

Law Offices of

CHAPMAN AND CUTLER

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RECORDATION NO. 24510 FILED

JUN 30 '03

2-16 PM

SURFACE TRANSPORTATION BOARD

June 27, 2003

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Re: OmniTRAX Holdings, LLC

Dear Mr. Williams:

I am enclosing for recording pursuant to Section 11301 of Title 49 of the United States Code, two original copies of the Memorandum of Security Agreement (U.S. Subsidiaries), dated as of June 26, 2003, between the Grantors party thereto as listed below (each, a "Grantor"), and BNP Paribas, as U.S. Agent (the "U.S. Agent") for the Secured Parties (as defined in the Security Agreement (U.S. Subsidiaries)).

The enclosed document is a primary document as defined in the Surface Transportation Board's Rules for the Recordation of Documents, and is a Memorandum of Security Agreement (U.S. Subsidiaries).

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

Grantors: **OmniTRAX Leasing LLC**
 Great Western Railway of Colorado, L.L.C.
 950 Taylor Avenue
 Loveland, CO 80538
 Attention: Manager

Georgia Woodlands Railroad, L.L.C.
 210 Depot Street
 Washington, GA 30673
 Attention: Manager

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The Great Western Railway Company of Iowa, L.L.C.

200 29th Avenue
Council Bluffs, IA 51501
Attention: Manager

Manufacturers' Junction Railway, L.L.C.

2335 South Cicero Avenue
Cicero, IL 60804
Attention: Manager

Panhandle Northern Railroad, L.L.C.

100 East Grand
Borger, TX 79007
Attention: Manager

The Newburgh & South Shore Railroad, LLC

4200 East 71st Street
Cleveland, OH 44105
Attention: Manager

Northern Ohio & Western Railway, L.L.C.

525 Wall Street
Tiffin, OH 44883
Attention: Manager

Chicago Rail Link, L.L.C.

2728 E. 104th Street
Chicago, IL 60617
Attention: Manager

OmniTrax Logistics, L.L.C.

OmniTRAX Switching Services, L.L.C.

Rapid Switching Services, L.L.C.

Quality Logistics Services, LLC

Quality Terminal Services, LLC

Quality Terminal Services of Illinois, LLC

OmniTRAX Locomotive Services, LLC

252 Clayton Street, 4th Floor
Denver, CO 80206
Attention: Manager

U.S. Agent:

BNP Paribas

209 South LaSalle Street, Suite 500
Chicago, Illinois 60604
Attention: Brian F. Hewett

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The equipment covered by the aforesaid Memorandum of Security Agreement (U.S. Subsidiaries) consists of **all equipment now owned or hereafter acquired** by the Grantors.

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

Memorandum of Security Agreement (U.S. Subsidiaries).

A fee of thirty dollars (\$30.00) is enclosed. Please time and date stamp the enclosed copy of the enclosed document along with the extra copy of this letter as proof of filing and recordation of the enclosed document and return the original and any extra copies of such document and this letter not needed by the Board for recordation to:

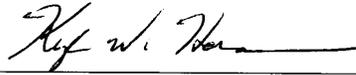
Robert Alvord
Alvord and Alvord
1050 17th Street, N.W.
Suite 301
Washington, D.C. 20036

If you have any questions or need further information, please do not hesitate to contact the undersigned (312-845-3747).

Sincerely,

CHAPMAN AND CUTLER

By



Kyle W. Henderson

KWH
Enclosures

MEMORANDUM OF SECURITY AGREEMENT (U.S. SUBSIDIARIES)

Memorandum of Security Agreement (U.S. Subsidiaries), made and entered into as of June 26, 2003 by and between the undersigned (collectively, the "Grantors") and BNP Paribas, as U.S. Agent ("U.S. Agent") for the Secured Parties (as defined in the Security Agreement (U.S. Subsidiaries)).

WITNESSETH:

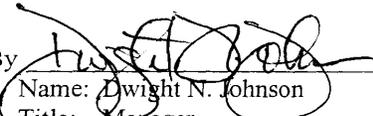
The undersigned have entered into that certain Security Agreement (U.S. Subsidiaries), dated as of June 26, 2003 (the "Security Agreement"), by which the Grantors have granted a security interest in *all equipment now owned or hereafter acquired* to the U.S. Agent in order to secure the Grantors' performance of their respective obligations as described in that certain Credit Agreement dated as of June 26, 2003.

IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

RECORDATION NO. 24510 FILED
JUN 30 '03 2:16 PM
SURFACE TRANSPORTATION BOARD

THE "GRANTORS"

OMNITRAX LEASING, LLC
GEORGIA WOODLANDS RAILROAD, L.L.C.
THE GREAT WESTERN RAILWAY COMPANY OF IOWA, L.L.C.
GREAT WESTERN RAILWAY OF COLORADO, L.L.C.
MANUFACTURERS' JUNCTION RAILWAY, L.L.C.
PANHANDLE NORTHERN RAILROAD, L.L.C.
THE NEWBURGH & SOUTH SHORE RAILROAD, LLC
NORTHERN OHIO & WESTERN RAILWAY, L.L.C.
CHICAGO RAIL LINK, L.L.C.
OMNITRAX LOGISTICS, L.L.C.
OMNITRAX SWITCHING SERVICES, L.L.C.
RAPID SWITCHING SERVICES, L.L.C.
QUALITY LOGISTICS SERVICES, LLC
QUALITY TERMINAL SERVICES, LLC
QUALITY TERMINAL SERVICES OF ILLINOIS, LLC
OMNITRAX LOCOMOTIVE SERVICES, LLC

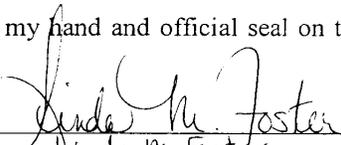
By 
Name: Dwight N. Johnson
Title: Manager

Executed on this 24th day of June, 2003

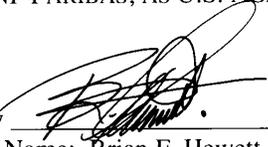
STATE OF Colorado)
)
COUNTY OF Denver) SS.:

On this, the 24th day of June, 2003, before me, a Notary Public in and for said County and State, personally appeared Dwight N. Johnson, who being by me duly sworn, says that he is the Manager of each of OMNITRAX LEASING LLC, GEORGIA WOODLANDS RAILROAD, L.L.C., THE GREAT WESTERN RAILWAY COMPANY OF IOWA, L.L.C., GREAT WESTERN RAILWAY OF COLORADO, L.L.C., MANUFACTURERS' JUNCTION RAILWAY, L.L.C., PANHANDLE NORTHERN RAILROAD, L.L.C., THE NEWBURGH & SOUTH SHORE RAILROAD, LLC, NORTHERN OHIO & WESTERN RAILWAY, L.L.C., CHICAGO RAIL LINK, L.L.C., OMNITRAX LOGISTICS, L.L.C., OMNITRAX SWITCHING SERVICES, L.L.C., RAPID SWITCHING SERVICES, L.L.C., QUALITY LOGISTICS SERVICES, LLC, QUALITY TERMINAL SERVICES, LLC, QUALITY TERMINAL SERVICES OF ILLINOIS, LLC, AND OMNITRAX LOCOMOTIVE SERVICES, LLC, that said instrument was signed on June 24, 2003 on behalf of said limited liability companies by authority of their respective Members, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said limited liability companies.

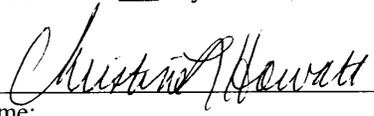
IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.


Name: Linda M. Foster
Notary Public
My Commission Expires: 1-7-04
Residing in Denver, CO

BNP PARIBAS, AS U.S. AGENT

By .
Name: Brian F. Hewett
Title: Director

Executed on this 26th day of June, 2003.

By .
Name:
Title:

Executed on this 26th day of June, 2003.

STATE OF ILLINOIS)
)
) SS.:
COUNTY OF COOK)

On this, the 26th day of June, 2003, before me, a Notary Public in and for said County and State, personally appeared Brian F. Hewett, who being by me duly sworn, says that he is a Director of BNP PARIBAS, that said instrument was signed on June 26 2003 on behalf of said bank by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said bank.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Monica Martella
Name:
Notary Public
My Commission Expires:
Residing in Illinois



STATE OF ILLINOIS)
) SS.:
COUNTY OF COOK)

On this, the 26th day of June, 2003, before me, a Notary Public in and for said County and State, personally appeared Christine L. Howatt, who being by me duly sworn, says that (s)he is a Director of BNP PARIBAS, that said instrument was signed on June 26, 2003 on behalf of said bank 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 bank.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.



Wendy Jurinek
Name: WENDY A. JURINEK
Notary Public
My Commission Expires: October 18, 2003
Residing in CHICAGO, ILLINOIS