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August 23, 1994

VIA HAND DELIVERY

The Hon. Sidney L. Strickland
Secretary
Interstate Commerce Commission
12th & Constitution Avenue, N.W.
Room 2215
Washington, D.C. 20423

RECORDATION NO. 17461-B
AUG 24 1994 10:05 AM
INTERSTATE COMMERCE COMMISSION
LICENSES BRANCH

* NOT ADMITTED IN D C

RECEIVED
OFFICE OF THE
SECRETARY
Aug 24 9 54 AM '94

Dear Secretary Strickland:

Enclosed for filing with the Commission pursuant to Section 11303 of Title 49 of the U.S. Code are two originals and three copies of the executed and notarized document described below.

This document is an amendment dated August 10, 1994 (the "Amendment"), to a primary document, a Security Agreement dated as of July 26, 1991, between Twin Cities & Western Railroad Company, as the debtor, and the First National Bank of Boston, as the secured party, covering the debtor's rolling stock now owned or hereafter acquired and all other properties and rights of the debtor. Descriptions of the rolling stock are attached to the Amendment as Schedule 4(b), as the same may be revised from time to time, but the property covered by the Security Agreement is not limited to that listed in Schedule 4(b).

The names and addresses of the parties to the Security Agreement are as follows. The debtor is Twin Cities & Western Railroad Company whose chief executive office is located at 1433 Utica Avenue South, Suite 70, Minneapolis, Minnesota 55416 and principal place of business is at 723 11th Street East, Glencoe, Minnesota 55336. The secured party is The First National Bank of Boston whose head office is located at 100 Federal Street, Boston, Massachusetts 02106.

Included in the Property covered by the aforesaid Security Agreement are railroad cars, locomotives and other rolling stock intended for use related to interstate commerce, or interests therein, owned or leased by Twin Cities & Western Railroad Company at the date of said Security Agreement or thereafter acquired by it or its successors as owner of the railway covered by the Security Agreement.

WEINER, BRODSKY, SIDMAN & KIDER, P.C.

The Hon. Sidney L. Strickland
August 23, 1994
Page 2

The primary document to which this filing is connected was recorded under Recordation No. 17461.

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

"An Amendment dated August 10, 1994, to the Security Agreement, dated as of July 26, 1991, between Twin Cities & Western Railroad Company as the borrower, and The First National Bank of Boston as the secured party, covering the borrower's rolling stock now owned and hereafter acquired and all other properties and rights of the borrower. Descriptions of the rolling stock now owned or leased are set forth in the Security Agreement as Schedule 4(b) a copy of which is attached hereto and made a part hereof."

Also enclosed is a check in the amount of \$18.00, payable to the Interstate Commerce Commission, to cover the recording fee prescribed by the Commission in its rules and regulations.

Would you please acknowledge receipt of the enclosed documents by stamping and returning to the undersigned one of the Security Agreements, along with the duplicate copy of this letter of transmittal.

If you have any questions with respect to the enclosed documents, please call me at (202) 628-2000.

Very truly yours,



Jo A. DeRoche

Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

8/24/94

OFFICE OF THE SECRETARY

Jo A. DeRoche
Weiner Brodsky, Sidman & Kider
1350 New York Avenue N.W. Suite 800
Washington, D.C. 20005-4797

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 8/24/94 at 10:05am, and assigned
recordation number(s). 17461-B

Sincerely-yours,



Secretary
SIDNEY L. STRICKLAND, JR.

Enclosure(s)

**AMENDMENT NO. 2 TO SECURITY AGREEMENT
DATED AS OF JULY 26, 1991**

RECORDATION NO. **17461-B** FILED 1425
AUG 24 1994 05 AM
INTERSTATE COMMERCE COMMISSION

AGREEMENT OF AMENDMENT, dated as of August 10, 1994 by and between Twin Cities & Western Railroad Company (the "Company"), a Minnesota corporation and The First National Bank of Boston, a national banking association, (the "Bank") as parties to that certain Amended and Restated Revolving Credit Agreement and Term Loan Agreement dated as of August 10, 1994 (the "Loan Agreement").

