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April 19, 2002

RECORDATION NO. 33944 FILED

**Via Overnight Delivery**  
Mr. Vernon A. Williams  
Secretary  
Office of the Secretary  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423

APR 23 '02 9-57 AM

SURFACE TRANSPORTATION BOARD



Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 48 U.S.C. Section 1301(a) are two original executed copies and two photostatic copies of the Memorandum of Railcar Security Agreement, dated as of April 1, 2002, between Johnstown America Corporation ("Secured Party") and 3943542 Canada Inc. ("Debtor"), a primary document as defined in the Commissioner's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed Memorandum of Railcar Security Agreement are:

Secured Party:	Johnstown America Corporation 17 Johns Street Johnstown, Pennsylvania 15901
Debtor:	3943542 Canada Inc. c/o Canadian Pacific Railway Company Gulf Canada Square 401-9th Avenue, S.W. Calgary, Alberta T2P 4Z4 Canada

A description of the railroad equipment covered by the enclosed document is as follows: 175 transverse trough open top steel coil railcars marked CP 334000 through CP 334174 (both inclusive).

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

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Mr. Vernon A. Williams  
April 19, 2002  
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Kindly return one stamped original and two stamped photostatic copies of the enclosed document and the stamped photostatic copy of this letter to Susan G. Lichtenfeld 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

Memorandum of Railcar Security Agreement, dated as of April 1, 2002 between Johnstown America Corporation, as Secured Party, and 3943542 Canada Inc., as Debtor, relating to 175 transverse trough open top steel coil railcars.

Very truly yours,

  
Susan G. Lichtenfeld

SGL:vgc  
Enclosures  
cc: Robert W. Kleinman

**MEMORANDUM OF RAILCAR SECURITY AGREEMENT**

This Memorandum of Railcar Security Agreement is made and entered into as of 1<sup>st</sup> day of April, 2002, by and between JOHNSTOWN AMERICA CORPORATION (hereinafter referred to as "Secured Party") and 3943542 CANADA INC., a Canadian corporation (hereinafter referred to as "Debtor").

Pursuant to the Railcar Manufacturing Agreement dated as of April 1, 2002 (the "Manufacturing Agreement") between Secured Party and Debtor, and subject to the terms and conditions therein set forth, Secured Party has agreed to manufacture and sell to Debtor, and Debtor has agreed to purchase from Secured Party, the railcars identified on Schedule A hereto (the "Railcars").

As security for the payment and fulfillment of its obligations to Secured Party under the Manufacturing Agreement pursuant to Section 6 of the Manufacturing Agreement, Debtor granted to Seller a security interest in the Railcars and the products, proceeds and accessions of and to any of the Railcars, together with all right, title and interest of Debtor therein and all rights and remedies which Debtor might exercise with respect thereto but for the execution of the Manufacturing Agreement.

As contemplated by the Manufacturing Agreement, Secured Party and Debtor hereby make this Memorandum of Railcar Security Agreement to confirm and perfect Secured Party's security interest in the Railcars. Secured Party and Debtor further acknowledge and confirm that this Memorandum of Railcar Security Agreement is not a summary of the Manufacturing Agreement nor a complete recitation of the terms and provisions thereof. Accordingly, Secured Party and Debtor agree that in the event of a conflict between this Memorandum of Railcar Security Agreement and the provisions of the Manufacturing Agreement, the provisions of the Manufacturing Agreement shall control.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Memorandum of Railcar Security Agreement to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written.

SECURED PARTY:

DEBTOR:

JOHNSTOWN AMERICA CORPORATION

3943542 CANADA INC.

By: Michael A. Crisafulli  
Name: MICHAEL A. CRISAFULLI  
Title: PRODUCT LINE MANAGER

By: Luigi Armano  
Name: Luigi Armano  
Title: ~~Vice President - Supply Services~~  
Director

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**SCHEDULE A**  
**TO MEMORANDUM OF RAILCAR SECURITY AGREEMENT**

175 Transverse Trough Open Top Steel Coil Cars bearing the following road marks and numbers:

CP 334000 - CP 334174 (both inclusive)