

FEB 8 '99

2-25 PM

LAW OFFICES

ROSS & HARDIES

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

150 NORTH MICHIGAN AVENUE

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WRITER'S DIRECT LINE: (312) 750-8935

WRITER'S DIRECT FAX: (312) 920-7236

WRITER'S EMAIL: joseph.mcquade@rosshardies.com

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732-563-2700888 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20006-4103
202-296-8600

February 5, 1999

VIA OVERNIGHT COURIER

Mr. Vernon A. Williams

Secretary

Office of the Secretary

The Surface Transportation Board

1925 K Street, N.W.

Washington, D.C. 20423

Attention: Janice Fort, Room 704

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two original executed copies and two photostatic copies of the Release, dated as of February 1, 1999 (the "Release") executed by First Security Bank, N.A. ("First Security"), not in its individual capacity but solely as successor Owner-Trustee, which Release is a secondary document as defined in the Commission's Rules for the Recordation of Documents. The Release relates to that certain Conditional Sale Agreement, dated as of May 1, 1978 (the "CSA") between Portec, Inc. (Paragon Division) ("Portec"), as builder, and First Security, as purchaser. The CSA was duly recorded and filed with the Interstate Commerce Commission (the "ICC") pursuant to 49 U.S.C. Section 11303 on June 30, 1978 and assigned Recordation Number 9498, and is a primary document as defined in the Commission's Rules for the Recordation of Documents.

The names and address of the party to the enclosed Release is:

First Security: First Security Bank, N.A.
79 South Main Street
Third Floor
Salt Lake City, Utah 84111

A description of the railroad equipment covered by the enclosed document is set forth in the Release.

Mr. Vernon A. Williams
February 5, 1999
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Also enclosed is a check in the amount of \$26.00 payable to the order of The Surface Transportation Board covering the required recordation fee.

Kindly return one stamped original copy, the two stamped photostatic copies of the enclosed document and the stamped photostatic copy of this letter to Joseph A. McQuade at Ross & Hardies, 150 North Michigan Avenue, Suite 2500, Chicago, Illinois 60601.

Following is a short summary of the enclosed document:

Document to be Recorded

Release dated as of February 1, 1999, executed by First Security Bank, N.A. ("First Security"), not in its individual capacity but solely as successor Owner-Trustee, covering 229 Bi-Level and Tri-Level Autoracks and 229 Bi-Level and Tri-Level Flatcars built by Portec, Inc. (Paragon Division) ("Portec") relating to the Conditional Sale Agreement, dated as of May 1, 1978 (the "CSA"), between Portec and First Security.

Document to Which it Relates

Conditional Sale Agreement, dated as of May 1, 1978, between Portec and First Security, which was duly recorded and filed with the ICC pursuant to 49 U.S.C. Section 11303 on June 30, 1978 and assigned Recordation Number 9498.

Very truly yours,



Joseph A. McQuade

JAM/vgc
w/encl.

cc: Robert W. Kleinman
Susan G. Lichtenfeld

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20423-0001

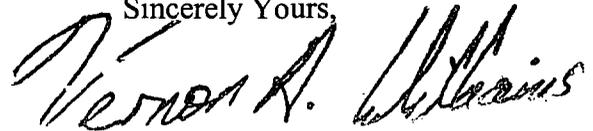
OFFICE OF THE SECRETARY

Joseph A. McQuade
Ross & Hardies
150 North Michigan Avenue
Chicago, Illinois 60601-7567

Dear Sir/ Madam:

The enclosed documents (s) was recorded pursuant to the provisions of 49 U.S.C.
11301 and CFR 1177.3 (c), on 2/8/99 at 2:25 PM ✓, and
assigned recordation numbers (s): 9402-N, 9402-O, 9498- V and 9498-W.

Sincerely Yours,

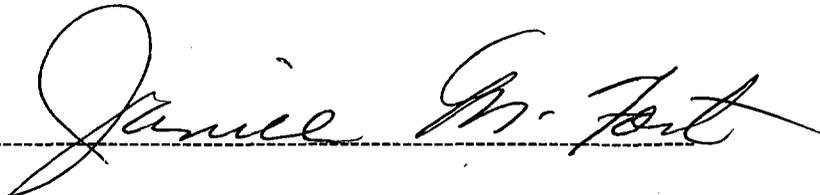


Vernon A. Williams

Enclosure(s)
104.00

\$_____ 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. In the event of an error or any questions concerning this fee, you will receive a notification after the Surface Transportation Board has an opportunity to examine your document.

