

JOHN D. HEFFNER, PLLC

1920 N ST., N.W.
SUITE 800
WASHINGTON, D.C. 20036
(202) 263-4180
FAX (202) 296-3939
j.heffner@verizon.net

RECORDATION NO. 24626 FILED
OCT 03 11:59 AM
SURFACE TRANSPORTATION BOARD

October 1, 2003

Hon. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423-0001
Attn: Equipment recordations

To Whom It May Concern:

I am enclosing for recordation pursuant to the provisions of 49 U.S.C. 11301 a Locomotive Security Agreement dated September 30, 2003, a primary document as defined in the Board's Rules for Recordation of Documents.

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

Grantor: National Railway Equipment Co.
14400 S. Robey Street
P.O. Box 2270
Dixmoor, IL 60426

Lender: LaSalle Bank National Association
135 So. LaSalle Street
Chicago, IL 60603

A description of the railroad equipment covered by the enclosed document is:

(i) All railroad cars, locomotives, or other rolling stock or accessories used on such railroad cars, locomotives or other rolling stock, as may be further described in Schedule 1.1, to this agreement; (ii) all certificates of title and all other evidence of title with respect to the foregoing; (iii) all books, records, and files of whatever form or nature, whether or not written, stored electronically or in any other form, relating to any and all of the foregoing; and (iv) all products or proceeds of all of the foregoing, including proceeds of any insurance.

Hon. Vernon A. Williams
October 1, 2003
Page two

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

"Locomotive Security Agreement"

Also enclosed is a check in the amount of \$30 payable to the Surface Transportation Board to cover the required recordation fee.

Please date stamp and return to me one copy of the enclosed document.

Sincerely yours,

A handwritten signature in black ink, appearing to read "John D. Heffner", with a stylized flourish at the end.

John D. Heffner

Enclosure

cc: Robert Loewer, Esq.

RECORDATION NO. 24626 FILED

OCT 1 2003 11:59 AM

LOCOMOTIVE SECURITY AGREEMENT

SURFACE TRANSPORTATION BOARD

THIS LOCOMOTIVE SECURITY AGREEMENT (this "Agreement") is made as of the 30th day of September, 2003, by NATIONAL RAILWAY EQUIPMENT CO., an Illinois corporation, NRE WHEELWORKS, INC., an Illinois corporation, N.R.E. ACQUISITION CO., L.L.C., a Kentucky limited liability company, NRE-ALCO LOCOMOTIVES OF CANADA, INC., an Illinois corporation, ALCO LOCOMOTIVE COMPANY, an Illinois corporation and NRE-ALCO LOCOMOTIVES OF CANADA CO., a Nova Scotia unlimited liability company (each a "**Grantor**" and collectively, the "**Grantors**"), in favor of LASALLE BANK NATIONAL ASSOCIATION (the "**Lender**").

WHEREAS, Grantors desire to refinance certain existing debt to Lender and to borrow additional funds and obtain other financial accommodations from Lender pursuant to the terms and conditions of that certain Loan and Security Agreement of even date herewith between Grantors and Lender (the Loan and Security Agreement as it may be amended, modified, supplemented, increased or restated from time to time being referred to herein as the "**Loan Agreement**");

WHEREAS, as a condition to such refinancing and new extensions of credit, Lender requires that each Grantor grant a security interest in its locomotive inventory in accordance with this Agreement; and

WHEREAS, each Grantor has determined that the execution, delivery and performance of this Agreement is in its best business and pecuniary interest.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each of the parties hereto, it is agreed as follows:

1. **DEFINITIONS**

1.1 **Definitions.** As used herein, the following terms shall have the meanings set forth in this Section:

"Liabilities" shall mean all of Grantors' and their Subsidiaries' liabilities, obligations and indebtedness to Lender of any and every kind and nature, whether primary, secondary, direct, absolute, contingent, fixed, or otherwise (including, without limitation, interest, charges, expenses, reasonable attorneys' fees and other sums chargeable to Grantors or their Subsidiaries by Lender, future advances made to or for the benefit of Grantors and obligations of performance), whether arising under the Loan Agreement, under any of the Ancillary Agreements or acquired by Lender from any other source, whether previously, now or to be owing, arising, due, or payable from Grantors' or their Subsidiaries to Lender, however evidenced, created, incurred, acquired or owing and however arising, whether under written or oral agreement, operation of law, or otherwise.

“Locomotive Collateral” shall mean (i) all railroad cars, locomotives, or other rolling stock, or accessories used on such railroad cars, locomotives or other rolling stock, as may be further described in Schedule 1.1 to this Agreement; (ii) all certificates of title and all other evidence of title with respect to the forgoing; (iii) all books, records and files of whatever type or nature, whether or not written, stored electronically or in any other form, relating to any and all of the forgoing; and (iv) all products or proceeds of all of the foregoing, including proceeds of any insurance.

“UCC” shall mean the Uniform Commercial Code as enacted in the State of Illinois, as amended from time to time, provided that to the extent that the UCC is used to define any term herein, and such term is defined differently in different Articles of the UCC, the definition of such term contained in Article 9 of the UCC shall govern.

1.2 Other Definitions. All capitalized terms used herein not specifically defined herein shall have the meaning ascribed to them in the Loan Agreement. All other terms contained in this Agreement, whether or not capitalized, which are not otherwise defined in this Agreement or the Loan Agreement shall, unless the context indicates otherwise, have the meanings provided for by the UCC in effect from time to time, to the extent the same are used or defined therein.

