CERTIFIED TRUE COPY

RECORDATION NO. 25876 FILED

OCT 0 3 '05 3-42 PM

SURFACE TRANSPORTATION BOARD

STATE OF MICHIGAN)
) ss
COUNTY OF OAKLAND)

On this 27th day of September, 2005, before me personally appeared James George, to me personally known, who, being by me duly sworn, says that he is an Executive Vice President of Huron Leasing Corporation, that he is duly authorized to sign the attached Security Agreement (All Personal Property and Fixtures) Borrower Grantor on behalf of Huron Leasing Corporation, and that said instrument was signed on behalf of Huron Leasing Corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of Huron Leasing Corporation.

Cecilia A. Jacobson
Notary Public
(Notarial Seal) My Commission Expires: _____

CECILIA A. JACOBSON, NOTARY PUBLIC
OAKLAND COUNTY, STATE OF MICHIGAN
MY COMMISSION EXPIRES: 9/20/08

STATE OF MICHIGAN)
) ss
COUNTY OF OAKLAND)

On this 27th day of September, 2005, I compared the attached copy of the Security Agreement (All Personal Property and Fixtures) Borrower Grantor dated September 27, 2005 executed by James George, an Executive Vice President of Huron Leasing Corporation, 323 Newman Street, East Tawas, Michigan 48730, with the original executed version of the same, and found the copy to be complete in all respects to the original document.

Cecilia A. Jacobson
Notary Public
(Notarial Seal) My Commission Expires: _____

CECILIA A. JACOBSON, NOTARY PUBLIC
OAKLAND COUNTY, STATE OF MICHIGAN
MY COMMISSION EXPIRES: 9/20/08

RECORDATION NO. 25876 FILED

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SURFACE TRANSPORTATION BOARD

SECURITY AGREEMENT
(All Personal Property and Fixtures)
Borrower Grantor

This Security Agreement (together with all amendments, supplements and other modifications, this ***"Agreement"***) executed in Troy, Michigan, as of this 27th day of September, 2005, by Huron Leasing Corporation (together with its permitted successors and assigns, heirs and personal representatives, ***"Grantor"***), whose mailing address is 323 Newman Street, East Tawas, Michigan 48730, to **NATIONAL CITY BANK OF THE MIDWEST** (***"Bank"***), having a banking office at 300 Center Avenue, Bay City, Michigan 48708 Attention: Ann M. Lingle, Locator No. R-H01-2D.

1. Grant of Interest. Grantor hereby grants to Bank a security interest in all of Grantor's right, title and interest in the following property of Grantor (excluding Consumer Goods) wherever located and whether now existing or hereafter acquired or created (collectively, the ***"Collateral"***), including, without limitation:

(a) all Accounts, all Equipment, all Inventory, all Chattel Paper, all General Intangibles, all Deposit Accounts, all Documents, all Instruments, all Goods, all Fixtures, all Investment Property, all Commercial Art claims, all Letter of Credit Rights;

(b) all property, tangible or intangible, in which Grantor now has or hereafter acquires any rights including, without limitation, all property which now or hereafter is in Bank's control (by document of title or otherwise) or possession or is owed by Bank to Grantor;

(c) specific property described on Schedule 1, if any, attached hereto; and

(d) all books and records, attachments, accessories, replacements, additions and substitutions therefor (whether now or hereafter installed therein or affixed thereto) and all Proceeds and Products of all of the foregoing Collateral.

