

VEDDER PRICE

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RECORDATION NO. 20174 S
FILED

FEB 18 '05

4-16 PM

SURFACE TRANSPORTATION BOARD

VEDDER, PRICE, KAUFMAN & KAMMHOLZ, P.C.

222 NORTH LASALLE STREET

CHICAGO, ILLINOIS 60601

312-609-7500

FACSIMILE: 312-609-5005

OFFICES IN CHICAGO, NEW YORK CITY, AND LIVINGSTON, NEW JERSEY

February 15, 2005

VIA FEDERAL EXPRESS

Surface Transportation Board
Attention: Ms. Barbara Saddler
1925 K Street, NW, Suite 714
Washington, DC 20006

Re: Rail Logistics Services, Inc.

Dear Ms. Sadler:

Enclosed herewith for recording with the Surface Transportation Board (the "Board") pursuant to Section 11301 of Title 49 of the U.S. Code, under recordation number 20174, are original, fully executed and notarized documents in connection with that certain Amended and Restated Security Agreement dated as of May 29, 2001 (as amended from time to time, the "Security Agreement") between Rail Logistics Services, Inc., as the debtor (the "Debtor"), and LaSalle Bank National Association, formerly known as LaSalle National Bank, as the secured party (the "Secured Party"), which amended and restated that certain primary document titled "Security Agreement" dated as of June 26, 1996 (the "Original Security Agreement") between Debtor and Secured Party, as described below:

(i) a Third Amendment to Amended and Restated Security Agreement dated as of November 17, 2004 ("Third Amendment"), which amends Schedule A to the Security Agreement to release collateral thereto, EMD GP-10 LIRC 201 (a/k/a NY 201 formerly OHCR 7589) (the "Released Collateral"); and

(ii) a Third Amendment dated as of November 17, 2005 (the "Lease Amendment") to Amended and Restated Master Collateral Assignment of Leases dated as of May 29, 2001 ("Lease Assignment"), which amends Schedule 1 to the Lease Assignment to release the lease of the Released Collateral as collateral security and release.

The names and addresses of the parties to the Third Amendment and the Lease Amendment are as follows: the Debtor is Rail Logistics Services, Inc., a Delaware corporation whose principal place of business is located at 53 West Jackson Boulevard, Suite 335, Chicago, Illinois 60604; the Secured Party is LaSalle Bank National Association, formerly known as LaSalle National Bank, a

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national banking association whose principal place of business is located at 135 South LaSalle Street, Chicago, Illinois 60603.

A short summary for each document to appear in the index is as follows:

A Third Amendment to Amended and Restated Security Agreement, dated as of November 17, 2004 between Rail Logistics Services, Inc., as the debtor, and LaSalle Bank National Association, formerly known as LaSalle National Bank, as the secured party, amending Secured Party's security interest and lien to release the Released Collateral.

A Third Amendment dated as of November 17, 2005 to Amended and Restated Master Collateral Assignment of Lease dated as of May 29, 2001 between Rail Logistics Services, Inc., as the debtor, and LaSalle Bank National Association, formerly known as LaSalle National Bank, as the secured party, amending the leases pledged as collateral to include the release of the Released Collateral.

Enclosed is a check in the amount of \$60.00 payable to the Surface Transportation Board to cover the recording fee prescribed by the Board in its rules and regulations.

Please acknowledge receipt of the enclosed documents by stamping and returning to me the enclosed copy of this letter together with each of (i) the original Third Amendment to Amended and Restated Security Agreement and (ii) the original Third Amendment to Amended and Restated Master Collateral Assignment of Leases, each as filed. I have also enclosed a self-addressed pre-paid federal express envelope for your convenience.

Should you have any questions concerning the enclosed, please feel free to contact me at (312) 609-7859.

Very truly yours,

A handwritten signature in black ink, appearing to read "D. Schoendorff".

Diana M. Schoendorff
Paralegal

DMS/DMS
Enclosures

cc: John T. McEnroe, Esq.
Allen J. Gable, Esq.

RECORDATION NO. 20174-5 FILED
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**THIRD AMENDMENT
TO
AMENDED AND RESTATED MASTER COLLATERAL ASSIGNMENT OF LEASE**

SURFACE TRANSPORTATION BOARD

This THIRD AMENDMENT TO AMENDED AND RESTATED MASTER COLLATERAL ASSIGNMENT OF LEASE ("Lease Amendment"), dated as of November 17, 2004, is made by and between RAIL LOGISTICS SERVICES, INC., a Delaware corporation having its principal place of business at 53 West Jackson Boulevard, Chicago, Illinois 60604 ("Borrower"), and LASALLE BANK NATIONAL ASSOCIATION, a national banking association with its principal place of business at 135 South LaSalle Street, Chicago, Illinois 60603 ("Bank"), and each of the undersigned companies (each a "Lessee" and, collectively, "Lessees").

WHEREAS, Borrower and Bank desire to amend certain provisions of the Amended and Restated Master Collateral Assignment of Lease dated as of May 29, 2001, as amended by that First Amendment to Amended and Restated Master Collateral Assignment of Lease dated as of November 26, 2002, and as amended by that Second Amendment to Amended and Restated Master Collateral Assignment of Lease dated as of August 26, 2003 (collectively, as amended, restated, supplemented or otherwise modified from time to time, the "Lease Assignment").