Signature-----



RECORDATION NO. 9498 - ✓ FILED

FEB 8 '99 2-25 PM FLATS/RACKS

RELEASE dated as of February 1, 1999

WHEREAS, Portec, Inc. (Paragon Division), as builder (the "Builder"), and First Security State Bank, not in its individual capacity but solely as Owner-Trustee for Merrill Lynch Leasing Inc. ("Owner-Trustee"), entered into a Conditional Sale Agreement dated as of May 1, 1978 (the "CSA") whereby the Owner-Trustee purchased (i) the autoracks described in Schedule A hereto (the "Autoracks") and (ii) the flatcars described in Schedule B hereto (the "Flatcars"; the Flatcars and the Autoracks being collectively referred to as the "Equipment");

WHEREAS, the CSA was duly recorded and filed with the Interstate Commerce Commission ("ICC") pursuant to 49 U.S.C. §11303 on June 30, 1978 under recordation number 9498;

WHEREAS, the Builder and First Security Bank of Utah, N.A., not in its individual capacity but solely as Agent (the "Agent") under a Participation Agreement dated as of May 1, 1978, entered into an Agreement and Assignment dated as of May 1, 1978 (the "Agreement and Assignment");

WHEREAS, the Agreement and Assignment was duly recorded and filed with the ICC pursuant to 49 U.S.C. §11303 on June 30, 1978 under recordation number 9498-A;

WHEREAS, the Owner-Trustee and Great American Management Services, Inc. ("GAMS") entered into a Lease of Railroad Equipment dated as of May 1, 1978 (the "Flatcar Lease") under which GAMS is leasing the Flatcars;

WHEREAS, the Flatcar Lease was duly recorded and filed with the ICC pursuant to 49 U.S.C. §11303 on June 30, 1978 under recordation number 9498-C;

WHEREAS, GAMS, as sublessor, and Grand Trunk Western Railroad Company ("GTWR"), as sublessee, entered into the Sublease of Railroad Equipment (the "Flatcar Sublease") dated as of May 1, 1978, covering the Flatcars;

WHEREAS, the Flatcar Sublease was duly recorded and filed with the ICC pursuant to 49 U.S.C. §11303 on April 3, 1981 under recordation number 9498-L;

WHEREAS, the Flatcar Sublease was amended by Amendment No. 1 to Sublease of Railroad Equipment ("Sublease Amendment No. 1") dated as of May 1, 1978 between GAMS and GTWR;

WHEREAS, Sublease Amendment No. 1 was duly recorded and filed with the ICC pursuant to 49 U.S.C. §11303 on April 3, 1981 and assigned recordation number 9498-M;

WHEREAS, GAMS assigned all of its rights in, to and under the Flatcar Sublease to the Owner-Trustee pursuant to an Assignment of Sublease and Agreement dated as of May 1, 1978 (the "Sublease Assignment");

WHEREAS, the Sublease Assignment was duly recorded and filed with the ICC pursuant to 49 U.S.C. §11303 on April 3, 1981 under recordation number 9498-N;

WHEREAS, the Owner-Trustee, as lessor, and GTWR, as lessee, entered into a Lease of Railroad Equipment dated as of May 1, 1978 (the "Autorack Lease") under which GTWR is leasing the Autoracks;

WHEREAS, the Autorack Lease was duly recorded and filed with ICC pursuant to 49 U.S.C. §11303 on April 3, 1981 under recordation number 9498-Q;

WHEREAS, the Autorack Lease was amended by Amendment No. 1 ("Amendment No. 1") dated as of May 1, 1978 between GTWR and the Owner-Trustee and by Lease Agreement Amendment No. 2 ("Amendment No. 2") dated as of November 1, 1995 between Grand Trunk Western Railroad Incorporated (successor to GTWR and hereinafter referred to as "Grand Trunk") and Citicorp Railmark, Inc. (as successor in interest to Merrill Lynch Leasing, Inc. and hereinafter referred to as "CitiRail");

WHEREAS, Amendment No. 1 was duly recorded and filed with the ICC pursuant to 49 U.S.C. §11303 on April 3, 1981 under recordation number 9498-R;

WHEREAS, Amendment No. 2 was duly recorded and filed with the Surface Transportation Board (successor to the ICC, and hereinafter referred to as the STB") pursuant to 49 U.S.C. §11301 on January 30, 1996 under recordation number 9498-U;

WHEREAS, the Owner-Trustee and the Agent entered into an Assignment of Leases, Reassignment of Sublease, Assignment of Surety Bonds and Agreement dated as of May 1, 1978 (the "Assignments") whereby the Owner-Trustee assigned certain of its rights under the leases and agreements referred to in the Assignments to the Agent as collateral security for the performance of its obligations under the CSA;

WHEREAS, the Assignments was duly recorded and filed with the ICC pursuant to 49 U.S.C. §11303 on April 3, 1978 under recordation number 9498-O;

WHEREAS, the Trust Agreement dated as of May 1, 1978 between the Owner-Trustee and Merrill Lynch Leasing Inc. (the "Trust Agreement") relating to the leverage lease financing of the Autoracks was terminated pursuant to a letter agreement dated October 30, 1995, which was executed by First Security Bank of Idaho, N.A. (as successor to First Security State Bank and hereinafter referred to as the "Bank"), and the Assignment of Lease dated as of November 1, 1995 (the "Assignment of Lease") between the Bank and CitiRail;

WHEREAS, the Assignment of Lease was filed with the ICC pursuant to 49 U.S.C. §11303 on January 21, 1996 under recordation number 9498-T; and

WHEREAS, the Owner-Trustee has heretofore fully discharged and satisfied all of its obligations under the CSA, including without limitation the payment of all amounts of principal and interest contemplated therein;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Agent hereby (a) releases its security interest, granted pursuant to the CSA, in the Equipment, and (b) acknowledges and agrees that the Assignments have been terminated and all rights, assigned pursuant thereto, revert to the assigning party.

IN WITNESS THEREOF, the Agent has caused these presents to be executed in its name by its officer thereunto duly authorized as of February 1, 1999.

FIRST SECURITY BANK, N.A.,
as Agent (previously known as First Security
Bank of Utah, N.A.)

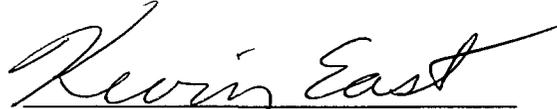
By: 
Its: _____
Trust Officer

GTW File References: CA 4587 Autorack Lease
CA 4589 Flatcar Lease
Flatcar Sublease

STATE OF UTAH)
)
COUNTY OF SALT LAKE)

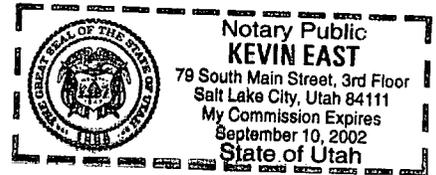
SS: *In the matter of a Release.*

On this _____ day of January 1999 before me personally appeared Janeen R. Higgs, to me personally known, who, being by me duly sworn, say that he/she is Trust Officer of First Security Bank, N.A., that said instrument was signed on behalf of said national association by authority of its Board of Directors, and he/she acknowledged that the execution of said instrument was the free act and deed of said national association.


Notary Public

My Commission expires: _____

[Notarial Seal]



Schedule A to Release

AUTORACKS

147 Bi-Level Autoracks built by Portec, Inc. (Paragon Division) in Winder, GA attached to flatcars bearing the following marks and numbers:

GTW 504125 to 504166, inclusive
GTW 504225 to 504329, inclusive

82 Tri-Level Autoracks built by Portec, Inc. (Paragon Division) in Winder, GA attached to flatcars bearing the following marks and numbers:

GTW 310120 to 310156, inclusive
GTW 310157 to 310201, inclusive

229 Bi-Level and Tri-Level Autoracks

Notes:

- 1) All Bi-Level Autoracks were destroyed and/or removed from the flatcars (and scrapped) on or before the expiration of the base term of the Autorack Lease;
- 2) The Tri-Level Autoracks on flatcars GTW 310143, GTW 310184 and GTW 310186 were destroyed and/or removed from the flatcars (and scrapped) on or before the expiration of the base term of the Autorack Lease; and
- 3) The equipment schedule to the Autorack Lease lists a Bi-Level autorack on GTW 504154. This autorack was not subject to such Lease.

Schedule B to Release

FLATCARS

147 Flatcars built by Portec, Inc. (Paragon Division in Winder, GA bearing the following marks and numbers:

GTW 504125 to 504166, inclusive
GTW 504225 to 504329, inclusive

82 Flatcars built by Portec, Inc. (Paragon Division) in Winder, GA bearing the following marks and numbers:

GTW 310120 to 310156, inclusive
GTW 310157 to 310201, inclusive

229 Bi-Level and Tri-Level Flatcars

Notes:

- 1) The flatcar marked GTW 504137 was destroyed on or before the expiration of the base term of the Flatcar Lease and Flatcar Sublease;
- 2) The 3 flatcars marked GTW 310143, GTW 310184 and GTW 310186 were destroyed on or before the expiration of the base term of the Flatcar Lease and Flatcar Sublease; and
- 3) The equipment schedules to the Flatcar Lease and the Flatcar Sublease list a flatcar marked GTW 504154. This flatcar was not subject to such Leases.