This Collateral secures the full and prompt payment to Bank of all obligations of J&JG Holding Company, Inc., Lake State Railway Company and Saginaw Bay Southern Railway Company (individually and collectively, the "Borrower") and/or Grantor to Bank, whether incurred directly or acquired by purchase, pledge, or otherwise and whether participated in whole or in part, including, without limitation, (i) every such obligation to Bank whether in a joint, several, or joint and several capacity, whether now owing or existing or later arising or created, owed absolutely or contingently, created by loan, overdraft, guaranty, or other contract, quasi-contract, tort, statute or otherwise, whether for principal, interest, fees, expenses or otherwise and (ii) any and all obligations of Borrower or Grantor to Bank or to any affiliate of Bank, whether now owing or existing or later arising or created, owed absolutely or contingently, whether evidenced or acquired (including all renewals, extensions, and modifications thereof or substitutions), under any agreement, device or arrangement designed to protect Borrower or Grantor from fluctuations of interest rates, exchange rates or forward rates, including, but not limited to, dollar-denominated or cross-currency exchange agreements, foreign currency exchange agreements, interest rate caps, collars or floors, forward rate currency or interest rate options, puts, warrants, swaps, swaptions, U.S. Treasury locks and U.S. Treasury options, (collectively the ***"Subject Debt"***).

2. Representations and Warranties. Grantor represents and warrants to Bank as follows:

(a) ***Existence.*** Grantor's legal name is exactly as set forth in the first paragraph of this Agreement. Grantor is:

- a corporation organized and in good standing under Michigan law.

Grantor's social security number or federal taxpayer identification number is 38-3060228 and its state organizational or registration identification number, if any, is 492006.

(b) ***Location.*** Grantor's chief executive office is located at 323 Newman Street, East Tawas, Michigan 48730. All Goods in which Grantor has any rights are, and for the past five (5) years have been, kept at Grantor's chief executive office and at the locations, if any, set forth on Schedule A hereto.

(c) ***Ownership.*** Grantor owns all of the presently existing Collateral, free and clear of any and all adverse claims, assignments, attachments, leases, mortgages, security interests or other liens of any kind or nature (***"Encumbrances"***) except those in favor of Bank, those permitted under the Loan Agreement and those consented to in writing by Bank (collectively, the ***"Permitted Encumbrances"***). Each Encumbrance granted hereby, when duly and properly perfected, will be a first priority security interest in the Collateral, prior to all Encumbrances except for Permitted Encumbrances and will secure the payment of the Subject Debt. There exists no default under any Collateral consisting of Instruments or contracts by any party thereto.

(d) ***Authority; No Consent.*** Grantor has all right, power and authority to enter into and deliver this Agreement and grant to Bank the Encumbrances on the Collateral. This Agreement is a valid obligation of Grantor, enforceable in accordance with its terms. No consent, authorization, approval or other action of any third party is required for the grant by Grantor of the Encumbrances hereunder.

3. Covenants.

(a) ***No Transfer or Encumbrance.*** Grantor agrees that it will not, without in each case obtaining Bank's prior written consent, (i) sell, lease, transfer or otherwise dispose of all or any part of the Collateral or license any of the Collateral except as otherwise permitted herein, or (ii) grant any Encumbrances in or permit any Collateral to be or become subject to any Encumbrance except for Permitted Encumbrances. Grantor shall comply with all applicable laws, rules and regulations related to the Collateral. Grantor agrees to join Bank to take all steps necessary to preserve, protect and defend Bank's security interest in the Collateral, at Grantor's expense, as Bank may from time to time require.

(b) ***Insurance.*** Grantor will keep the Collateral consisting of Inventory, Equipment, Goods and Fixtures insured with such insurers, in such amounts and against all risks to which they may be exposed, in accordance with the terms of the Loan Agreement, which policies shall name Bank as an additional insured and shall contain satisfactory loss payable clauses in favor of Bank and contain insurer's agreement that any loss thereunder shall be payable to Bank notwithstanding any action, inaction, or breach of representation or warranty by Grantor. Annually and upon Bank's request, Grantor will deliver to Bank certificates evidencing such policies and, upon request, include copies of such policies. Grantor hereby assigns to Bank any returned or unearned premium due upon cancellation of any such insurance and directs any insurer to pay to Bank all amounts so due. Each policy for liability insurance shall provide for all losses to be paid on behalf of Grantor and Bank as their interests may appear and each policy for property damage shall provide for losses to be paid to Bank. All amounts received by Bank in payment of insurance losses or returned or unearned premiums may, at Bank's option, be applied either to the Subject Debt (with such allocation as to item and maturity as Bank may deem advisable) or to the repair, replacement or restoration of the Collateral or either thereof.

