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Colleen A. Bartini
Paralegal

RECORDATION NO. 19817-A FILED

April 21, 1999

APR 27 '99

11-15 AM



Surface Transportation Board
Attn: Recordation of Railroad Equipment
1925 K Street N.W. Suite 704
Washington, DC 20423-0001

Re: Housatonic Railroad Company, Inc./Housatonic Track Company, Inc.

Dear Sir/Madam:

In response to your return of our Amended and Restated Security Agreement, I am enclosing the following:

1. Amended and Restated Security Agreement with attached notary pages dated March 15, 1999; and
2. Our office check in the amount of \$26.00 to cover the filing costs.

The addresses of the parties involved are as follows:

1. Housatonic Railroad Company, Inc.
Mailing Address: Canaan Union Station
P.O. Box 1146
Canaan, CT 06018
2. Housatonic Track Company, Inc.
Mailing Address: Canaan Union Station
P.O. Box 1146
Canaan, CT 06018
3. The Pittsfield Cooperative Bank
70 South Street
Pittsfield, MA 01201

The role of each of the above parties is as follows:

1. Housatonic Railroad Company, Inc. is the Borrower of a loan from The Pittsfield Cooperative Bank;

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2. Housatonic Track Company, Inc. is the Guarantor who is guaranteeing the loan to The Pittsfield Cooperative Bank; and
3. The Pittsfield Cooperative Bank is the lender in this transaction.

The original Security Agreement was filed with your office on December 20, 1995 as Recordation Nos. 19817, ~~and 18082-A~~. *TS*

If you have further questions or need further information, please feel free to contact me.

Very truly yours,

CAIN, HIBBARD, MYERS & COOK, PC



Colleen A. Bartini
Paralegal

/slb

Enc.

AMENDED AND RESTATED
SECURITY AGREEMENT

APR 27 '99

11-15 AM

Amended and Restated Security Agreement dated March 15, 1999 among HOUSATONIC RAILROAD COMPANY, INC. ("Borrower"), HOUSTONIC TRACK COMPANY, INC. ("Guarantor") and THE PITTSFIELD COOPERATIVE BANK ("Bank").

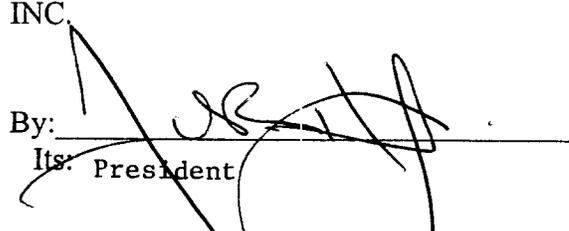
PRELIMINARY STATEMENT

Simultaneously with the execution of this Agreement, Bank is extending additional loans to Borrower. This Agreement amends and restates the Security Agreement dated as of December 15, 1995 among Borrower, Guarantor and Bank (the "Original Agreement").

AGREEMENT

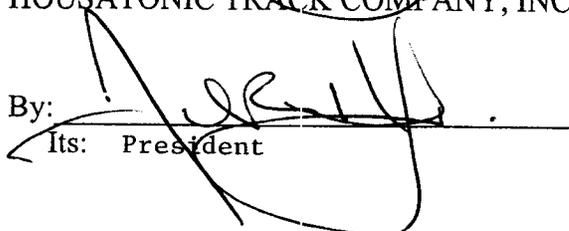
IT IS THEREFOR AGREED AS FOLLOWS:

1. Unless otherwise defined herein, capitalized terms used herein shall have the same meaning as set forth in the Original Agreement.
2. The Secured Indebtedness secured by the Original Agreement shall include, but shall not be limited to, the Revolving/Term Promissory Note from Borrower to Bank in the original principal amount of \$1,000,000 of even date; the Revolving/Term Promissory Note from Borrower to Bank in the original principal amount of \$250,000 of even date; and the guaranty by Guarantor of all obligations of Borrower.
3. The Original Agreement remains in full force and effect and, except as modified hereby, is hereby ratified, remade and confirmed as if fully set forth herein.
4. This Agreement shall be governed by and construed in accordance with the substantive law of the Commonwealth of Massachusetts, without giving effect to the conflicts or choice of law provisions of Massachusetts or any other jurisdiction, and shall have the effect of a sealed instrument.

HOUSATONIC RAILROAD COMPANY,
INC.By: 

Its: President

HOUSATONIC TRACK COMPANY, INC.

By: 

Its: President

THE PITTSFIELD COOPERATIVE BANK

By: *Henry P. [Signature]*
Its: *Vice-President*

STATE OF CONNECTICUT

County of Litchfield, ss: North Canaan March 4, 1999

Then personally appeared the above-named John R. Hanlon, Jr., President of Housatonic Railroad Company, Inc., and Housatonic Track Company, Inc., and acknowledged the foregoing Amended and Restated Security Agreement to be the free act and deed of each corporation, before me.



Notary Public
My Commission Expires:
My Commission Exp. Feb. 26, 2004

COMMONWEALTH OF MASSACHUSETTS

BERKSHIRE, SS

March 15, 1999

Then personally appeared the above-named Henry L. Ervin, Vice President of The Pittsfield Cooperative Bank and acknowledged the foregoing instrument to be its free act and deed, before me,



Notary Public *Steven Smith*
Commission Expiration Date: