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ATTORNEYS AT LAW

2110 PEACHTREE CENTER INTERNATIONAL TOWER

229 PEACHTREE STREET, N.E.

ATLANTA, GEORGIA 30309

RECORDATION NO. 10534-0 FILED

WRITER'S DIRECT DIAL NUMBER

(404) 614-8105

December 15, 1997

DEC 17 '97

12-11 PM

TELEPHONE
404 521-2323

TELECOPIERS
404 658-9865
404 522-0666

DEC 17 12 11 PM '97

RECEIVED
SURFACE TRANSPORTATION
BOARD

VIA UPS

Secretary

Room 2311, 12th Street & Constitution Avenue, N.W.

Washington, D.C. 20423

Attn: Recordation Unit

Re: Locomotive Leasing Associates, LLC

Dear Secretary:

Enclosed for recordation are three executed counterparts of a secondary document, not previously recorded, entitled Memorandum of Security Agreement dated as of November 26, 1997, together with a check for \$24 to the Service Transportation Board.

The enclosed document relates to the Lease of Railroad Equipment which was previously recorded under Recordation No. 10534.

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

Debtor / Assignor: Locomotive Leasing Associates, LLC
c/o Railcar, Ltd., Manager
1819 Peachtree Road, N.E., Suite 455
Atlanta, Georgia 30309
Attn: Mr. Eugene N. Martini

Secured Party / Assignee: Railcar, Ltd.
1819 Peachtree Road, N.E., Suite 455
Atlanta, Georgia 30309
Attn: Mr. Eugene N. Martini

The equipment covered by the enclosed document is thirty-four (34) six-axle, 3000 horsepower General Electric C30-7 locomotives bearing reporting marks and road numbers BN5013 - BN5046 (inclusive).

Once the document has been recorded, please return to me (at the address on the letterhead above) two stamped copies of the document.

Very truly yours,

William M. Ellard
William M. Ellard

WME/lf
Enclosures

MEMORANDUM OF SECURITY AGREEMENT

1. Locomotive Leasing Associates, LLC, a Georgia corporation ("LLA"), has granted to Railcar, Ltd., a Georgia corporation ("LTD"), a security interest in 34 six-axle, 3000 horsepower General Electric C30-7 locomotives bearing reporting marks BN5013 - BN5046 (inclusive), together with all present and future leases, attachments, accessories, replacement parts, repairs, and additions, and all proceeds thereof.

2. The addresses of the parties are as follows:

Locomotive Leasing Associates, LLC (Debtor / Assignor)
c/o Railcar, Ltd., Manager
1819 Peachtree Road, N.E., Suite 455
Atlanta, Georgia 30309
Attn: Mr. Eugene N. Martini

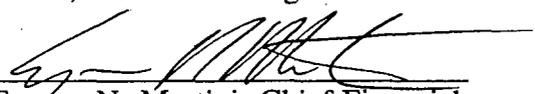
Railcar, Ltd. (Secured Party / Assignee)
1819 Peachtree Road, N.E., Suite 455
Atlanta, Georgia 30309
Attn: Mr. Eugene N. Martini

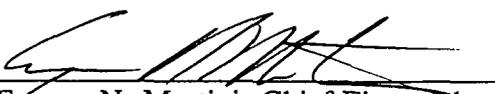
3. The terms and conditions of the security interest are more particularly set forth in a Note and Security Agreement dated November 26, 1997, between LLA and LTD.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed as of November 26, 1997.

LOCOMOTIVE LEASING ASSOCIATES, LLC
By RAILCAR, LTD. as Manager

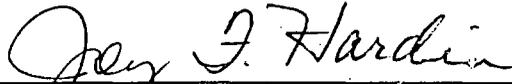
RAILCAR, LTD.

By: 
Eugene N. Martini, Chief Financial Officer

By: 
Eugene N. Martini, Chief Financial Officer

STATE OF GEORGIA
COUNTY OF FULTON

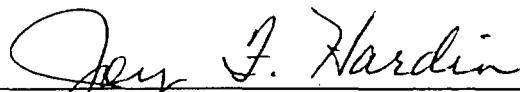
On November 26, 1997, before me personally appeared Eugene N. Martini, to me personally known, who being by me duly sworn says that he is Chief Financial Officer of Railcar, Ltd., which is the Manager of Locomotive Leasing Associates, LLC, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Notary Public
My commission expires: **Notary Public, Coweta County, Georgia**
My Commission Expires March 30, 1999
[NOTARIAL SEAL]

STATE OF GEORGIA
COUNTY OF FULTON

On November 26, 1997, before me personally appeared Eugene N. Martini, to me personally known, who being by me duly sworn says that he is Chief Financial Officer of Railcar, Ltd., and that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Notary Public
My commission expires: **Notary Public, Coweta County, Georgia**
My Commission Expires March 30, 1999
[NOTARIAL SEAL]