(c) ***Inspection.*** Grantor will at all times keep accurate and complete records of the Collateral. Bank and its agents shall have the right at all reasonable times to examine and inspect the Collateral and to make extracts from the books and records related to the Collateral, and to examine, appraise and protect the Collateral.

(d) ***Preservation of Collateral; Risk of Loss.*** The Collateral shall remain personal property at all times and shall not be affixed. Grantor will maintain the Collateral in good condition and repair, ordinary wear and tear excepted. Grantor will pay promptly all taxes, levies and all costs of repair, maintenance and preservation. Grantor bears the risk of loss of the Collateral.

(e) ***Merger; Consolidation.*** Grantor will preserve its existence and will not, in one transaction or in a series of related transactions, merge into or consolidate with any other entity.

(f) ***Notice.*** Grantor agrees to give Bank:

(i) not less than thirty (30) days' prior written notice of any change in Grantor's name, in the location of its chief executive office or personal residence, or any other information provided under subsection 2(a) or of any other change in circumstances which affects or may affect the continuing efficacy of any financing statement filed by Grantor and Bank, or the continuing status of Bank's security interest as the first and prior lien on the Collateral,

(ii) immediate written notice if any third party claims any Encumbrance on any of the Collateral or claims that Grantor's use thereof infringes or unlawfully conflicts with any rights of such party,

(iii) from time to time, upon Bank's request, statements and schedules further identifying and describing the Collateral, in form and substance satisfactory to Bank; and

(iv) unrestricted access at all reasonable times to inspect the Collateral, and Bank may enter upon all premises where the Collateral is kept or might be located.

(g) ***Further Assurances.*** Grantor agrees to execute and deliver from time to time upon request of Bank such other instruments of assignment, conveyance and transfer and take such other action as Bank may reasonably request for the purpose of perfecting, continuing, amending, protecting or further evidencing the arrangements contemplated hereby or to enable Bank to exercise and enforce its rights and remedies hereunder. Grantor will, at Grantor's expense, upon each request of Bank (i) file and hereby authorizes Bank to file, from time to time, financing statements or other Records in such public offices as Bank may require containing, among other things, (A) a collateral description of "all personal property and assets" of Grantor or such other description of the Collateral as Bank may require, whether expanded or reduced, (B) an indication of any Agricultural Liens or other statutory liens held by Bank, and (C) Grantor's federal taxpayer identification number, social security number and/or state organizational number, if any, and any other identifying information as Bank may require, (ii) place a legend on all Chattel Paper indicating that Bank has a security interest in such Chattel Paper, (iii) where the Collateral is in the possession of a third party, join with Bank in notifying the third party of Bank's security interest and obtaining an acknowledgement from the third party that it is holding the Collateral for the benefit of Bank, (iv) if the Collateral is an Instrument or Chattel Paper, deliver such Collateral to Bank and (v) comply with every other requirement deemed necessary by Bank for the perfection of its security interest in the Collateral. Without diminishing or impairing any of Grantor's obligations hereunder, a photographic, electronic or other reproduction of this Agreement shall be sufficient as a financing statement.

4. Provisions Applicable to Accounts.

(a) Unless and until Bank shall have made demand upon Account Debtors to make their payments directly to Bank, Grantor shall have the right in the ordinary course of business to collect the Accounts and to grant such waivers and consents to, and to enter into such compromises with, and otherwise deal with Account Debtors in respect of the Accounts as Grantor in good faith may from time to time deem advisable.

(b) Grantor will provide Bank immediate written notice whenever any Account (i) arises out of a contract with or order from the United States of America or any department, agency or instrumentality thereof or (ii) does not take the form of an "account" and is evidenced by a promissory note, letter of credit, lease or any similar instrument, Chattel Paper or General Intangible.