2. SECURITY INTEREST.

As security for the payment in full of all of the Liabilities, each Grantor hereby grants to Lender a security interest in such Grantor’s right, title and interest in and to the Locomotive Collateral, whether now owned or existing or hereafter acquired or arising.

3. REPRESENTATIONS AND WARRANTIES OF GRANTOR.

Each Grantor represents and warrants to Lender that:

3.1 Authorization. The execution and performance of this Agreement have been duly authorized by all necessary action and do not and will not: (a) require any consent or approval of the shareholders of such Grantor, or the consent of any governmental entity; or (b) violate any provision of any indenture, contract, agreement or instrument to which it is a party or by which it is bound.

3.2 Title to Locomotive Collateral. Such Grantor has good and marketable title to all of the Locomotive Collateral and none of the Locomotive Collateral is subject to any security interest except for the security interest created pursuant to this Agreement or other security interests permitted by the Loan Agreement.

3.3 No Additional Locomotive Collateral. Such Grantor does not own any railroad cars, locomotives or other rolling stock other than as described on Schedule 1.1 hereto.

4. COVENANTS AND CONTINUING AGREEMENTS.

4.1 **Disposition or Encumbrance of Locomotive Collateral.** No Grantor will encumber, sell or otherwise transfer or dispose of the Locomotive Collateral without the prior written consent of Lender except as provided in this Agreement or in the Loan Agreement. Notwithstanding the foregoing, Grantors may sell Locomotive Collateral if such sale is in the ordinary course of such Grantor's business and provided that any such sale shall be subject to the terms of Section 3.2(D)(ii) of the Loan Agreement.

4.2 **Maintenance of Locomotive Collateral.** To the extent it is consistent with their normal business practices, Grantors will maintain the Locomotive Collateral in good condition and repair. At the time of attachment and perfection of the security interest granted pursuant hereto and thereafter, all tangible Locomotive Collateral will be located and will be maintained only at an Eligible Collateral Location. Except as otherwise permitted by this Agreement and in the Loan Agreement, Grantors will not remove such Locomotive Collateral from such locations. Lender's security interest attaches to all of the Locomotive Collateral wherever located and Grantors' failure to inform Lender of the location of any item or items of Locomotive Collateral shall not impair Lender's security interest thereon. Grantors and Lender agree that to the extent the Locomotive Collateral is rolling stock of Grantors, such Locomotive Collateral shall be deemed to be located at an Eligible Collateral Location subject to such reasonable conditions as Lender may deem appropriate.

4.3 **Protection of Locomotive Collateral.** All expenses of protecting, storing, warehousing, insuring, handling and shipping of the Locomotive Collateral, all costs of keeping the Locomotive Collateral free of any liens, encumbrances and security interests prohibited by this Agreement or the Loan Agreement and of removing the same if they should arise, and any and all excise, property, sales and use taxes imposed by any state, federal or local authority on any of the Locomotive Collateral or in respect of the sale thereof ("**Taxes**"), shall be borne and paid, jointly and severally, by Grantors and if Grantors fail to promptly pay any Taxes when due, Lender may, at its option, but shall not be required to pay the same whereupon the same shall constitute Liabilities and shall bear interest at the Default Rate specified in the Loan Agreement and shall be secured by the security interest granted hereunder and under the Loan Agreement. Notwithstanding the foregoing, Grantors may dispute any such Taxes without prior payment thereof provided that Grantors shall give Lender prompt notice of such dispute and shall be diligently contesting the same in good faith and by an appropriate proceeding, the effect of which is to prevent the collection of such Taxes, and further provided that, in any event, Grantors shall pay such Taxes prior to the levy or attachment of any Locomotive Collateral.

4.4 **Insurance.** Grantors will procure and maintain, or cause to be procured and maintained, insurance issued by responsible insurance companies insuring the Locomotive Collateral against damage and loss by theft, fire, collision, and such other risks as are usually carried by owners of similar properties or as may be requested by Lender in an amount equal to the replacement value thereof, and, in any event, in an amount sufficient to avoid the application of any co-insurance provisions and payable, in the case of any loss in excess of \$100,000.00, to Grantors and Lender jointly. All such insurance shall contain an agreement by the insurer to provide Lender with thirty (30) days' prior notice of cancellation and an agreement that the

interest of Lender shall not be impaired or invalidated by any act or neglect of Grantors nor by the occupation of the premises wherein such Locomotive Collateral is located for purposes more hazardous than are permitted by said policy. Grantors will deliver evidence of such insurance and the policies of insurance or copies thereof to Lender upon request. Unless Grantors provide Lender with evidence of the insurance coverage required by this Section, Lender may purchase, at Grantors' expense, insurance to protect Lender's interest in the Locomotive Collateral. The coverage that Lender purchases may not pay any claim that Grantors make or any claim that is made against Grantors in connection with the Locomotive Collateral. Grantors may later cancel any insurance purchased by Lender, but only after providing Lender with evidence that Grantors have obtained insurance as required by this section. If Lender purchases insurance for the Locomotive Collateral, Grantors will be responsible for the costs of the insurance, including interest and any charges Lender may impose in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to the Liabilities. The costs of the insurance may be more than the cost of insurance Grantors may be able to obtain itself.

4.5 Compliance with Law. Grantors will not use the Locomotive Collateral, or knowingly permit the Locomotive Collateral to be used, for any unlawful purpose or in violation of any federal, state or municipal law.

4.6 Books and Records; Access.

(a) Each Grantor will permit Lender and its representatives to examine such Grantor's books and records with respect to the Locomotive Collateral and make extracts therefrom and copies thereof at any time and from time to time, and such Grantor will furnish such information and reports to Lender and its representatives regarding the Locomotive Collateral as Lender and its representatives may from time to time request upon two (2) days prior written notice to such Grantor. Each Grantor will also permit Lender and its representatives to inspect the Locomotive Collateral at any time and from time to time as Lender and its representatives may request upon two (2) days prior written notice to such Grantor.

(b) Lender shall have authority, at any time, to place, or require each Grantor to place upon such Grantor's books and records relating to rights to payment covered by the security interest granted hereby a notation or legend stating that such rights to payment are subject to Lender's security interest.

4.7 Notice of Default. Immediately upon any officer of any Grantor becoming aware of the existence of any Default or Event of Default, such Grantor will give notice to Lender that such Default or Event of Default exists, stating the nature thereof, the period of existence thereof, and what action such Grantor proposes to take with respect thereto.

4.8 Additional Documentation. Grantors will execute, from time to time, and authorizes Lender to execute from time to time as Grantors' attorney-in-fact and/or file, such financing statements, assignments, and other documents, whether required by 49 U.S.C. §11301 (and successor provisions) and the regulations promulgated thereunder covering the Locomotive

Collateral, including proceeds thereof, or as Lender may request in order to create, evidence, perfect, maintain or continue its security interest in the Locomotive Collateral (including additional Locomotive Collateral acquired by Grantors after the date hereof), and Grantors will pay the cost of filing the same in all public offices in which Lender may deem filing to be appropriate and will notify Lender promptly upon acquiring any additional Locomotive Collateral that may require an additional filing.

5. POWER OF ATTORNEY.

Each Grantor hereby appoints Lender, or any person whom Lender may from time to time designate, as such Grantor's attorney-in-fact with power, from and during the occurrence of an Event of Default, to: (a) endorse such Grantor's name on any checks, notes, acceptances, drafts or other forms of payment or security evidencing or relating to any Locomotive Collateral that may come into Lender's possession; (b) sign such Grantor's name on any invoice or bill of lading or other documents of title relating to any Locomotive Collateral; and (c) do all things necessary to carry out this Agreement. Each Grantor ratifies and approves all acts of the attorney taken within the scope of the authority granted. Neither Lender nor the attorney will be liable for any acts of commission or omission nor for any error in judgment or mistake of fact or law. This power, being coupled with an interest, is irrevocable so long as any of the Liabilities remain unpaid. Each Grantor waives presentment and protest of all instruments and notice thereof, notice of default and dishonor and all other notices to which such Grantor may otherwise be entitled.

6. ASSIGNMENT OF INSURANCE.

Grantors hereby assign to Lender, as additional security for payment of the Liabilities, any and all monies due or to become due under, and any and all other rights of Grantors with respect to, any and all policies of insurance covering the Locomotive Collateral. So long as no Event of Default has occurred and is continuing, Grantors may itself adjust and collect for any losses of up to an aggregate amount of \$75,000.00 for all occurrences during any of Grantors' fiscal years and Grantors may use the resulting insurance proceeds for the replacement, restoration or repair of the Locomotive Collateral. After the occurrence and during the continuance of a Event of Default, or after the aggregate amount of losses arising out of all occurrences during any of Grantors' fiscal years exceed \$50,000.00, Lender may (but need not) in its own name or in Grantors' name execute and deliver proofs of claim, receive such monies, and settle or litigate any claim against the issuer of any such policy and Grantors direct the issuer to pay any such monies directly to Lender and Lender, at its sole discretion and regardless of whether Lender exercises its right to collect insurance proceeds under this Section, may apply any insurance proceeds to the payment of the Liabilities, whether due or not, in such order and manner as Lender may elect or may permit Grantors to use such insurance proceeds for the replacement, restoration or repair of the Locomotive Collateral.

7. EVENTS OF DEFAULT.

The occurrence of any Event of Default as defined in the Loan Agreement shall constitute an Event of Default hereunder.

8. RIGHTS AND REMEDIES ON DEFAULT.

Upon the occurrence of an Event of Default, and at any time thereafter until such Event of Default is cured to the satisfaction of Lender, and in addition to the rights granted to Lender under this Agreement and the Loan Agreement, Lender may exercise any one or more of the following rights and remedies:

8.1 Acceleration of Liabilities. Declare any and all Liabilities to be immediately due and payable, and the same shall thereupon become immediately due and payable without further notice or demand.

8.2 Deal with Locomotive Collateral. In the name of Grantors or otherwise, demand, collect, receive and give receipt for, compound, compromise, settle and give acquittance for and prosecute and discontinue any suits or proceedings in respect of any or all of the Locomotive Collateral.

8.3 Realize on Locomotive Collateral. Take any action which Lender may deem reasonably necessary or desirable in order to realize on the Locomotive Collateral, including, without limitation, the power to perform any contract or to endorse in the name of Grantors any checks, drafts, notes, or other instruments or documents received in payment of or on account of the Locomotive Collateral. Lender may comply with any applicable state or federal law requirements in connection with a disposition of the Locomotive Collateral and compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Locomotive Collateral. Lender may sell the Locomotive Collateral without giving any warranties as to the Locomotive Collateral. Lender may specifically disclaim any warranties of title or the like. This procedure will not be considered adversely to affect the commercial reasonableness of any sale of the Locomotive Collateral.

