

TROUTMAN SANDERS LLP

A T T O R N E Y S A T L A W
A LIMITED LIABILITY PARTNERSHIP

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April 16, 2003

VIA HAND DELIVERY

The Honorable Vernon A. Williams
Secretary
Surface Transportation Board
1925 K Street, NW
Room 704
Washington, D.C. 20423

RECORDATION NO. 19540-H FILED
APR 16 '03 4-19 PM
SURFACE TRANSPORTATION BOARD

RE: Railcar File No. 19540-H
Security Agreement Between Bank of America, N.A., Agent and Paducah &
Louisville Railway, Inc.

Dear Secretary Williams:

I am enclosing herewith three originals of a secondary document described below, to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code. A description of the equipment covered by the document follows hereafter.

Secondary Document: The secondary document filed herewith is:

Eighth Amendment to Memorandum of Security Agreement, effective April 4, 2003, between Bank of America, N.A., as Agent, 100 North Tryon Street, Charlotte, NC 28255 ("Secured Party") and Paducah & Louisville Railway, Inc., 1500 Kentucky Avenue, Paducah, KY 42003 ("Borrower"), terminating the Secured Party's security interest and lien evidenced by Memorandum of Security Agreement in Railcar File No. 19540 as to locomotives bearing road numbers PAL 8300, 8303, 8331, 8334, 8342 and 8344, and adding to the said security interest and lien locomotives bearing road numbers PAL 2054 (formerly MRI 2054) and PAL 2057 (former MRI 2057). The security interest evidenced by the Memorandum of Security Agreement (as amended) continues to apply to all of Borrower's interests in locomotives, railroad cars and railroad rolling stock as of the date of the document or thereafter acquired by Borrower.

The primary document to which this is connected is recorded under Recordation No. 19540.

TROUTMAN SANDERS LLP
ATTORNEYS AT LAW
A LIMITED LIABILITY PARTNERSHIP

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The names and addresses of the parties to the secondary document are as follows:

Borrower:

Paducah & Louisville Railway, Inc.
1500 Kentucky Avenue
Paducah, KY 42003

Secured Party:

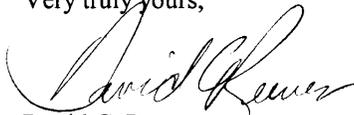
Bank of America, N.A., as Agent
100 North Tryon Street
Charlotte, NC 28255

Summary for the index: The secondary document is:

Eighth Amendment to Memorandum of Security Agreement, which terminates the Secured Party's security interest and lien evidenced by Memorandum of Security Agreement in Railcar File No. 19540 as to locomotives bearing road numbers PAL 8300, 8303, 8331, 8334, 8342 and 8344, and adding to the said security interest and lien locomotives bearing road numbers PAL 2054 (formerly MRI 2054) and PAL 2057 (former MRI 2057). The security interest evidenced by the Memorandum of Security Agreement (as amended) continues to apply to all of Borrower's other interests in locomotives, railroad cars and railroad rolling stock as of the date of the document or thereafter acquired by Borrower.

Enclosed please also find the \$30.00 filing fee. Please return all enclosed documents that are not needed by the Board for recordation to the person delivering the filing.

Very truly yours,



David C. Reeves
Attorney for Paducah & Louisville Railway, Inc.

Enclosures

**AMENDMENT TO MEMORANDUM OF SECURITY AGREEMENT
RECORDED WITH THE SURFACE TRANSPORTATION BOARD
UNDER RECORDATION NO. 19540**

This EIGHTH AMENDMENT TO MEMORANDUM OF SECURITY AGREEMENT RECORDED WITH THE SURFACE TRANSPORTATION BOARD UNDER RECORDATION NO. 19540, effective April 4, 2003, is made by and between PADUCAH & LOUISVILLE RAILWAY, INC., whose address is 1500 Kentucky Avenue, Paducah, Kentucky 42003, as "Borrower," and BANK OF AMERICA, N.A., successor in interest to NationsBank, N.A., whose mailing address is 100 North Tryon Street, Charlotte, North Carolina 28255, as Agent for Banks and Secured Party (the "Secured Party").