(c) Bank may arrange for verification of Accounts with Account Debtors.

(d) At any time and from time to time by giving prior written notice to Grantor, Bank shall have the right to:

(i) enforce all of Grantor's rights against Account Debtors, including, without limitation, instructing Account Debtors, at Grantor's expense, to make their payments directly to Bank; and

(ii) require Grantor to instruct Account Debtors to mail their payments to a post office lockbox which Bank shall maintain at Grantor's expense and to which only Bank shall have access and control. If Grantor shall receive any payment on such Account, it will hold the amount so received in trust for the benefit of Bank and promptly remit it to Bank in the form received with necessary endorsements.

(e) All payments received by Bank in respect of the Accounts shall be deposited either to (i) Grantor's general checking account with Bank or (ii) a cash collateral account which shall bear no interest and over which Bank shall have sole dominion and control and from which only Bank may withdraw funds, whichever option Bank shall from time to time elect by giving Grantor written notice thereof. Bank shall have no responsibility to determine if payment is the correct amount owing. Each such deposit shall be subject to Bank's general rules and regulations except to the extent, if any, inconsistent with this Agreement.

(f) Bank may withdraw all funds from the cash collateral account as are from time to time "collected." All funds so withdrawn shall be applied to the payment of the Subject Debt with such allocation as to item and maturity as Bank in its discretion may deem advisable (except that so long as no Event of Default exists or no demand has been made, Bank shall not apply any such withdrawal to any Subject Debt that is not then due and payable without first obtaining Grantor's consent). If any funds so withdrawn and applied are recovered from Bank by any trustee in bankruptcy or anyone else or are discovered not to have been "collected" and collection thereof is denied to Bank, Bank shall reverse any such application to the extent the funds are recovered from or not collected by Bank. Bank in its discretion may from time to time release to Grantor (or to Grantor's order) all or any of the funds then held in the cash collateral account, but no such release or releases shall commit Bank thereafter to make any further or other such releases.

(g) Grantor irrevocably authorizes and directs each Account Debtor to honor any demand by Bank that all payments in respect of the Accounts thereafter be paid directly to Bank. In each such case Account Debtor may continue directing all such payments to Bank until Account Debtor shall have received written notice from Bank either that the Subject Debt has been paid in full or that Bank has released its security interest. No Account Debtor shall have any responsibility to inquire into Bank's right to make any such demand or to follow Bank's disposition of any moneys paid to Bank by Account Debtor.

(h) Bank may enforce payment, at Grantor's expense, of the Accounts by suit or otherwise (at Grantor's expense), but Bank shall have no duty to institute any suit or to take any other action to enforce the Accounts (or take action against or realize on any security therefor) or, having started any such suit or action, thereafter to continue the same. Bank shall have full power and authority to execute and deliver such vouchers and receipts in respect of the Accounts, such endorsements of checks and such other writings in respect of the foregoing as Bank may from time to time deem advisable and shall have full power and authority to sign Grantor's signature to all such vouchers, receipts, endorsements and other writings whenever Bank deems such action advisable.

5. Provisions Applicable to Inventory.

(a) Grantor shall not sell, transfer or otherwise dispose of all or any part of the Inventory; provided, however, that so long as no Event of Default exists or Bank has not made demand, Grantor shall have the right, in the ordinary course of business, to process and sell Inventory in arm's-length transactions; provided, however, that Grantor shall immediately deposit the proceeds thereof into the cash collateral account, if any then exists, or if none then exists, to Grantor's general checking account with Bank; and

(b) Grantor shall not permit any Inventory to be evidenced by any warehouse receipt or other document of title (other than any bill of lading or similar document covering merchandise that has been sold in the ordinary course of business) or by any lease, conditional sales agreement or other Chattel Paper of any kind.