8.4 Access to Property. Enter upon and into and take possession of all or such part or parts of the properties of Grantors, including lands, plants, buildings, machinery, equipment and other property as may be necessary or appropriate in the reasonable judgment of Lender, to permit or enable Lender to store, lease, sell or otherwise dispose of or collect all or any part of the Locomotive Collateral, and use and operate said properties for such purposes and for such length of time as Lender may deem necessary or appropriate for said purposes without the payment of any compensation to Grantors therefor. Grantors shall provide Lender with all information and assistance requested by Lender to facilitate the storage, leasing, sale or other disposition or collection of the Locomotive Collateral after an Event of Default has occurred and is continuing.

8.5 Other Rights. Exercise any and all other rights and remedies available to it by law or by agreement, including rights and remedies under the UCC as adopted in the relevant jurisdiction or any other applicable law, or under the Loan Agreement and, in connection therewith, Lender may require Grantors to assemble the Locomotive Collateral and make it available to Lender at a place to be designated by Lender, and any notice of intended disposition of any of the Locomotive Collateral required by law shall be deemed reasonable if such notice is

mailed or delivered to Grantors at its address as shown on Lender's records at least ten (10) days before the date of such disposition.

8.6 Application of Proceeds. All proceeds of Locomotive Collateral shall be applied in accordance with the UCC, and such proceeds applied toward the Liabilities as set forth in the Loan Agreement.

9. MISCELLANEOUS.

9.1 No Liability on Locomotive Collateral. It is understood that Lender does not in any way assume any of Grantors' Liabilities with respect to any of the Locomotive Collateral. Grantors hereby agree to indemnify Lender against all liability arising in connection with or on account of any of the Locomotive Collateral, except for any such liabilities arising on account of Lender's negligence or willful misconduct.

9.2 No Waiver. Lender shall not be deemed to have waived any of its rights hereunder or under the Loan Agreement or any other agreement, instrument or paper signed by Grantors unless such waiver be in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver on any one occasion shall not be construed as a bar to or waiver of any right or remedy on any future occasion.

9.3 Remedies Cumulative. All rights and remedies of Lender shall be cumulative and may be exercised singularly or concurrently, at Lender's option, and the exercise or enforcement of any one such right or remedy shall not bar or be a condition to the exercise or enforcement of any other.

9.4 Governing Law. This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the laws of the State of Illinois, except to the extent that the perfection of the security interest hereunder, or the enforcement of any remedies hereunder, with respect to any particular Locomotive Collateral shall be governed by federal law or the laws of a jurisdiction other than the State of Illinois.

9.5 Expenses. Grantors agree to pay the reasonable attorneys' fees and legal expenses incurred by Lender in the exercise of any right or remedy available to it under this Agreement, whether or not suit is commenced, including, without limitation, attorneys' fees and legal expenses incurred in connection with any appeal of a lower court's order or judgment.

9.6 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of Grantors and Lender.

9.7 Severability. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under such law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

9.8 No Obligation to Pursue Others. Lender has no obligation to attempt to satisfy the Liabilities by collecting them from any other person liable for them and Lender may release, modify or waive any Locomotive Collateral provided by any other person to secure any of the Liabilities, all without affecting Lender's rights against Grantors. Grantors waive any right Grantors may have to require Lender to pursue any third person for any of the Liabilities.

[signature page follows]

LENDER:

LASALLE BANK NATIONAL ASSOCIATION

By: 
Name: Brian Greenblatt
Its: Senior Vice President

STATE OF ILLINOIS)
)ss.
COUNTY OF ^{Lake}COOK)

On this 29th day of September 2003, before me personally appeared Brian Greenblatt, to me personally known, who being by me duly sworn, says that he is a Senior Vice President of LaSalle Bank National Association, that the foregoing instrument was signed on behalf of said bank and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC: Karen Petersen
My commission expires: 4-2-05



IN WITNESS WHEREOF, the undersigned has executed this Agreement as of the date and year first above written.

NATIONAL RAILWAY EQUIPMENT CO.,
an Illinois corporation

By: *L. J. Beal*
Name: Lawrence J. Beal
Title: President

NRE WHEELWORKS, INC., an Illinois
corporation

By: *L. J. Beal*
Name: Lawrence J. Beal
Title: President

NRE ACQUISITION CO., L.L.C., a Kentucky
limited liability company

By: *L. J. Beal*
Name: Lawrence J. Beal
Title: President, of Sole Member, National
Railway Equipment Co.

NRE-ALCO LOCOMOTIVES OF CANADA,
INC., an Illinois corporation

By: *L. J. Beal*
Name: Lawrence J. Beal
Title: President

ALCO LOCOMOTIVE COMPANY, an
Illinois corporation

By: *L. J. Beal*
Name: Lawrence J. Beal
Title: President

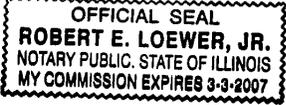
NRE-ALCO LOCOMOTIVES OF CANADA
CO., a Nova Scotia unlimited liability
company

By: *L. J. Beal*
Name: Lawrence J. Beal
Title: President

STATE OF ILLINOIS)
)ss.
COUNTY OF Cook)

On this 29th day of September 2003, before me personally appeared Lawrence Beal, to me personally known, who being by me duly sworn, says that he is the President of National Railway Equipment Co., NRE Wheel Works, Inc., Alco Locomotive Company, NRE-ALCO Locomotives of Canada, Inc., NRE-ALCO Locomotives of Canada, Co. and the President of the sole member, National Railway Equipment, Co., of NRE Acquisition, Co., L.L.C. that the foregoing instrument was signed on behalf of said companies and limited liability company, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC: Robert E. Loewer, Jr.
My commission expires: 3-3-2007



