

RECORDATION *20146* FILED *D*

AUG 16 '99

1-45PM

ALVORD AND ALVORD
ATTORNEYS AT LAW
918 SIXTEENTH STREET, N W
SUITE 200
WASHINGTON, D C
20006-2973

(202) 393-2266
FAX (202) 393-2156

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

Sam Bartman

August 16, 1999

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

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Memorandum of Grant of Security Interest in Lessee's Rights under Equipment Lease and Assignment of such Security Interest, dated August 12, 1999, a secondary document, as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Railroad Equipment Lease which was previously filed with the Board under Recordation Number 20146.

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

Debtor: Bangor & Aroostook Railroad Company
Northern Maine Junction Park
RR2 Box 45
Bangor, ME 04401-9602

Secured Party: Allfirst Financial Center
25 S. Charles Street
Baltimore, MD 21201

Debtor: Allfirst Financial Center
25 S. Charles Street
Baltimore, MD 21201

Mr. Vernon Williams
August 16, 1999
Page Two

Secured Party: Bank Austria Creditanstalt
Corporate Finance, Inc
2 Greenwich Plaza
Greenwich, CT 06830

Debtor: Allfirst Financial Center
25 S Charles Street
Baltimore, MD 21201

Secured Party: Bank Austria Creditanstalt
SBIC, Inc
2 Greenwich Plaza
Greenwich, CT 06830

A description of the railroad equipment covered by the enclosed document is set forth in the Memorandum of Railroad Equipment Lease previously filed herein.

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 two stamped copies of the enclosed document to the undersigned

Very truly yours,

Kim L. Bartman
for Robert W Alvord

RWA/bg
Enclosures

**MEMORANDUM OF GRANT OF SECURITY INTEREST
IN LESSEE'S RIGHTS UNDER EQUIPMENT LEASE AND
ASSIGNMENT OF SUCH SECURITY INTEREST**

AUG 14 '99

This Memorandum of Grant of Security Interest in Lessee's Rights Under Equipment Lease and Assignment of such Security Interest is made and entered into this 12-day of August, 1999 by (i) Bangor & Aroostook Railroad Company, a Maine corporation ("BAR"), (ii) Allfirst Financial Center, National Association, as trustee under a Trust Agreement dated August 12, 1999 for the benefit of Progress Rail Services Corporation ("AFC"), (iii) Bank Austria Creditanstalt Corporate Finance, Inc. ("BACCF") and (iv) Bank Austria Creditanstalt SBIC, Inc. ("SBIC").

BAR is lessee and has a leasehold interest in certain rolling stock equipment under a lease with Radnor Rail, Ltd. as Lessor dated June 4, 1996 and titled Railroad Car Lease Agreement ("Equipment Lease). The Equipment Lease, or a memorandum of the Equipment Lease, setting forth a description of the rolling stock equipment subject thereto was filed with the Surface Transportation Board on June 2, 1996 under Recordation No. 20146.

Pursuant to an IRR Security Agreement dated as of August 12, 1999 among, *inter alia*, BAR as debtor ("BAR") and AFC as secured party, BAR granted to AFC a security interest in substantially all its property including "any interest, if any, in, and, subject to the landlord's rights, under any and all leases, subleases,...and...leasehold interests...relating to equipment".

Pursuant to a Security Agreement dated as of August 12, 1999 between AFC as debtor and BACCF as secured party, AFC assigned to BACCF as collateral all of the security interests granted to it under the IRR Security Agreement referenced above.

Pursuant to an SBIC Security Agreement dated as of August 12, 1999 between AFC as debtor and SBIC as secured party, AFC assigned to SBIC as collateral all of the security interests granted to it under the IRR Security Agreement referenced above.

This Memorandum shall be filed with the Surface Transportation Board under the Recordation No. referenced above to perfect, and give notice of, the grant of security interest and the collateral assignments of such security interest described above.

In Witness Whereof, BAR, AFC, BACCF and SBIC have caused this Memorandum to be executed as of the date first above written.

Bangor & Aroostook Railroad Company

By Robert T. Schmidt

Allfirst Financial Center, National Association, as Trustee

By Robert D. Brown

Bank Austria Creditanstalt Corporate Finance, Inc.

By Arthur W. Seidel, VP

By Joyce D. Sussina, VP

Bank Austria Creditanstalt SBIC, Inc.

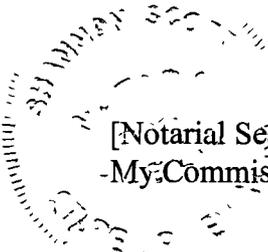
By Arthur W. Seidel, VP

By Joyce D. Sussina, VP

State of New York)
)
County of New York) ss.

On the 12th day of August, 1999 before me personally came Robert T. Schmidt
to me known, who being by me duly sworn, did depose and say that he resides in
Virginia; that he is the President + CEO of
Bangor & Aroostook Railroad Company, the corporation described in and which executed the
above instrument; and that he signed his name thereto by authority of the board of directors of
said corporation.