6. Provisions Applicable to Motor Vehicles. If any part of the Collateral shall be a motor vehicle for which a certificate of title may or must be issued, Grantor shall deliver to Bank (together with any other documentation requested by Bank), promptly after such certificate of title is issued to Grantor, the certificate of title together with such other documentation requested by Bank appropriately executed by Grantor so that Bank may cause its Encumbrance to be noted on the certificate of title by the appropriate authorities.

7. Additional Authorizations. Bank is hereby appointed Grantor's attorney-in-fact to make adjustments of all insurance losses, to sign all applications, receipts, releases and other papers necessary for the collection of any such loss and any return or unearned premium, to execute proofs of loss, to make settlements, to endorse and collect any check or other item payable to Grantor issued in connection therewith, and to apply the same to the Subject Debt.

8. Remedies. If any Event of Default occurs or after demand is made by Bank, Bank has the right, at its option at any time and from time to time, without notice to Grantor to exercise the following rights and remedies which may be exercised simultaneously:

(a) Bank shall have full power and right to exercise any and all rights and remedies available at law (including, without limitation, those afforded by the UCC) or in equity to collect, enforce or satisfy any of the Subject Debt and exercise any or all of the rights and remedies in respect of the Collateral, including, without limitation, those provided herein or in any Related Writing.

(b) Bank may enter any premises where the Collateral is located, and take possession of the Collateral or remove the Collateral from such premises. On Bank's demand, Grantor will assemble and make the Collateral available to Bank at such place or places as Bank may reasonably require, all at Grantor's expense.

(c) Bank may attach, execute or levy on any of the Collateral.

(d) With respect to the certificated securities, Bank may register or transfer into its own name, or into the name of its nominee, all or any part of the Collateral.

(e) Bank may retain, take control of or manage all or any Collateral.

(f) Bank shall have the right to sell, transfer or otherwise dispose of all or any of the Collateral at any time, or from time to time. Bank shall give Grantor commercially reasonable prior notice of either the date after which any intended private sale is to be made or the time and place of any intended public sale, provided that Bank need give no such notice in the case of Collateral which Bank determines to be declining speedily in value or which is customarily sold on a recognized market. Grantor waives advertisement of any such sale and (except only to the extent notice is specifically required by the next preceding sentence) waives notice of any kind in respect of such sale. Bank shall have the right to conduct such sales on Grantor's premises, without charge therefor, and such sales may be adjourned from time to time in accordance with applicable law without further requirement of notice to

Grantor. At any public sale Bank may purchase the Collateral or any part thereof free from any right of redemption, which right Grantor hereby waives. After deducting all expenses and attorneys' fees incurred in assembling, taking, repairing, storing and selling and delivering the Collateral or any part thereof, Bank may apply the net proceeds of the sale to the Subject Debt with such allocation as to item and maturity as Bank in its sole discretion deems advisable, and shall refund the surplus, if any, to Grantor, who shall be liable for any deficiency. Bank may sell or otherwise dispose of the Collateral without giving any warranties as to the Collateral and may specifically disclaim any warranties of title or the like, any or all of which will not be considered adversely to affect the commercial reasonableness of any sale or other disposition of the Collateral. Grantor permits Bank to disclaim all representations and warranties provided under the UCC in any foreclosure sale contracts. In the event that applicable law shall obligate Bank to give prior written notice to Guarantor of any action to be taken under this Agreement, Grantor agrees that a written notice given to Grantor at least seven days before the date of the act shall be reasonable notice of the act and, specifically, reasonable notification of the time and place of any public sale or of the time after which any private sale, lease, or other disposition is to be made, unless a shorter notice period is reasonable under the circumstances.

9. Indemnity; Fees and Expenses. Grantor agrees to indemnify Bank from and against any and all claims, losses, and liabilities, except claims, losses, or liabilities resulting from Bank's gross negligence or willful misconduct. in accordance with the Loan Agreement. Grantor will reimburse Bank, on demand, for any and all fees, costs, and expenses (including, without limitation, reasonable attorneys' fees) incurred by Bank in (a) administration of this Agreement, (b) custody, preservation, sale, use, collection or realization of the Collateral, (c) protection or enforcement of its rights in the Collateral or under this Agreement or (d) failure of Grantor to perform or observe any provisions hereof.