Schedule 1.1

Locomotive Collateral

Schedule 1.1 to the Locomotive Security Agreement*
 9/29/2003

| MODEL | | MARKINGS |
|--------|-------|----------|
| SLUG | 704B | |
| SW1 | 76 | ISC |
| SW1 | 78 | ISC |
| SW1 | 100 | ETHYL |
| NW2 | 4743 | GMQ |
| NW2 | 142 | |
| NW2 | 485 | NSS |
| NW2 | 1306 | |
| NW2 | 100 | MNNC |
| NW2 | 1316 | |
| NW2 | 1328 | |
| NW2 | 9537 | |
| SW8 | 40 | AC |
| SW8 | 129 | HOL |
| SW8 | 141 | NREX |
| SW8 | 4835 | |
| SW9 | 129 | ISC |
| SW9 | 622 | |
| SW9 | 1241 | GC |
| SW9 | 2113 | SOO |
| SW9 | 2119 | SOO |
| SW9 | 2295 | |
| SW900 | 9655 | USS |
| SW900 | 3 | TRI |
| SW900 | 7 | USS |
| SW900 | 99 | RS |
| SW900 | 128 | HOL |
| SW900 | 1109 | NS |
| SW1001 | 201 | CBG |
| SW1001 | 10018 | FMC |
| SW1001 | | |
| SW1200 | 1 | MKT |
| SW1200 | 9 | USS |
| SW1200 | 13 | USS |
| SW1200 | 19 | USS |
| SW1200 | 21 | USS |
| SW1200 | 31 | USS |
| SW1200 | 32 | USS |
| SW1200 | 90 | ISC |
| SW1200 | 91 | ISC |
| SW1200 | 94 | ISC |
| SW1200 | 96 | ISC |
| SW1200 | 106 | USS |
| SW1200 | 107 | ISC |

Schedule 1.1 to the Locomotive Security Agreement*

9/29/2003

| MODEL | | MARKINGS |
|--------|------|----------|
| SW1200 | 108 | APM |
| SW1200 | 110 | MNNC |
| SW1200 | 111 | ISC |
| SW1200 | 112 | APM |
| SW1200 | 113 | USS |
| SW1200 | 148 | |
| SW1200 | 152 | NREX |
| SW1200 | 153 | NREX |
| SW1200 | 155 | NREX |
| SW1200 | 1213 | EQ |
| SW1200 | 1286 | NREX |
| SW1200 | 2256 | IHB |
| SW1200 | 2272 | IHB |
| SW1200 | 7709 | CN |
| SW1200 | 7722 | CN |
| SW1200 | 704D | |
| SW1200 | 707C | |
| SW1200 | 708C | |
| SW14 | 1410 | IC |
| SW14 | 1416 | IC |
| SW14 | | |
| SW14 | 1432 | IC |
| SW14 | 1435 | IC |
| SW14 | 1437 | IC |
| SW14 | 1442 | NREX |
| SW14 | 1450 | IC |
| SW14 | 1455 | IC |
| MP1500 | 25 | FNM |
| SW1500 | 101 | NREX |
| SW1500 | 306 | MC |
| SW1500 | 944 | RI |
| SW1500 | 1405 | SP |
| SW1500 | 1500 | NREX |
| SW1500 | 1509 | A&S |
| SW1500 | 1514 | A&S |
| SW1500 | 2459 | SP |
| SW1500 | 2469 | SP |
| SW1500 | 2472 | SP |
| SW1500 | 2477 | SP |
| SW1500 | 2481 | GEC |
| SW1500 | 2498 | SP |
| SW1500 | 2501 | SP |
| SW1500 | 2531 | SP |
| SW1500 | 2543 | |

Schedule 1.1 to the Locomotive Security Agreement*
9/29/2003

| MODEL | | MARKINGS |
|-----------|------|----------|
| SW1500 | 2601 | |
| SW1500 | 2627 | SP |
| SW1500 | 2671 | SP |
| E8 | 4267 | URHS |
| F9 | 9164 | CN |
| F9 | 9177 | CN |
| F9B | 1018 | CP |
| F9B | 1019 | CP |
| F59PH-AC | 450 | AMTRAK |
| F59PH-AC | 451 | AMTRAK |
| CF7 | 2632 | NREX |
| CF7 | 7010 | MS |
| CF7 | 7012 | MS |
| CF7 | 7015 | MS |
| GMD1 | 1901 | CN |
| GMD1 | 1905 | CN |
| GMD1 | 1907 | CN |
| GMD1 | 1915 | CN |
| GP7 | 100 | MKT |
| GP7 | 101 | MKT |
| GP7 | 104 | MKT |
| GP7 | 118 | RA |
| GP7 | 151 | RA |
| GP7 | 152 | RA |
| GP7 | 2024 | ATSF |
| GP8 | 2154 | ATSF |
| GP7 | 4328 | |
| GP7 | 4195 | CNW |
| GP7 F/CAR | 400 | MINC |
| GP7 F/CAR | 401 | MINC |
| GP8 | 7915 | IC |
| GP9 | 202 | SO |
| GP9 | 1607 | BN |
| GP9 | 1616 | BN |
| GP9 | 1640 | |
| GP9 | 3344 | SP |
| GP9 | 3417 | SP |
| GP9 | 3421 | SP |
| GP9 | 3835 | SP |
| GP10 | 911 | |
| GP10 | 1029 | MS |
| GP10 | 1063 | MS |
| GP10 | 1788 | |
| GP10 | 8093 | CCP |