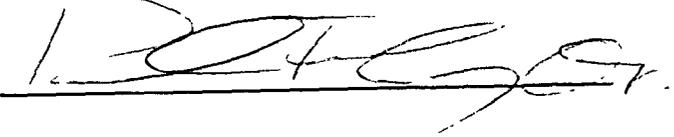
WHEREAS, the Company on the one hand, and the Bank, on the other hand, are parties to a Security Agreement dated as of July 26, 1991, as amended (the "Security Agreement").

WHEREAS, the Company and the Bank wish to add certain newly acquired Rolling Stock to the security interest created by the Security Agreement, to change the identifying numbers on certain of the Rolling Stock and in connection therewith to make certain amendments to the Security Agreement; and to reaffirm the Security Agreement's effectiveness upon such amendment;

NOW, THEREFORE, in consideration of the foregoing premises, the parties hereby agree as follows:

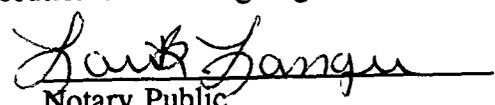
1. Schedule 4(b) to the Security Agreement, which lists all Rolling Stock of the Company, is hereby amended to read as shown on Schedule 4(b) dated August 10, 1994.
2. Except as specifically amended by this Agreement of Amendment, the Security Agreement shall remain in full force and effect, and the Company reaffirms the continued validity of the Security Agreement as amended on the date hereof.

THE FIRST NATIONAL BANK OF BOSTON

By: 

COMMONWEALTH OF)
COUNTY OF Suffolk) ss.

On this 17 day of August, 1994, before me personally appeared Paul G. Tebney Jr., to me personally known, who, being by me duly sworn, says that he/she is Asst. Vice President of The First National Bank of Boston, and that he/she is duly authorized to sign the foregoing instrument on behalf of said banking association, and he/she acknowledges that the execution of the foregoing instrument was the free act and deed of banking association.


Notary Public

LORI B. LANGER
Notary Public
My Commission Expires Feb 24, 2000

SCHEDULE 4(b)

AUGUST ____, 1994

	<u>Totals</u>
<u>Locomotives</u>	8
TCWR 401*, 402*, 403, 404, 405, 406, 407, and 408**	
* Leased from Red River Valley & Western Railroad Company. Interest of TCW not assignable. Lease terminable on 30 days notice.	
** Leased from National Railway Equipment Co. on a month to month lease terminable at option of Lessor. Interest of TCW not assignable without consent and cannot be pledged.	
<u>Flat Cars</u>	2
TCWR 1001 TCWR 1002	
<u>Air Slide Hopper Cars</u>	8
TCWR 47987, 47624, 47629, 47576, 46408, 47627, 47625, 46596	
Leased from General American Transportation Corporation. Interest of TCW not assignable without consent.	
<u>C-6 Covered Hoppers - owned</u>	12
TCWR Nos. 30006 40002 40003 40004 40005 40007 40009 40010 40014 40013 40015 40016	

Cars to be Restenciled

16

Present Number	New Number
PLMX 12302	TCWR 30001
PLMX 12395	TCWR 30002
PLMX 12396	TCWR 30003
PLMX 12571	TCWR 30004
PLMX 12634	TCWR 30005
PLMX 12636	TCWR 30007
SLC 12454	TCWR 40001
PLMX 11698	TCWR 40006
PLMX 11184	TCWR 40008
PLMX 11313	TCWR 40011
PLMX 11249	TCWR 40012
SLC 12440	TCWR 40017
SLC 12441	TCWR 40018
PLMX 12461	TCWR 40019
SLC 12462	TCWR 40020
PLMX 1353	TCWR 40021

C-6 Covered Hoppers - Leased

RRVW 1100 - RRVW 1108	9
RRVW 1110 - RRVW 1132	23

Leased from Red River Valley & Western Railroad Company.
Interest of TCW not assignable. Lease terminable on 30 day notice.