10. Bank May Perform. If Grantor fails to perform any agreement contained herein, Bank may itself perform (but is not required to perform) or cause performance of, such agreement, and the expenses of Bank incurred in connection therewith shall be payable by Grantor upon Bank's demand. If Grantor does not reimburse Bank, such amounts paid will become part of the Subject Debt and will be secured hereunder. The powers conferred on Bank hereunder are solely to protect its interest in the Collateral and shall not impose any duty upon it to exercise any such powers.

11. Notices. Each notice to Grantor shall be in writing and shall be deemed to have been given or made when sent to Grantor, by certified mail, return receipt requested, or nationally recognized overnight courier service to the address of Grantor set forth herein or at such other address as Grantor may furnish to Bank from time to time. Every notice to Bank shall be effective when delivered to Bank at its banking office or at such other address as Bank may furnish to Grantor. Grantor assumes all risks arising out of or in connection with each notice given hereunder.

12. Definitions. As used in this Agreement, the following terms shall have the following meanings: (a) ***"Event of Default"*** means any event of default under this Agreement or as defined and occurring under any Related Writing; (b) ***"Record"*** means information that is inscribed on a tangible medium or which is stored in an electronic or other medium and is retrievable in perceivable form; (c) ***"Related Writing"*** means a Record of any kind that (i) evidences the Subject Debt or pursuant to which any Subject Debt is issued, (ii) evidences any Collateral or any interest therein or Proceeds or Products thereof or which otherwise relates thereto in any manner and includes, without limitation, any warehouse receipt, bill of lading, certificate or affidavit, assignment, endorsement, trust receipt, contract of sale, lease, invoice or check, or (iii) is a financial statement, audit report, opinion, notice, certificate or other Record any kind that is furnished to Bank by Grantor or by any officer, partner, employee, agent, auditor or counsel of Grantor; and (d) ***"UCC"*** means the Uniform Commercial Code as currently in effect in the jurisdiction where the chief executive office of the Bank is located and as the Uniform Commercial Code may hereafter be amended, adopted and effective in such jurisdiction. All terms used in this Agreement which are defined under the UCC and not otherwise defined herein, including, without limitation, all terms relating to the Collateral, shall have the meaning as set forth in the UCC.

13. General Provisions. The provisions of this Agreement shall be binding upon the successors, assigns, heirs and personal representatives of the parties hereto. No single or partial exercise of any right, power or privilege shall preclude any further or other exercise thereof or of any other right, power or privilege, as each such right, power or privilege may be exercised either independently or concurrently with others and as often and in such order as Bank may deem expedient. This Agreement contains the entire security agreement between Grantor and Bank and may be in addition to other security agreements executed by Grantor in favor of Bank. If any one or more of the provisions hereof should be invalid, illegal or unenforceable in any respect, the finding shall only affect the provisions found to be void and the remaining provisions shall not be impaired. No course of dealing in respect of, nor any omission or delay in the exercise of, any right, power or privilege by Bank under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise thereof preclude any further or other exercise thereof or of any other right, power or privilege, as each such right, power or privilege may be exercised either independently or concurrently with others and in such order as Bank may deem expedient. The provisions of this Agreement may be modified, altered or amended only by written agreement signed by Bank and Grantor. Each right, power or privilege is in addition to and not in limitation of any other rights, powers and privileges that Bank may otherwise have or acquire by operation of law (including, without limitation, the right of offset), by other contract or otherwise. This Agreement shall be governed by the law (excluding conflict of laws rules) of the jurisdiction in which Bank's banking office is located.

