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RECORDATION NO. 24086 FILED

AUG 30 '02 1:53 PM

SURFACE TRANSPORTATION BOARD

August 30, 2002

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

Dear Secretary Williams:

I have enclosed two originals of the document described below, to be recorded pursuant to 49 U.S.C. § 11301.

The document is a Memorandum of Security Agreement, a primary document, dated as of August 29, 2002. We request that this document be given the next available Recordation Number.

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

Lender:

Banc One Leasing Corporation
1111 Polaris Parkway, Suite A3
Columbus, OH 43065

Borrower:

Sperry Rail, Inc.
46 Shelter Rock Road
Danbury, CT 06810

A description of the equipment covered by the Memorandum of Loan and Security Agreement consists of 43 Hi-Rail Inspection Rail Cars Numbered 150, 210, 220, 230, 240, 250, 260, 270, 280, 290, 1010, 1020, 1030, 1040, 1050, 1060, 1070, 1080, 1085, 1090, 1100, 1110, 1120, 1125, 1130, 1135, 1140, 1145, 1150, 1160, 1170, 1180, 1190, 1200, 1210, Chase 1, Chase 2, Chase 3, Chase 4, Chase 5, Chase 6, Chase 7, and Chase 8.

BALL JANIK LLP

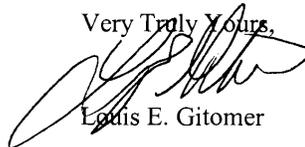
Honorable Vernon A. Williams
August 30, 2002
Page 2

A fee of \$ 30.00 is enclosed. Please return one original to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the document to appear in the index follows: a Memorandum of Loan and Security Agreement between Banc One Leasing Corporation, 1111 Polaris Parkway, Suite A3, Columbus, OH 43065, and Sperry Rail, Inc., 46 Shelter Rock Road, Danbury, CT 06810, covering 43 Hi-Rail Inspection Rail Cars Numbered RFD 150, 210, 220, 230, 240, 250, 260, 270, 280, 290, 1010, 1020, 1030, 1040, 1050, 1060, 1070, 1080, 1085, 1090, 1100, 1110, 1120, 1125, 1130, 1135, 1140, 1145, 1150, 1160, 1170, 1180, 1190, 1200, 1210, Chase 1, Chase 2, Chase 3, Chase 4, Chase 5, Chase 6, Chase 7, and Chase 8.

Very Truly Yours,



Louis E. Gitomer

Enclosures

MEMORANDUM OF SECURITY AGREEMENT

This Memorandum of Security Agreement, dated as of August ~~27~~, 2002, is among BANC ONE LEASING CORPORATION ("Banc One"), 1111 Polaris Parkway, Suite A3 (OH1-1085), Columbus, OH 43240, and SPERRY RAIL, INC. ("Sperry"), 46 Shelter Rock Road, Danbury, CT 06810.

1. Banc One and Sperry have entered into a Security Agreement dated as of August ~~27~~, 2002 (the "Banc One Security Agreement").

2. Pursuant to the Banc One Security Agreement Sperry grants to Banc One a first lien on and security interest in the equipment identified on the Attachment.

This document may be signed in any number of counterparts, each of which shall be an original and all of which shall be a part of this Memorandum of Security Agreement.

IN WITNESS WHEREOF, each of the parties hereto has caused this MEMORANDUM OF SECURITY AGREEMENT to be executed by its duly authorized officer as of the date first above written.

BANC ONE LEASING CORPORATION

By: [Signature]
Name: MARY C. HEWITT
Title: [Signature]

SPERRY RAIL, INC.

By: [Signature]
Name: HAROLD B. FINNLEY
Title: SECRETARY

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SURFACE TRANSPORTATION BOARD

STATE OF CONNECTICUT)
) ss.
County of Fairfield)

On this 29 day of August, 2002, before me, ROBERT M. WELLS, the undersigned Notary Public, personally appeared HAROLD B. FINDLEY personally known to me to be the person who executed the within instrument as TREASURER on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.

Robert M Wells
Notary Public for CONNECTICUT
My Commission expires My Commission Expires 2004-08-29, 2004

STATE OF _____)
) ss.
County of _____)

On this ___ day of August, 2002, before me, _____, the undersigned Notary Public, personally appeared _____ personally known to me to be the person who executed the within instrument as _____ on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.

Notary Public for _____
My Commission expires _____

STATE OF CONNECTICUT)
) ss.
County of Fairfield)

On this 29 day of August, 2002, before me, ROBERT M. WEBER, the undersigned Notary Public, personally appeared HAROLD B. FINDLEY personally known to me to be the person who executed the within instrument as TREASURER on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.

Robert M. Weber
Notary Public for CONNECTICUT
My Commission expires July 24, 2005

STATE OF Ohio)
) ss.
County of Delaware)

On this ___ day of August, 2002, before me, Rebecca Moore, the undersigned Notary Public, personally appeared Mary Neubach personally known to me to be the person who executed the within instrument as Funding Authority on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.