Schedule 1.1 to the Locomotive Security Agreement*

9/29/2003

| MODEL | | MARKINGS |
|------------|------|----------|
| GP10 | 8134 | IC |
| GP10 | 8171 | IC |
| GP10 | 8219 | IC |
| GP10 | 8258 | CCP |
| GP10 | 8308 | IC |
| GP10 | 8402 | IC |
| GP10 | 8404 | IC |
| GP10 | 8408 | CCP |
| GP10 | 8410 | |
| GP10 | 8413 | IC |
| GP10 | 8415 | IC |
| GP10 | 8442 | IC |
| GP11 | 8707 | IC |
| GP11 | 8725 | IC |
| GP11 | 8738 | IC |
| GP11 | 8740 | IC |
| GP11 | 8748 | IC |
| GP11 | 8749 | STL |
| GP16 | 1792 | CSXT |
| GP16 | 1852 | CSXT |
| GP18 | 181 | RA |
| GP18 | 194 | RA |
| GP18 | 1801 | MS |
| GP18 | 1802 | MS |
| GP18 | 9408 | CCP |
| GP18 | 9413 | IC |
| GP18 | 9420 | IC |
| GP18 | 9428 | IC |
| GP20 | 973 | CCP |
| GP20 | 2010 | UP |
| GP20 F/CAR | 977 | CCP |
| GP28 | 8418 | IC |
| GP28 | 9438 | IC |
| GP30 | 3007 | DRGW |
| GP30 | 3008 | DRGW |
| GP35 | 5007 | FWWW |
| GP35 | 829 | CNW |
| GP35 | 846 | CNW |
| GP38 | 1980 | UP |
| GP38 | 1981 | UP |
| GP38 | 1989 | UP |
| GP38 | 1999 | UP |
| GP38 | 2045 | CSXT |
| GP38 | 2064 | CSXT |

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| MODEL | | MARKINGS |
|---------|------|----------|
| GP38 | 2721 | NS |
| GP38 | 2760 | NS |
| GP38 | 2773 | NS |
| GP38 | 2779 | NS |
| GP38 | 2790 | NS |
| GP38-2 | 3067 | CP |
| GP40M-2 | 638 | WP |
| GP40 | 648 | WP |
| GP40 | 675 | UP |
| GP40 | 676 | UP |
| GP40 | 677 | WP |
| GP40 | 3060 | DRGW |
| GP40 | 3071 | DRGW |
| GP40 | 3084 | DRGW |
| GP40 | 3141 | DRGW |
| GP40M-2 | 5516 | CNW |
| GP40M-2 | 5517 | CNW |
| GP40M-2 | 5518 | CNW |
| GP40M-2 | 5521 | CNW |
| GP40M-2 | 5525 | CNW |
| GP40M-2 | 5526 | CNW |
| GP40M-2 | 5528 | CNW |
| GP40M-2 | 5534 | CNW |
| GP40M-2 | 5537 | CNW |
| GP35 | 6356 | |
| GP40 | 6523 | CSXT |
| GP40 | 6593 | CSXT |
| GP40 | 6615 | UTAH |
| GP40 | 6621 | UTAH |
| GP40 | 6807 | CSXT |
| GP40 | 9710 | |
| GP40 | 9956 | UP |
| GP40 | 9960 | UP |
| GP40 | 9961 | UP |
| GP40 | 9962 | UP |
| GP40 | 9963 | UP |
| GP40 | 9964 | UP |
| GP40 | 9965 | UP |
| GP40 | 9966 | UP |
| GP40-2 | 9967 | UP |
| GP40M-2 | 9968 | UP |
| GP40M-2 | 9980 | UP |
| GP40X | 9999 | UP |
| GP40 | 3134 | scrx |

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| MODEL | | MARKINGS |
|--------|------|----------|
| GP40 | 9731 | CSXT |
| GP40 | 9703 | CSXT |
| GP40X7 | 954 | UP |
| GP40X | 955 | UP |
| GP40X7 | 957 | UP |
| GP50 | 7075 | |
| SD7 | 1508 | SP |
| SD9 | 1836 | CSXT |
| SD18 | 6622 | WSOR |
| SD18 | 6625 | WSOR |
| SD20 | 2038 | IC |
| SD20 | 2025 | NREX |
| SD20 | 2026 | NREX |
| SD20 | 2029 | NREX |
| SD20 | 2030 | NREX |
| SD20 | 2032 | NREX |
| SD20 | 2034 | NREX |
| SD20 | 2036 | NREX |
| SD20 | 2039 | NREX |
| SD20 | 2041 | NREX |
| SD28 | 9450 | NREX |
| SD35 | 413 | |
| SD40 | 3178 | |
| SD40 | 3188 | |
| SD38-2 | 3862 | IHB |
| SD40 | 455 | |
| SD40 | 1610 | |
| SD40 | 3065 | TU |
| SD40 | 5005 | |
| SD40 | 8511 | FNM |
| SD40 | 5539 | CP |
| SD20 | 2038 | IAIS |
| SD40-2 | 224 | QS&L |
| SD40-2 | 225 | QS&L |
| SD40-2 | 227 | QS&L |
| SD40-2 | 234 | QS&L |
| SD40-2 | 247 | QS&L |
| SD40-2 | 254 | QS&L |
| SD40-2 | 258 | QS&L |
| SD40-2 | 262 | QS&L |
| SD40-2 | 263 | QS&L |
| SD40-2 | 3225 | NS |
| SD40-2 | 3588 | UP |
| SD40-2 | 3718 | UP |