WITNESSETH:

WHEREAS, Borrower and Secured Party entered into a Memorandum of Security Agreement dated as of July 21, 1995, which was filed and recorded with the Interstate Commerce Commission (predecessor to the Surface Transportation Board ("STB")), on July 25, 1995 under Recordation No. 19540;

WHEREAS, Borrower and Secured Party subsequently amended their security agreement and filed with the STB on February 19, 1999 a First Amendment To Memorandum Of Security Agreement Recorded With The Surface Transportation Board Under Recordation No. 19540; on August 3, 2000, a Second Amendment To Memorandum Of Security Agreement Recorded With The Surface Transportation Board Under Recordation No. 19540; on January 16, 2001, a Third Amendment To Memorandum Of Security Agreement Recorded With The Surface Transportation Board Under Recordation No. 19540; on February 12, 2001, a Fourth Amendment To Memorandum Of Security Agreement Recorded With The Surface Transportation Board Under Recordation No. 19540; on March 6, 2001, a Fifth Amendment To Memorandum Of Security Agreement Recorded With The Surface

*EIGHTH AMENDMENT TO MEMORANDUM OF SECURITY AGREEMENT
RECORDED WITH THE SURFACE TRANSPORTATION BOARD
UNDER RECORDATION NO. 19540*

RECORDATION NO. 19540-4 FILED

APR 16 '03

4-19 PM

SURFACE TRANSPORTATION BOARD

Transportation Board Under Recordation No. 19540; on February 4, 2002, a Sixth Amendment To Memorandum Of Security Agreement Recorded With The Surface Transportation Board Under Recordation No. 19540; and on May 16, 2002, a Seventh Amendment To Memorandum Of Security Agreement Recorded With The Surface Transportation Board Under Recordation No. 19540;

WHEREAS, the security interest and lien set forth in the Memorandum of Security Agreement (as amended) between Borrower and Secured Party, attaches to all locomotives and rolling stock NOW OWNED OR HEREAFTER ACQUIRED by Borrower and to all now existing and hereafter acquired interest of Borrower in locomotives and rolling stock;

NOW, THEREFORE, Borrower and Secured Party are filing this EIGHTH AMENDMENT TO MEMORANDUM OF SECURITY AGREEMENT RECORDED WITH THE SURFACE TRANSPORTATION BOARD UNDER RECORDATION NO. 19540, to add two locomotives to the list of locomotives covered by the Memorandum of Security Agreement and to delete six locomotives from the coverage of the Memorandum of Security Agreement (as amended) as follows:

1. Borrower has acquired all right and title in and to two locomotives bearing identification numbers MRI 2054 and MRI 2057. Locomotive MRI 2054 shall be given new identification marks as PAL 2054, and locomotive MRI 2057 shall be given new identification marks as PAL 2057.

2. Borrower has sold, and Borrower and Secured Party surrender all claim to any right, title or interest in or to PAL 8300, PAL 8303, PAL 8331, PAL 8334, PAL 8342 and PAL 8344.

3. The security interest and lien set forth in the Security Agreement between Borrower and Secured Party, as restated as of August 2, 2000, shall continue to attach to the locomotives and rolling stock set forth in the Exhibits A to the Second, Fifth and Seventh Amendments To Memorandum Of Security Agreement Recorded With The Surface Transportation Board Under Recordation No. 19540, to PAL 2201 (formerly CR 2896), to PAL 2054 and PAL 2057 (formerly MRI 2054 and MRI 2057,

respectively), and TO ALL LOCOMOTIVES AND ROLLING STOCK NOW OWNED OR
HEREAFTER ACQUIRED by Borrower, and to all now existing and hereafter acquired interest of
Borrower in locomotives and rolling stock.

IN WITNESS WHEREOF, Borrower and Secured Party have caused this EIGHTH
AMENDMENT TO MEMORANDUM OF SECURITY AGREEMENT RECORDED WITH THE
SURFACE TRANSPORTATION BOARD UNDER RECORDATION NO. 19540 to be executed by
their duly authorized officers to be effective as of the date herein first set forth above.

Secured Party:

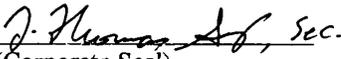
BANK OF AMERICA, N.A.

By 
Name: John M. Hall
Title: Senior Vice President

Borrower:

PADUCAH & LOUISVILLE RAILWAY,
INC.

Attest:
(Borrower)

, Sec.
(Corporate Seal)

By 
Name: Anthony V. Reck
Title: President & CEO

STATE OF KENTUCKY)
) SS
COUNTY OF McCracken)

On this 4th day of April, 2003, in McCracken County, Kentucky, before me personally appeared Anthony V. Reck, to me personally known, who being by me duly sworn, says that [s]he is the President & CEO of PADUCAH & LOUISVILLE RAILWAY, INC., that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and [s]he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

[NOTARIAL SEAL]

My commission expires: 10-15-05

STATE OF Tennessee)
) SS
COUNTY OF Knox)

On this 14th day of April, 2003, in Knox County, Tennessee Before me personally appeared John M. Hall, to me personally known, who being by me duly sworn, says that [s]he is the Sr. Vice President of BANK OF AMERICA, N.A., that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and [s]he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Nora B Phillips
Notary Public

[NOTARIAL SEAL]

My commission expires: