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19891

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

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January 17, 1996

New Recordation No.

Dear Mr. Williams:

On behalf of The CIT Group/Equipment Financing, Inc., I submit for filing and recording under 49 U.S.C. § 11301(a) and the regulations applicable thereunder, executed counterparts of a primary document, not previously recorded, entitled Memorandum of Railcar Mortgage and Security Agreement ("Agreement"), dated as of January 17, 1996.

The parties to the enclosed Agreement are:

- The CIT Group/Equipment Financing, Inc. — SECURED PARTY
1211 Avenue of the Americas
New York, New York 10036
- St. Marys Railroad Company — BORROWER
1100 Osborne Street
St. Marys, GA 31558-0520

The said Agreement, among other things, acts to create a security interest in the equipment listed in Schedule A thereto by the Borrower to the Secured Party.

The equipment covered by the instant Agreement is as identified in Schedule A thereto.

A short summary of the Agreement to appear in the ICC Index is as follows:

"Covers 60 flat cars and 908 box cars, SM numbers, as listed in Schedule A."

Enclosed is a check in the amount of twenty-one dollars (\$21.00) in payment of the filing fee.

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the letter/fee receipt from the ICC acknowledging the filing, and the two extra copies of this letter of transmittal.

Counterparts - 9/17/96



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

1/17/96

Office Of The Secretary

Allen H. Harrison, Jr.
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 1/17/96 at 3:05PM, and assigned recordation number(s) 19891.

Sincerely yours,

Vernon A. Williams
Secretary

Enclosure(s)
(0100923020)

\$ 21.00 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

MEMORANDUM OF RAILCAR MORTGAGE AND SECURITY AGREEMENT

MEMORANDUM OF RAILCAR MORTGAGE AND SECURITY AGREEMENT, dated as of this 17th day of January, 1996 is made by The CIT Group/Equipment Financing, Inc., a New York corporation, with an address at 1211 Avenue of the Americas, New York, New York 10036 (the "Secured Party"), and ST. MARYS RAILROAD COMPANY, a Georgia corporation, with an address at 1100 Osborne Street, St. Marys, GA 31558-0520 (the "Borrower") (hereinafter together referred to as "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Secured Party and the Debtor entered into that certain Railcar Mortgage and Security Agreement ("Railcar Mortgage") dated as of December 15, 1995 relating to security for Borrower's obligations under the Loan Agreement (as defined therein), such security including but not limited to 908 used box cars and 60 used bulkhead flat cars identified on Schedule A hereto, and proceeds of the foregoing (such security collectively referred to herein as the "Collateral");

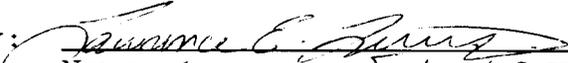
WHEREAS, the Parties wish to show for the public record the existence of the aforesaid Railcar Mortgage, and the respective interests therein of the Parties, including, but not limited to, the security interest in the Collateral of the Secured Party, and accordingly the Parties have caused this memorandum to be executed by their respective duly authorized officers, as of the date first above written.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Borrower hereby grants a security interest in the Collateral to the Secured Party in accordance with the terms and conditions of the Railcar Mortgage, and the Secured Party confirms and accepts such terms and conditions, which are incorporated by reference as if fully set forth herein.

This memorandum may be executed in two or more counterparts, each of which shall constitute an original, but all of which, when taken together, shall constitute but one instrument.

IN WITNESS WHEREOF, the Parties have caused this Memorandum of Railcar Mortgage and Security Agreement to be executed by their duly authorized officers as of the date herein first set forth above.

THE CIT GROUP/EQUIPMENT FINANCING, INC.,
Secured Party

By: 
Name: LAWRENCE E. LITTLEFIELD
Title: Vice President

ST. MARYS RAILROAD COMPANY,
Borrower

By: 
Name: J.P. Faella
Title: Treasurer

SCHEDULE A

DESCRIPTION OF EQUIPMENT

908 70-ton 50-foot box cars owned by St. Marys Railroad Company and mortgaged to The CIT Group/Equipment Financing, Inc.:

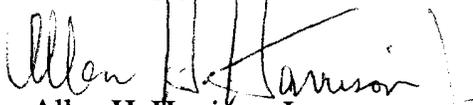
| <u>Quantity</u> | <u>AAR Car Type Code</u> | <u>Identifying Marks</u> |
|-----------------|--------------------------|---|
| 147 | XP | SM2001-2010; SM2011,2012, SM2014-2022, SM2024,2025, SM2027-2047, SM2049-2101, SM2103-2142, SM2144-2155 |
| 284 | XP | SM3001-3023, SM3025-3036, SM3037-3085, SM3087-3104, SM3106-3148, SM3150-3165, SM3167-3176, SM3178,3180-3200, SM3202-3217, SM3219-3229, SM3231-3237, SM3239-3259, SM3261,3263-3273, SM3275-3297, SM3299,3300 |
| 93 | XP | SM3301-3314, SM3316-3332, SM3335-3364, SM3367,3369-3378, SM3380-3400 |
| 97 | XP | SM3401-3418, SM3420-3434, SM3436-3466, SM3468-3500 |
| 94 | XP | SM4001-4030, SM4032-4035, SM4038-4053, |

| | | |
|----|----|---|
| | | SM4055-4070, SM4072-4091, SM4093-4100 |
| 9 | XP | SM4101-4105, SM4107-4110 |
| 86 | XM | SM4111,4112, SM4114-4137, SM4139,4140, SM4142-4160, SM4162-4200 |
| 98 | XP | SM4201-4231, SM4233-4276, SM4278-4300 |

60 100-ton 68-foot bulkhead flat cars owned by St. Marys Railroad Company and mortgaged to The CIT Group/Equipment Financing, Inc.:

| <u>Quantity</u> | <u>AAR Car Type Code</u> | <u>Identifying Marks</u> |
|-----------------|------------------------------|------------------------------|
| 60 | FB | SM6001-6060 |

Very truly yours,



Allen H. Harrison, Jr.
Attorney for The CIT Group/
Equipment Financing, Inc., for
the purpose of this filing.

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

Enclosures

BY HAND

8360-020