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| MODEL | | MARKINGS |
|---------|------|----------|
| SD40-2 | 3776 | UP |
| SD40-2 | 3819 | UP |
| SD40-2 | 3910 | UP |
| SD40-2 | 3928 | UP |
| SD40-2 | 5398 | DRGW |
| SD40-2 | 5979 | PCN |
| SD40-2 | 6462 | |
| SD40-2 | 6475 | |
| SD40-2 | 7378 | SP |
| SD40-2 | 8974 | UP |
| SD40-2 | 9926 | UP |
| SD40-T2 | 8250 | SP |
| SD40-T2 | 8315 | SP |
| SD40-T2 | 8543 | SP |
| SD40-2B | 4262 | UP |
| SD40-2B | 4279 | UP |
| SD40-2B | 4297 | UP |
| SD40-2B | 4311 | UP |
| SD40-2B | 8936 | UP |
| SD45 | 5378 | |
| SD45-2 | 7401 | SP |
| SD45-2 | 7482 | SP |
| SD45-2 | 7526 | UP |
| SD45-2 | 6409 | |
| SD45-T2 | 6811 | SP |
| SD45-T2 | 6817 | SP |
| SD45-T2 | 6876 | SP |
| SD45-2 | 7376 | SP |
| SD45-T2 | 8391 | SP |
| SD45-T2 | 9270 | SP |
| SD45-T2 | 9323 | SP |
| SD50 | 5004 | UP |
| SD50 | 5006 | UP |
| SD50 | 5023 | UP |
| SD50 | 5024 | UP |
| SD50 | 5041 | UP |
| SD50 | 5060 | UP |
| SD50 | 5061 | UP |
| SD50 | 5062 | UP |
| SD50 | 5063 | UP |
| SD50 | 5064 | UP |
| SD50 | 5066 | UP |
| SD50 | 5067 | UP |
| SD50 | 5068 | UP |

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| MODEL | | MARKINGS |
|-------|------|----------|
| SD50 | 5070 | UP |
| SD50 | 5071 | UP |
| SD50 | 5072 | UP |
| SD50 | 5073 | UP |
| SD50 | 5074 | UP |
| SD50 | 5075 | UP |
| SD50 | 5076 | UP |
| SD50 | 5077 | UP |
| SD50 | 5078 | UP |
| SD50 | 5079 | UP |
| SD50 | 5080 | UP |
| SD50 | 5081 | UP |
| SD50 | 5082 | UP |
| SD50 | 5083 | UP |
| SD50 | 5084 | UP |
| SD50 | 5085 | UP |
| SD50 | 5086 | UP |
| SD50 | 5087 | UP |
| SD50 | 5088 | UP |
| SD50 | 5089 | UP |
| SD50 | 5090 | UP |
| SD50 | 5091 | UP |
| SD50 | 5092 | UP |
| SD50 | 5093 | UP |
| SD50 | 5094 | UP |
| SD50 | 5446 | NS |
| SD50 | 5450 | NS |
| SD50 | 5451 | NS |
| SD50 | 5453 | NS |
| SD50 | 5456 | NS |
| SD50 | 5458 | NS |
| SD50 | 5459 | NS |
| SD50 | 5461 | NS |
| SD50 | 5465 | NS |
| SD50 | 5467 | NS |
| SD50 | 5469 | NS |
| SD50 | 5470 | NS |
| SD50 | 5471 | NS |
| SD50 | 5473 | NS |
| SD50 | 5474 | NS |
| SD50 | 5477 | NS |
| SD50 | 7005 | UP |
| SD50 | 7009 | UP |
| SD50 | 8690 | CSXT |

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| MODEL | | MARKINGS |
|-------|------|----------|
| SD50 | 8692 | CSXT |
| SD50 | 8696 | CSXT |
| SD50 | 8698 | CSXT |
| SD50M | 5010 | UP |
| SD50M | 5015 | UP |
| SD50M | 5054 | UP |
| SLUG | 50 | IC |
| SLUG | 58 | IC |
| SLUG | 500 | MKT |
| SLUG | 1011 | SP |
| SLUG | 1302 | IC |
| SLUG | 1600 | UP |
| SLUG | 5502 | SP |
| SLUG | 704C | |
| G8 | 3011 | KNR |
| G8 | 3012 | KNR |
| G8 | 3013 | KNR |
| G8 | 3014 | KNR |
| G8 | 3015 | KNR |
| G8 | 3019 | KNR |
| G8 | 3028 | KNR |
| G8 | 3039 | KNR |
| G8 | 3042 | KNR |
| G8 | 3046 | KNR |
| G8 | 3050 | KNR |
| G8 | 3051 | KNR |
| G8 | 3052 | KNR |
| G12 | 4301 | KNR |
| G12 | 5837 | FNM |
| G12 | 5844 | FNM |
| G12 | 5848 | FNM |
| G12 | 5864 | FNM |
| G12 | 5870 | FNM |
| G12 | 5874 | FNM |
| G12 | 5886 | FNM |
| G12 | 5888 | FNM |
| G12 | 5889 | FNM |
| G12C | 1500 | NZ |
| G12C | 1501 | NZ |
| G12C | 1502 | NZ |
| G12C | 1503 | NZ |
| G12C | 1504 | NZ |
| G12C | 1510 | NZ |
| G12C | 2027 | NZ |

