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13831-D

OCT 17 11 29 AM '96

October 17, 1996

Recordation Nos. 13831-D

RECEIVED
SURFACE TRANSPORTATION
BOARD

OCT 17 11 29 AM '96

Dear Mr. Williams:

On behalf of The Northern Trust Company I submit for filing and recording under 49 U.S.C. § 11301 and the regulations applicable thereunder counterparts of a secondary document, not previously recorded, entitled Termination of Security Agreement ("Release"), made as of October 15, 1996, to be filed under Recordation No. 13831-D, the said Release being a release and termination only of specifically designated locomotives from the Security Agreement and Assignment mentioned below.

The party executing the Release is:

The Northern Trust
50 South LaSalle Street
Chicago, Illinois 60675

RELEASING/SECURED/PARTY

The said Release is a release by the party thereto only as to those specifically designed locomotives listed in Schedule A of the Release from the Security Agreement and Assignment under Recordation No. 13831-A and the Release should be recorded under the next available letter under Recordation No. 13831, which we believe is "D".

The locomotives covered by the enclosed Release are identified in Schedule A as attached to the Release.

Counterparts - C. H. Hansen

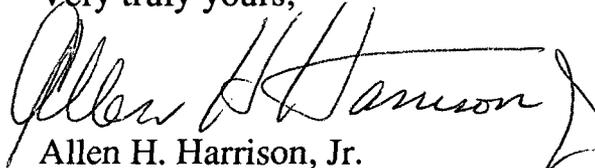
A short summary for the Release to appear in the STB Index is as follows:

“Release ONLY of locomotives as indicated from Security Agreement and Assignment under Recordation No. 13831-A, namely KCS 781, 789 and 795.”

Enclosed is a check in the amount of twenty-two dollars (\$22.00) in payment of the filing fee.

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the STB letter/fee receipt acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,



Allen H. Harrison, Jr.
*Attorney for The Northern Trust
for the purpose of this filing.*

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Enclosures

BY HAND

8350-020

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20425-0001

10/17/96

Allen H. Harrison, Jr.
Donelan, Cleary, Wood & Maser, P.C.
1100 New York Avenue, NW, Ste. 750
Washington, DC., 20005-3934

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 10/17/96 at 11:30AM, and assigned recordation number(s). 15831-D.

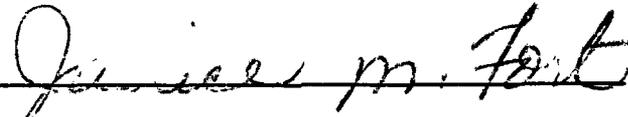
Sincerely yours,


Vernon A. Williams
Secretary

Enclosure(s)

\$ 22.00 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 and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



13831-D
OCT 15 1996

**TERMINATION OF
SECURITY AGREEMENT**

THIS TERMINATION OF SECURITY AGREEMENT ("Termination") is made as of October 15, 1996 by THE NORTHERN TRUST COMPANY (the "Bank") under a Security Agreement and Assignment (Rolling Stock and Other Equipment) dated as of April 30, 1982, for the benefit of CARLAND, INC. a Delaware corporation ("CARLAND").

1. **Recitals.** CARLAND owned the locomotives bearing Association of American Railroad Designation Numbers as listed on Exhibit A attached hereto (the "Unit(s)"). CARLAND has granted a blanket security interest in all of its assets now owned or hereafter acquired (the "Collateral"), to the Bank, for the benefit of the Bank, upon the terms and conditions provided in that certain Security Agreement and Assignment, dated as of April 30, 1982, between CARLAND and the Bank (the "Security Agreement") and filed at the Surface Transportation Board of the Department of Transportation ("STB") (formerly known as the Interstate Commerce Commission ("ICC") under ICC Recordation No. 13831-A filed on November 4, 1982.

CARLAND has sold or is planning to sell the Units to a third party and desires to do so free and clear of any lien or security interest of the Bank. The indebtedness secured by the Security Agreement has been fully repaid. Pursuant to the terms of the Security Agreement, the Bank and CARLAND desire to terminate the Bank's security interest in the Units.

2. **Termination of Security Interest.** The Bank's security interest in the Units shall be and is hereby terminated upon the filing of this Termination with the STB and all of the Bank's right, title and interest in and to the Units shall and has become null and void.

This Release shall have no effect on the Bank Security interest in and lien on any Collateral other than the Units and said security interest in and lien on such other Collateral is hereby reaffirmed.

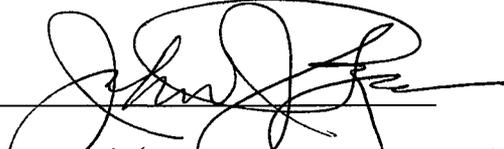
IN WITNESS THEREOF, the Bank, pursuant to due authority, has executed this Termination as of the date indicated below its signature.

THE NORTHERN TRUST COMPANY

By: _____

Title: _____

Date: _____


VICE PRESIDENT

OCT. 16, 1996

EXHIBIT A

Description of Equipment:

Three GP40 EMD Locomotives

Unit Numbers:

KCS 781

KCS 789

KCS 795

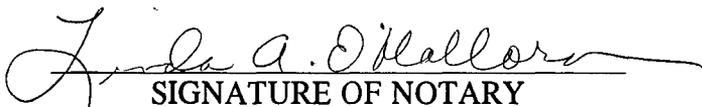
STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

On OCTOBER 16, 1996, before me, LINDA A. O'HALLORAN
personally appeared JOHN J. PAPE, VICE PRESIDENT of
NORTHERN TRUST COMPANY,

_____ personally known to me -OR-

_____ proved to me on the basis of satisfactory evidence to be the person(s) whose name (s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument

Witness my hand and official seal.


SIGNATURE OF NOTARY

[Notarial Seal]

