thereto ("Security Agreement"), pursuant to which Debtor grants Secured Party a security interest in all of its right, title and interest in the 505 New Aluminum Hopper Cars manufactured by Trinity Industries, Inc. with 286,000 gross rail load capacity and assigned identification Nos. CGAX 9001-9505 and the 481 5400 - CFC Aluminum Grain Cars manufactured by Johnstown America Corporation with 286,000 gross rail load capacity and assigned identification Nos. CGAX 9519-9999 together with any and all accessions, additions, improvements and replacements from time to time incorporated or installed therein (the "Equipment") and that certain Equipment Security and Leasing Agreement dated as of the date hereof as it may be amended from time to time and supplements thereto (the "Lease"), between Rail Co. VII Investors, Inc. ("Obligee") and Cargill, Incorporated ("Obligor"), a memorandum of which has been recorded with the Interstate Commerce Commission, and which covers the Equipment, and in such other items as are set forth in the granting clauses of the Security Agreement.

IN WITNESS WHEREOF, the parties wish to show for the public record the security interest in the said Equipment and in the said Security Agreement 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.

RAIL CO. VII INVESTORS, INC.,
as Debtor

By: 

Name: JEFFREY R. GRAY

Title: Vice President

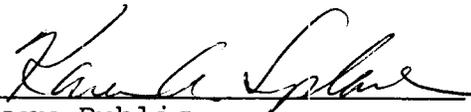
FIRST SECURITY BANK OF UTAH, NATIONAL
ASSOCIATION,
as Secured Party

By: _____
Its Authorized Officer

STATE OF Massachusetts)
) SS:
COUNTY OF Suffolk)

On this 29 day of September 1995, personally appeared before me, Jeffrey R. Gray who being by me duly sworn, did say that (s)he is a Vice President of Rail Co. VII Investors, Inc., a Delaware corporation, that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)



Notary Public

My Commission Expires:

My Commission Expires March 27 1998

STATE OF _____)
) SS:
COUNTY OF _____)

On this ___ day of _____ 1995, personally appeared before me, _____ who being by me duly sworn, did say that (s)he is a _____ of _____, a _____ corporation, that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)

Notary Public
My Commission Expires:

IN WITNESS WHEREOF, the parties wish to show for the public record the security interest in the said Equipment and in the said Security Agreement 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.

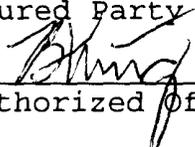
RAIL CO. VII INVESTORS, INC.,
as Debtor

By: _____

Name: _____

Title: _____

FIRST SECURITY BANK OF UTAH, NATIONAL
ASSOCIATION,
as Secured Party

By: 
Its Authorized Officer

STATE OF _____)
)
) SS:
COUNTY OF _____)

On this ___ day of _____ 1995, personally appeared before me, _____ who being by me duly sworn, did say that (s)he is a _____ of _____, a _____ corporation, that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

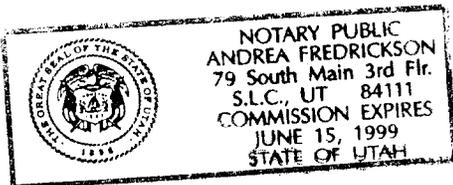
(SEAL)

Notary Public
My Commission Expires:

STATE OF Utah)
)
) SS:
COUNTY OF Salt Lake)

On this 29th day of September 1995, personally appeared before me, Brett R. King who being by me duly sworn, did say that (s)he is a Trust Officer of First Security Bank, a National Banking Association, that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

(SEAL)



Andrea Fredrickson
Notary Public
My Commission Expires:

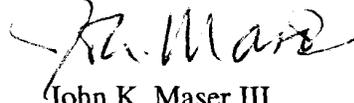
Letter to Secretary Vernon A. Williams
November 13, 1995
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A short summary of the document to appear in the index follows:

“Memorandum of Security Agreement
dated as of September 28, 1995, from Rail Co. VII Investors, Inc.,
as Debtor, to First Security Bank of Utah, National Association,
as Secured Party, covering 505 new Aluminum Hopper Cars
bearing identification marks and car numbers CGAX 9001-9505, inclusive,
and 481 5400-CFC Aluminum Grain Cars bearing
identification marks and car numbers CGAX 9519-9999, inclusive.”

Once the filing has been made, please return to bearer the stamped counterparts not needed for your files, together with the fee receipt, the letter from the ICC acknowledging the filing, and the extra copies of this letter of transmittal.

Very truly yours,



John K. Maser III
*Attorney for purposes of this filing for
Rail Co. VII Investors, Inc. and
First Security Bank of Utah, National
Association*

Enclosure

1200-140