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| MODEL | | MARKINGS |
|-----------|----------|----------|
| MR420R | 2004 | ME |
| MR420 | 3514 | GWR |
| 424B | 63 | |
| HR616 | 2100 | CN |
| HR616 | 2103 | CN |
| HR616 | 2106 | CN |
| HR616 | 2107 | CN |
| HR616 | 2108 | CN |
| HR616 | 2112 | CN |
| HR616 | 2113 | CN |
| HR616 | 2115 | CN |
| HR616 | 2117 | CN |
| HR616 | 2118 | CN |
| PLYMOUTH | 7441 | ISC |
| BALDWIN | 1255 | APM |
| TEST CELL | 6518 | BN |
| FLAT CAR | 251 | NREX |
| FLAT CAR | 252 | NREX |
| FLAT CAR | 260 | NREX |
| FLAT CAR | 261 | NREX |
| FLAT CAR | 262 | NREX |
| FLAT CAR | 263 | NREX |
| FLAT CAR | 264 | NREX |
| FLAT CAR | 265 | NREX |
| FLAT CAR | 266 | NREX |
| FLAT CAR | 267 | NREX |
| FLAT CAR | 268 | NREX |
| GE 25 TON | NRE50023 | NRE |
| SD-40-2 | 2001 | VMV |
| SW 1400 | 1425 | VMV |
| GP 40-2 | 5527 | CNW |
| GP 40 | 3132 | PRGW |
| GP 40 | 5217 | NREX |
| GP 40 | 7257 | NREX |
| GP 40 | 7243 | NREX |
| GP 40 | 7241 | NREX |
| GP 40 | 7262 | NREX |

Various Railcars in scrap condition (5 or less)

* Includes leased locomotives

** Excel cell notations for No. regarding condition & content not warranted

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| MODEL | | MARKINGS |
|-------------|------|----------|
| C30-7 | 5073 | ATGX |
| C30-7 | 5085 | ATGX |
| C30-7 | 5586 | ATGX |
| C30-7 | 5589 | ATGX |
| C30-7 | 5592 | ATGX |
| C30-7 | 5595 | ATGX |
| C30-7 | 5599 | ATGX |
| C30-7 | 5000 | ATGX |
| C30-7 | 5008 | ATGX |
| C30-7 | 5009 | ATGX |
| C30-7 | 5010 | ATGX |
| C30-7 | 5012 | ATGX |
| C30-7 | 5080 | ATGX |
| C30-7 | 5513 | ATGX |
| C30-7 | 5522 | ATGX |
| C30-7 | 5526 | ATGX |
| C30-7 | 5535 | ATGX |
| C30-7 | 5541 | ATGX |
| C30-7 | 5542 | ATGX |
| C30-7 | 5550 | ATGX |
| C30-7 | 5546 | ATGX |
| C30-7 | 5588 | |
| C30-7 | 5209 | |
| C30-7 | 5562 | ATGX |
| C30-7 | 5006 | BNSF |
| C30-7 | 5535 | ATGX |
| C30-7 | 5534 | ATGX |
| C30-7 | 5062 | BN |
| C30-7 | 5011 | BN |
| C30-7 | 8147 | BN |
| C36-7 | 5057 | NREX |
| C36-7 | 5058 | NREX |
| C39-8 | 8640 | NS |
| C39-8 F/CAR | 8580 | NS |
| DL532BM | 3212 | KNR |
| DL532bm | 3240 | KNR |
| HR616 | 2114 | NREX |
| M420 | 3531 | CN |
| M420 | 3546 | CN |
| M420 | 3528 | CN |
| M420 | 3566 | CN |
| M420 | 3572 | CN |
| MR420 | 3522 | GWR |
| MR420R | 3803 | ME |

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| MODEL | | MARKINGS |
|-----------|------|----------|
| G12C | 2079 | NZ |
| G12C | 2085 | NZ |
| GR22W | 1 | CBG |
| GR22W | 3 | CBG |
| B30-7 | 5489 | BN |
| GE 45 TON | 9 | |
| GE 45 TON | 15 | |
| GE 45 TON | 17 | |
| SLUG | 1012 | UP |
| SLUG | 1601 | UP |
| SLUG | 1608 | UP |
| SLUG | 1609 | UP |
| SLUG | 1613 | UP |
| SLUG | 2078 | TTI |
| SLUG | 5213 | CSXT |
| B23-7 | 22 | |
| B23-7 | 1967 | CR |
| B23-7 | 1968 | CR |
| B23-7 | 1975 | CR |
| B23-7 | 1986 | CR |
| B23-7 | 1991 | CR |
| B23-7 | 1993 | CR |
| B23-7 | 2000 | CR |
| B23-7 | 3136 | CSXT |
| B23-7 | 4079 | CR |
| B36-7 | 7739 | SP |
| B36-7 | 7754 | SP |
| B36-7 | 7756 | SP |
| B36-7 | 7758 | SP |
| B36-7 | 7759 | SP |
| B36-7 | 7763 | SP |
| B36-7 | 7764 | SP |
| B36-7 | 3602 | BCOL |
| B36-7 | 3606 | BCOL |
| B36-7 | 3603 | BCOL |
| B36-7 | 3605 | BCOL |
| B36-7 | 3615 | BCOL |
| B36-7 | 3610 | BCOL |
| C30-7 | 5161 | |
| C30-7 | 5168 | |
| C30-7 | 5204 | |
| C30-7 | 5206 | |
| C30-7 | 5003 | ATGX |
| C30-7 | 5004 | ATGX |