14. Defeasance. Bank's security interest in the Collateral shall remain in effect in accordance with this Agreement until the Subject Debt has been indefeasibly satisfied and shall not be affected by the lapse of time or by the fact that there may be a time or times when no Subject Debt is outstanding, and Bank has filed a termination statement in accordance with the provisions of the UCC. If and when Bank's security interest shall have terminated in accordance with the provisions of this Agreement, Grantor agrees to pay to Bank, on demand, an amount equal to all reasonable costs and expenses incurred by Bank in terminating its security interests or in notifying Account Debtors of any such termination. Notwithstanding any prior termination or discharge of this Agreement, the effectiveness of this Agreement shall automatically continue or be reinstated in the event that any payment received or credit given by Bank in respect of the Subject Debt is returned, disgorged, or rescinded under any applicable law, including, without limitation, bankruptcy or insolvency laws, in which case this Agreement shall be enforceable against Grantor as if to returned, disgorged or rescinded payment or credit had not been given or received by Bank, and whether or not Bank relied upon this payment or credit or changed its position as a consequence of it. In the event of continuation or reinstatement of this Agreement, Grantor agrees upon demand by Bank to execute and deliver to Bank those documents that Bank determines are appropriate to further evidence this continuation or reinstatement, although the failure of Grantor to do so shall not affect in any way the reinstatement or continuation.

15. Waiver of Subrogation and other Waivers. Grantor waives any and all right (whether by subrogation, indemnity, reimbursement, or otherwise) to recover from Borrower any amounts paid or the value any Collateral given by Grantor pursuant to this Agreement. Grantor further agrees that the Bank may, once or any number of times, modify the terms of any Subject Debt, compromise, extend, increase, accelerate, renew or forbear to enforce payment of any or all Subject Debt, or permit Borrower to incur additional Subject Debt, all without notice to Grantor and without affecting in any manner the unconditional obligation of Grantor under this Agreement. Grantor unconditionally and irrevocably waives each and every defense and setoff of any nature which, under principles of suretyship or otherwise, would operate to impair or diminish in any way the obligation of Grantor under this Agreement, and acknowledges that as of the date of this Agreement no such defense or setoff exists.

16. Jurisdiction and Venue; Waiver of Jury Trial. Any action, claim, counterclaim, crossclaim, proceeding, or suit arising under or in connection with this Agreement (each an "Action") may be brought in any federal or state court located in the city in which Bank's banking office is located. Grantor hereby unconditionally submits to the jurisdiction of any such court with respect to each such Action and hereby waives any objection Grantor may now or hereafter have to the venue of any such Action brought in any such court. GRANTOR HEREBY, AND EACH HOLDER OF THE SUBJECT DEBT OR ANY PART THEREOF, KNOWINGLY AND VOLUNTARILY WAIVES JURY TRIAL IN RESPECT OF ANY ACTION, CLAIM, COUNTERCLAIM, CROSSCLAIM, PROCEEDING OR SUIT,

WHETHER AT LAW OR IN EQUITY, WHETHER SOUNDING IN TORT, CONTRACT, OR OTHERWISE AT ANY TIME ARISING UNDER OR IN CONNECTION WITH THIS AGREEMENT OR ANY OTHER RELATED WRITING, THE ADMINISTRATION, ENFORCEMENT, OR NEGOTIATION OF THIS AGREEMENT OR ANY OTHER RELATED WRITING, OR THE PERFORMANCE OF ANY OBLIGATION IN RESPECT OF THIS AGREEMENT OR ANY OTHER RELATED WRITING.

This Agreement is executed as of the date first written above, with the intent to be legally bound hereby.