REBECCA MOORE
NOTARY PUBLIC, STATE OF OHIO
MY COMMISSION EXPIRES 10/30/05

Rebecca Moore
Notary Public for Ohio
My Commission expires 10/30/05

ATTACHMENT

EQUIPMENT LOCATION: 46 SHELTER ROCK ROAD
 DANBURY CT 06810
 COUNTY: FAIRFIELD
 EQUIPMENT COST: \$4,666,950.00

"ALL PROPERTY DESCRIBED BELOW, WHICH PROPERTY MAY BE GENERALLY DESCRIBED AT HI-RAIL CARS"

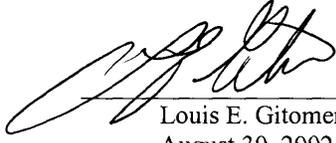
Operating Unit	YEAR	Make of Vehicle	VIN #	TAG #
RFD 150	85	CHEVY VAN	1GBK6S1F8FV210464	RP6522
RFD 250	88	GMC S6000	1GDM6P1F2JV518249	RP6527
RFD 230	89	INTRL S SERIES	1HTLDTVR2KH662728	RP6525
RFD 210	90	GMC PS6500	1GDM6T1G4LV514191	RP6523
RFD 220	90	GMC PS6500	1GDM6T1G5LV514068	RP6524
RFD 240	90	GMC PS6500	1GDM6T1G9LV514185	RP6526
RFD 260	92	INTRL 4000 SERIES	1HTSDPPP0NH441146	RP6528
RFD 270	92	INTER 4000 SERIES	1HTSDPPP2NH441147	RP6529
RFD 280	93	INTER 4000 SERIES	1HTSDPPP2PH494661	RP6530
RFD 290	93	INTERNATIONAL	1HTSDPPP5PH508519	RP6531
RFD Chase 1	93	Chev 2500 Suburban 4X4	1GNGK26K5PJ373155	UAD849
RFD 1010	94	INTERN 4000 SERIES	1HTSDAAP5RH599820	RP6506
RFD 1020	95	INTERN 4000 SERIES	1HTSDAAPXSH253512	RP6507
RFD 1030	95	INTERNAL	1HTSDAAP1SH253513	RP6508
RFD 1135	95	INTERN	1HTSDAAPXSH205072	RP6533
RFD 1145	95	INTERNATIONAL	1HTSDAAP1SH205073	RP6532
RFD 1040	96	INTERN 4000 SERIES	1HTSDAAP8TH271220	RP6509
RFD 1050	96	INTERN 4000 SERIES	1HTSDAAPXTH271221	RP6510
RFD 1085	96	INTERNAL	1HTSDAAP1TH271222	RP6514
RFD Chase 3	96	Ford Explorer	1FMDU34XXTUA44028	RPK840
RFD 1060	97	INTERN	1HTSDAAP4VH430284	RP6511
RFD 1070	97	INTERN 4000 SERIES	1HTSDAAP6VH430285	RP6512
RFD 1080	97	INTERNAL	1HTSDAAP0VH459958	RP7490
RFD 1125	97	INTERNAL	1HTSDAAP2VH430283	RP6519
RFD 1090	98	INTERN 4000 SERIES	1HTSDAAP4WH545484	RP6515
RFD 1100	99	INTERN 4000 SERIES	1HTSDAAP9XH574447	RP6517
RFD 1110	99	INTERN 4000 SERIES	1HTSDAAP0XH574448	RP6517
RFD 1120	99	INTERN 4000 SERIES	1HTSDAAP2XH574449	RP6518
RFD 1130	99	INTERN 4000 SERIES	1HTSDAAP7XH662252	RP6520
RFD 1140	99	INTERN 4900 SERIES	1HTSDAAP9XH662253	RQ1824
RFD 1150	99	INTERN 4900 SERIES	1HTSDAAP0XH662254	RQ3511
RFD 1160	2000	INTERN 4900 SERIES	1HTSDAAP1YH312083	RQ4795
RFD 1170	2000	INTERN 4900 SERIES	1HTSDAAP3YH312084	RQ5003

RFD 1180	2000	INTERN 4900 SERIES	1HTSDAAP5YH312085	RQ6208
RFD 1190	2000	INTERN 4900 SERIES	1HTSDAAP7YH312086	RQ6475
RFD Chase 2	2000	Chev 2500 Suburban 4X4	3GNGK26U4YG195078	SJB191
RFD 1200	2001	Intern 4000 Series	1HTSDAAP21H312082	RR0022
RFD Chase 4	2001	Ford F 350 Crew Cab 4X4	3FTSW31F31MA48070	1639JZ
RFD Chase 5	2001	Ford F 350 Crew Cab 4X4	1FTSW31F41ED02780	1642JZ
RFD Chase 6	2001	Ford F 350 Crew Cab 4X4	1FTSW31FX1EC42245	1641JZ
RFD Chase 7	2001	Ford F 350 Crew Cab 4X4	3FTSW31F71MA75188	1764JZ
RFD Chase 8	2001	Ford F 350 Crew Cab 4X4	1FTSW31F61ED69414	1765JZ
RFD 1210	2002	INTERN 4900 SERIES	1HTSDAAP62H513842	

TOGETHER WITH ALL ATTACHMENTS, ADDITIONS, ACCESSIONS,
PARTS, REPAIRS, IMPROVEMENTS, REPLACEMENTS AND
SUBSTITUTIONS THERETO.

CERTIFICATION

I, Louis E. Gitomer, have compared this copy to the original Memorandum of Security Agreement dated as of August 29, 2002, and found the copy to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.



Louis E. Gitomer
August 30, 2002