Shannon Scott
Notary Public



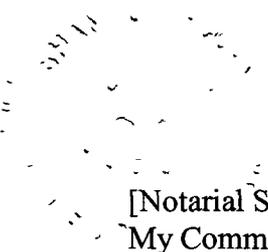
[Notarial Seal]
My Commission Expires:

SHANNON SCOTT
Notary Public, State of New York
No. 01SC6014776
Qualified in Nassau County
Commission Expires Oct. 19, 2000

State of New York)
)
County of New York) ss.

On the 12th day of August, 1999 before me personally came Robert D. Brown
to me known, who being by me duly sworn, did depose and say that he resides in
Maryland; that he is the Assistant Vice President of
Allfirst Financial Center, National Association, the association described in and which executed
the above instrument; and that he signed his name thereto by authority of the board of directors
of said association.

Shannon Scott
Notary Public



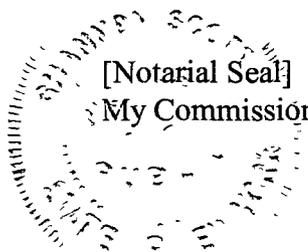
[Notarial Seal]
My Commission Expires:

SHANNON SCOTT
Notary Public, State of New York
No. 01SC6014776
Qualified in Nassau County
Commission Expires Oct. 19, 2000

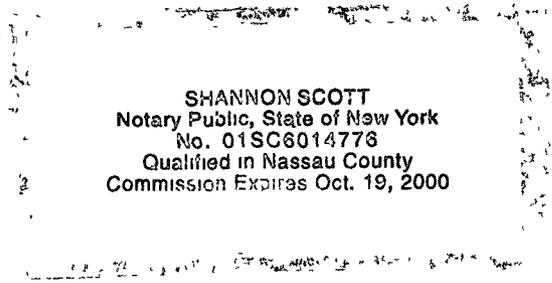
State of New York)
)
County of New York) ss.

On the 17th day of August, 1999 before me personally came Arthur B. Seidel to me known, who being by me duly sworn, did depose and say that he resides in New York; that he is the Vice President of Bank Austria Creditanstalt Corporate Finance, Inc., the corporation described in and which executed the above instrument; and that he signed his name thereto by authority of the board of directors of said corporation.

Shannon Scott
Notary Public



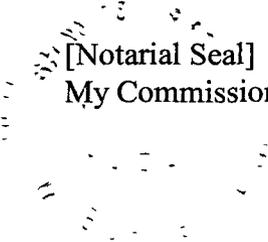
[Notarial Seal]
My Commission Expires:



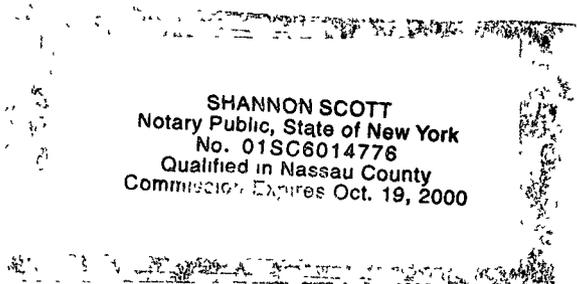
State of New York)
)
County of New York) ss.

On the 15th day of August, 1999 before me personally came Lynn^{MS} Sussina to me known, who being by me duly sworn, did depose and say that he resides in ~~Vice President Connecticut~~; that she is the Vice President of Bank Austria Creditanstalt Corporate Finance, Inc., the corporation described in and which executed the above instrument; and that he signed his name thereto by authority of the board of directors of said corporation.

Shannon Scott
Notary Public



[Notarial Seal]
My Commission Expires:



State of New York)
)
) SS.
County of New York)

On the 10th day of August, 1999 before me personally came Arthur W. Seidel to me known, who being by me duly sworn, did depose and say that he resides in New York; that he is the vice President of Bank Austria Creditanstalt SBIC, Inc., the corporation described in and which executed the above instrument; and that he signed his name thereto by authority of the board of directors of said corporation.

Shannon Scott
Notary Public

[Notarial Seal]
My Commission Expires:

SHANNON SCOTT
Notary Public, State of New York
No. 01SC6014776
Qualified in Nassau County
Commission Expires Oct. 19, 2000

State of New York)
)
) SS.
County of New York)

On the 10th day of August, 1999 before me personally came Lynn M. Sussina to me known, who being by me duly sworn, did depose and say that he resides in Connecticut; that he is the Vice President of Bank Austria Creditanstalt SBIC, Inc., the corporation described in and which executed the above instrument; and that he signed his name thereto by authority of the board of directors of said corporation.

Shannon Scott
Notary Public

[Notarial Seal]
My Commission Expires:

SHANNON SCOTT
Notary Public, State of New York
No. 01SC6014776
Qualified in Nassau County
Commission Expires Oct. 19, 2000