NOW THEREFORE, the parties agree as follows:

1. Definitions. Capitalized terms used herein without definitions shall have the meanings contained in the Lease Assignment.
2. Released Collateral. Upon receipt of cash in the amount of \$3,379 from the Borrower, Bank agrees to delete the following from Schedule 1 to the Lease Assignment:

Locomotive Identification	Lessee
EMD GP-10 LIRC 201 (a/k/a NY 201 formerly OHCR 7589)	Louisville and Indiana Railroad Company

3. Continuing Effect. Except as otherwise explicitly provided for herein, the terms and provisions of the Lease Assignment remain in full force and effect.
4. Counterparts. This Lease Amendment to the Amended and Restated Master Collateral Assignment of Lease may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS]

***(Signature Page to Third Amendment to Amended and Restated
Master Collateral Assignment of Lease)***

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed as an instrument under seal by their authorized representatives as of the date first written above.

Assignor
RAIL LOGISTICS SERVICES, INC., a
Delaware corporation

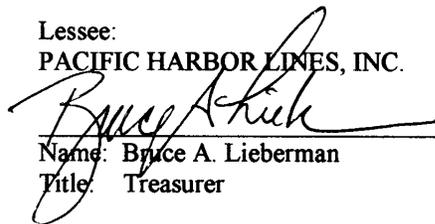


Name: Bruce A. Lieberman
Title: Vice President and Treasurer

Assignee:
LASALLE BANK NATIONAL
ASSOCIATION,
a national banking association

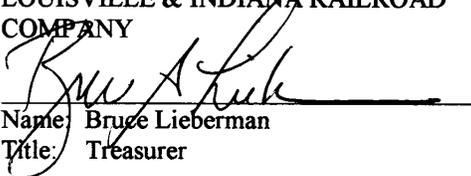
Name: Craig Schuth
Title: Corporate Banking Officer

Lessee:
PACIFIC HARBOR LINES, INC.



Name: Bruce A. Lieberman
Title: Treasurer

Lessee:
LOUISVILLE & INDIANA RAILROAD
COMPANY



Name: Bruce Lieberman
Title: Treasurer

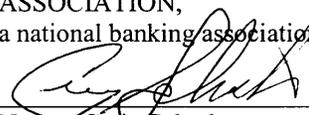
*(Signature Page to Third Amendment to Amended and Restated
Master Collateral Assignment of Lease)*

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed as an instrument under seal by their authorized representatives as of the date first written above.

Assignor
RAIL LOGISTICS SERVICES, INC., a
Delaware corporation

Name: Bruce A. Lieberman
Title: Vice President and Treasurer

Assignee:
LASALLE BANK NATIONAL
ASSOCIATION,
a national banking association



Name: Craig Schuth
Title: ~~Corporate Banking Officer~~ AVP

Lessee:
PACIFIC HARBOR LINES, INC.

Name: Bruce A. Lieberman
Title: Treasurer

Lessee:
LOUISVILLE & INDIANA RAILROAD
COMPANY

Name: Bruce Lieberman
Title: Treasurer

STATE OF _____)

)

COUNTY OF _____)

ss.

LAUREN MILGROM
Notary Public, State of New York
No. 31-4654052
Qualified in New York County
Commission Expires March 30, 2007

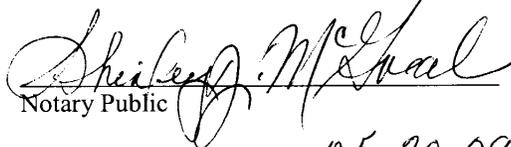
On this 22 day of November, 2004, before me personally appeared Bruce A. Lieberman, to me personally known, who, being by me duly sworn, says that he is the Vice President and Treasurer of Rail Logistics Services, Inc., a Delaware corporation, and that the said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

My commission expires: _____

STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

On this 10th day of November, 2004, before me personally appeared Craig Schuth, to me personally known, who, being by me duly sworn, says that he is a Corporate Banking Officer of LaSalle Bank National Association, a national banking association, and is duly authorized to sign the foregoing instrument on behalf of said banking association, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said banking association.


Notary Public

My commission expires: 05.20.09



Schedule 1 - Rolling Stock

PHL Unit 9378
PHL Unit 9381
PHL Unit 9363
PHL Unit 9358
PHL Unit 9326

Model No. 6628 (Type SD-18)
Model No. 6637 (Type SD-18)

HBC Unit 101

Model No. 6632 (Type SD-18)
Model No. 6636 (Type SD-18)

SD-20-2 locomotive (OHCR 2401)

EMD SW1200, Road Number 9321
EMD SW1200, Road Number 9373
EMD GP16, Road Number 1608
EMD GP16, Road Number 1610
EMD GP38-2, Road Number 220
EMD GP38-2, Road Number 221
EMD GP38-2, Road Number 223

Model No. IC 8716 (GP 11)
Model No. IC 8721 (GP 11)
Model No. IC 8745 (GP 11)

Model No. DRGW 5412 (a/k/a SP 5412) (Type SD-40-2)
Model No. SP8550 (Type SD-40-2)
Model No. UP 426B (a/k/a IC 2006 and TCWR 601) (Type SD-20)

EMD GP39-2, Unit Number 2371
EMD GP39-2, Unit Number 2375
EMD GP39-2, Unit Number 2376
EMD GP39-2, Unit Number 2378