

NOV 1 '99 11-40 AM

VEDDER PRICE

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A PARTNERSHIP INCLUDING VEDDER, PRICE, KAUFMAN & KAMMHOLZ, PC
WITH OFFICES IN CHICAGO AND NEW YORK CITY

October 18, 1999

BY FEDERAL EXPRESS

Surface Transportation Board
1925 K Street, NW
Suite 714
Washington, DC 20006

Attention: Ms. Taleda Stokes

Re: Rail Logistics Services, Inc.

Dear Taleda:



Enclosed for recording with the Board pursuant to Section 11301 of Title 49 of the U.S. Code, with the other documents under Recordation No. 20174, are original, fully executed and notarized documents in connection with a primary document (the "Original Security Agreement") originally dated as of June 26, 1996 between Rail Logistics Services, Inc., as the debtor (the "Debtor"), and LaSalle Bank National Association, formerly known as LaSalle National Bank, as the secured party (the "Secured Party"), as described below:

(i) a Sixth Amendment to Security Agreement dated as of October 15, 1999 ("Sixth Amendment"), which amends Schedule A to the Original Security Agreement to delete therefrom a certain locomotive known as Model GP-10 Road Number NYA 202 (formerly known as OHCR 7595).

The names and addresses of the parties to the Amendments are as follows: the Debtor is Rail Logistics Services, Inc., a Delaware corporation whose principal place of business is located at 53 West Jackson Boulevard, Suite 335, Chicago, Illinois 60604; the Secured Party is LaSalle Bank National Association, formerly known as LaSalle National Bank, whose principal place of business is located at 135 South LaSalle Street, Chicago, Illinois 60603.

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A short summary for the document to appear in the index is as follows:

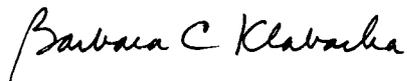
A Sixth Amendment to Security Agreement, dated as of October 15, 1999, between Rail Logistics Services, Inc., as the debtor, and LaSalle Bank National Association, formerly known as LaSalle National Bank, as the secured party, partially releasing Secured Party's security interest and lien with respect to a certain locomotive known as NYA 202.

Also enclosed is a check in the amount of \$26.00 payable to the Surface Transportation Board to cover the recording fee prescribed by the Board in its rules and regulations.

Please acknowledge receipt of the enclosed documents by stamping and returning to me the enclosed copy of this letter together with the Sixth Amendment to Security Agreement, as filed.

If you have any questions with respect to the enclosed documents, please call me collect.

Very truly yours,



Barbara C. Klabacha

BCK

Enclosure

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SIXTH AMENDMENT TO SECURITY AGREEMENT

This SIXTH AMENDMENT TO SECURITY AGREEMENT ("Sixth Amendment"), dated as of October 15, 1999, between RAIL LOGISTICS SERVICES, INC., a Delaware corporation having its principal place of business at 53 West Jackson Boulevard, Chicago, Illinois 60604, ("Borrower") and LASALLE BANK NATIONAL ASSOCIATION, a national banking association with its principal place of business at 135 South LaSalle Street, Chicago, Illinois 60603 ("Bank").

WHEREAS, the predecessor-in-interest to Borrower, Rail Logistics Services, Inc., a California corporation ("RLS-Cal") and Bank entered into a certain Security Agreement dated June 26, 1996 as amended by: (i) a certain First Amendment to Security Agreement dated as of March 12, 1997 by and between RSL-Cal and Bank; (ii) a certain Second Amendment to Security Agreement dated June 30, 1998 by and between RSL-Cal and Bank; (iii) a certain Third Amendment to Security Agreement dated November 6, 1998 by and between RLS-Cal and Bank (said Security Agreement, as amended, the "Original Security Agreement");

WHEREAS, RLS-Cal was merged into Borrower and, in connection with that certain Fourth Amendment to Security Agreement dated as of February 16, 1999, Borrower assumed all of RLS-Cal's obligations, duties and liabilities under the Original Security Agreement (the "Assumed Security Agreement")

WHEREAS, the Assumed Security Agreement was amended by a certain Fifth Amendment to Security Agreement dated as of June 10, 1999 (as theretofore, hereby and hereafter amended from time to time, the "Security Agreement"); and

WHEREAS, Borrower and Bank desire to amend certain provisions of the Security Agreement.

NOW THEREFORE, the parties agree as follows:

1. **Definitions.** Capitalized terms used herein without definitions shall have the meanings contained in the Security Agreement.

2. **Released Collateral.** Upon receipt of cash in the amount of \$44,371 from Borrower, Bank agrees to delete the following from Schedule A to the Security Agreement:

Model GP-10 Road Number NY 202 (formerly known as OHCR 7595).

3. **Continuing Effect.** Except as otherwise explicitly provided for herein, the terms and provisions of the Security Agreement remain in full force and effect.

4. Counterparts. This Sixth Amendment to Security Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

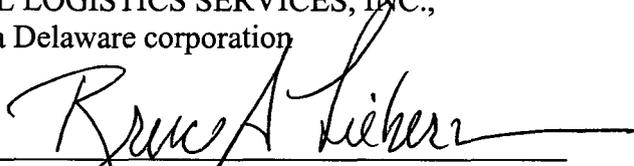
[SIGNATURE PAGE FOLLOWS]

(Signature Page to Sixth Amendment to Security Agreement)

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed as an instrument under seal by their authorized representatives as of the date first written above.

RAIL LOGISTICS SERVICES, INC.,
a Delaware corporation

By: _____


Name: Bruce A. Lieberman

Title: Vice President and Treasurer

LASALLE BANK NATIONAL ASSOCIATION,
a national banking association

By: _____


Name: Terri Maurer

Title: Vice President

STATE OF Illinois)
)
COUNTY OF DuPage) ss.

On this 14th day of October, 1999, before me personally appeared Bruce A. Lieberman, to me personally known, who, being by me duly sworn, says that he is the Vice President and Treasurer of Rail Logistics Services, Inc., a Delaware corporation, and that the said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation.



Cynthia Mankowski
Notary Public

My commission expires: 10/21/01

STATE OF ILLINOIS)
)
COUNTY OF DuPage) ss.

On this 14th day of October, 1999, before me personally appeared Terri Maurer, to me personally known, who, being by me duly sworn, says that he or she is a Vice President of LaSalle Bank National Association, a national banking association, and is duly authorized to sign the foregoing instrument on behalf of said banking association, and he or she acknowledges that the execution of the foregoing instrument was the free act and deed of said banking association.



Cynthia Mankowski
Notary Public

My commission expires: 10/21/01