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RECORDATION NO. 19540-I FILED

AUG 11 '03

3-56 PM

August 11, 2003

SURFACE TRANSPORTATION BOARD

VIA HAND DELIVERY

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

RE: Railcar File No. 19540-_____
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 partially releases the lien evidenced by Railcar File No. 19540 (including all primary and secondary documents therein), and adds 13 locomotives to the property covered by said lien, namely:

Ninth Amendment to Memorandum of Security Agreement, effective June 20, 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"), **releases** all of the Secured Party's security interest and lien evidenced by Memorandum of Security Agreement in Railcar File No. 19540 **only** as to locomotives bearing road numbers PAL 2200 (former NS 2807), PAL 2201 (former CR 2896), PAL 2123 (former DRGW 3132), and PAL 2122 (former CNW 5527), **and adds as property covered by the lien** the following locomotives: PAL 3800 (former UP 5217), PAL 3801 (former SSW 7241), PAL 3802 (former SSW 7243), PAL 3803 (former SSW 7254), PAL 3804 (former SSW 7256), PAL 3805 (former SSW 7257), PAL 3806 (former SSW 7260), PAL 3807 (former SSW 7261), PAL 3808 (former SSW 7262), PAL 3809 (former SSW 7265), PAL 3810 (former SSW 7269), PAL 3811 (former SSW 7270), and PAL 3812 (former SSW 7273).

The security interest evidenced by the Memorandum of Security Agreement (as amended)

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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.

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

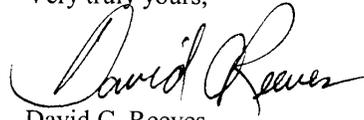
Summary for the index: The secondary document releases the lien evidenced by Railcar File No. 19540 (including all primary and secondary documents therein) as to 4 specified locomotives, and adds 13 locomotives to the property covered by said lien, namely:

Ninth Amendment to Memorandum of Security Agreement, **releases** all of the Secured Party's security interest and lien evidenced by Memorandum of Security Agreement in Railcar File No. 19540 in locomotives bearing road numbers PAL 2200 (former NS 2807), PAL 2201 (former CR 2896), PAL 2123 (former DRGW 3132), and PAL 2122 (former CNW 5527), **and adds as property covered by the lien** the following locomotives: PAL 3800 (former UP 5217), PAL 3801 (former SSW 7241), PAL 3802 (former SSW 7243), PAL 3803 (former SSW 7254), PAL 3804 (former SSW 7256), PAL 3805 (former SSW 7257), PAL 3806 (former SSW 7260), PAL 3807 (former SSW 7261), PAL 3808 (former SSW 7262), PAL 3809 (former SSW 7265), PAL 3810 (former SSW 7269), PAL 3811 (former SSW 7270), and PAL 3812 (former SSW 7273). 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.

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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,

A handwritten signature in cursive script that reads "David Reeves". The signature is written in black ink and is positioned above the printed name and title.

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 NINTH AMENDMENT TO MEMORANDUM OF SECURITY AGREEMENT RECORDED WITH THE SURFACE TRANSPORTATION BOARD UNDER RECORDATION NO. 19540, effective June 20, 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

*NINTH AMENDMENT TO MEMORANDUM OF SECURITY AGREEMENT
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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; on May 16, 2002, a Seventh Amendment To Memorandum Of Security Agreement Recorded With The Surface Transportation Board Under Recordation No. 19540; and on April 16, 2003, an Eighth 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 NINTH AMENDMENT TO MEMORANDUM OF SECURITY AGREEMENT RECORDED WITH THE SURFACE TRANSPORTATION BOARD UNDER RECORDATION NO. 19540, to release the lien as to four locomotives by deleting those locomotives from the coverage of the Memorandum of Security Agreement (as amended), and to add 13 locomotives being acquired by Borrower as subject to the coverage of the Memorandum of Security Agreement (as amended), each as follows:

1. Borrower has sold, and Borrower and Secured Party surrender all claim to any right, title or interest in or to PAL 2200 (former NS 2807), PAL 2201 (former CR 2896), PAL 2123 (former DRGW 3132), and PAL 2122 (former CNW 5527).

2. Borrower has acquired, and the lien of Borrower and Secured Party evidenced by the Memorandum of Security Agreement (as amended) shall apply to, PAL 3800 (former UP 5217), PAL 3801 (former SSW 7241), PAL 3802 (former SSW 7243), PAL 3803 (former SSW 7254), PAL 3804 (former SSW 7256), PAL 3805 (former SSW 7257), PAL 3806 (former SSW 7260), PAL 3807 (former

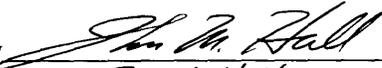
SSW 7261), PAL 3808 (former SSW 7262), PAL 3809 (former SSW 7265), PAL 3810 (former SSW 7269), PAL 3811 (former SSW 7270), and PAL 3812 (former SSW 7273).

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 2054 and PAL 2057 (formerly MRI 2054 and MRI 2057, respectively); to PAL 3800 (former UP 5217), PAL 3801 (former SSW 7241), PAL 3802 (former SSW 7243), PAL 3803 (former SSW 7254), PAL 3804 (former SSW 7256), PAL 3805 (former SSW 7257), PAL 3806 (former SSW 7260), PAL 3807 (former SSW 7261), PAL 3808 (former SSW 7262), PAL 3809 (former SSW 7265), PAL 3810 (former SSW 7269), PAL 3811 (former SSW 7270), and PAL 3812 (former SSW 7273); 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 NINTH 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:

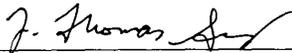
BANK OF AMERICA, N.A.

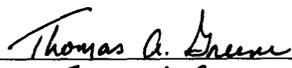
By 
Name: *John M. Hall*
Title: *Senior Vice President*

Borrower:

PADUCAH & LOUISVILLE RAILWAY,
INC.

Attest:
(Borrower)


(Corporate Seal)

By 
Name: *Thomas A. Greene*
Title: *VP- Operations and Finance*

STATE OF TENNESSEE)
) SS
COUNTY OF KNOX)

On this 20th day of June, 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 Senior 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.

Debra R. Phillips
Notary Public

[NOTARIAL SEAL]

My commission expires: 02/04/07

STATE OF KENTUCKY)
) SS
COUNTY OF McCracken)

On this 30 day of ~~June~~^{July}, 2003, in McCracken County, Kentucky, before me personally appeared Thomas A. Greene, to me personally known, who being by me duly sworn, says that [s]he is the ~~VP Operations + Finance~~ 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.

Danyelle Scott
Notary Public

[NOTARIAL SEAL]

My commission expires: October 29, 2003