Grantor:

HURON LEASING CORPORATION

By: _____
Name:
Title:

SCHEDULE A
ADDITIONAL COLLATERAL LOCATIONS (subsection 2(b))

Street Address	County or Parish	State

EXHIBIT A

Debtor:

Huron Leasing Corporation
323 Newman Street
East Tawas, Michigan 48730

Secured Party:

National City Bank of the Midwest
1001 South Worth
Birmingham, Michigan 48009
Attn: _____
(division or group)

The financing statement (the ***"Financing Statement"***) to which this Exhibit A is attached and of which it is made a part covers all of Debtor's personal property (except consumer goods), including, without limitation, the following property (collectively, the ***"Collateral"***): all Accounts, all Equipment, all Inventory, all Chattel Paper, all General Intangibles, all Deposit Accounts, all Documents, all Instruments, all Goods, all Fixtures, all Investment Property, all Commercial Tort Claims, all Letter of Credit Rights, all Property, tangible or intangible, in which Debtor now has or hereafter requires any rights, including without limitation, all property which now or hereafter is in secured party's control (by document of title or otherwise) or possession or is owed by Secured Party to Debtor, and all books and records, and all attachments, accessories, replacements, additions and substitutions therefor, all products of all or any part of the property hereinbefore described, and all Proceeds (including, without limitation, cash and non-cash proceeds) of all or any part of the property, including, without limitation, products, hereinbefore described

All capitalized terms have the meanings assigned to them in the Michigan Uniform Commercial Code, as amended, revised or replaced from time to time The terms used herein which are defined in the Michigan Uniform Commercial Code shall have, at all times, the broadest and most inclusive meanings possible

SCHEDULE 1

HURON LEASING CORPORATION

SCHEDULE OF EQUIPMENT

East Tawas General Offices: Office furniture and fixtures located at 323 Newman, East Tawas, Michigan. Concrete floors and columns. Flat roof. Built approx. 1960.

Electric Locomotive Jacks Four Whiting, electric, portable, railroad locomotive screw jacks.

Caterpillar Model 950 Wheel Loader	Serial no. 81J11345.
Portec Brush Cutter	Serial no. 201.
Jackson 925 Tie Inserter	Serial no. TE-540.
Kershaw 12-2 Tie Crane	Serial no. TH-565.
Kershaw 26-2-1 Ballast Regulator	Serial no. BR-604.
Case 580K Backhoe	Serial no. JJG0028526.
Case 580K Backhoe	Serial no. JJG0030958.
Tamper Corporation Tamper	Serial no. 688902.
Ford 55A Backhoe	Serial no. C736912.
Air Compressor	Hyrail mounted.

HURON LEASING CORPORATION

SCHEDULE OF LOCOMOTIVES

(ALL OF THE LOCOMOTIVES LISTED BELOW ARE LEASED TO LAKE STATE RAILWAY COMPANY)

Unit No.	Builder/Remfg	Model	H.P.
LSRC 698	Alco/Bombadier	HR-412	2000
LSRC 798	Alco/MLW	M-420	2000

Key to Abbreviations:
Alco American Locomotive Company
MLW MLW Industries

SCHEDULE OF ROLLING STOCK

(ALL OF THE ROLLING STOCK LISTED BELOW IS LEASED TO LAKE STATE RAILWAY COMPANY)

Series	Description	Year Built	Qty.	Car Numbers
LSRC 5800	Open top hopper, 77 ton capacity, 3 pocket, mono lock doors	1957	61	5826 to 5832, inclusive; 5834 to 5844, inclusive; 5846 to 5875, inclusive; 5877 to 5885, inclusive; 5887 to 5890, inclusive.
LSRC 10000	All door box car, 90 ton capacity		6	10012, 10014, 10017, 10018; 10026, and 10028.
LSRC 10100	All door box car, 90 ton capacity		24	10101, 10102, 10106, 10109 to 10113, inclusive; 10117, 10119 to 10121, inclusive; 10126 to 10134, inclusive; 10136, and 10139 to 10142, inclusive.
LSRC 10200	Double door box car, 90 ton capacity		55	10200 to 10254, inclusive.
LSRC 01-99	Rapid discharge open hoppers, 100 ton capacity	1965	87	1 to 29, inclusive; 31 to 41, inclusive; 43 to 45, inclusive; 47 to 52, inclusive; 54 to 64, inclusive; 67 to 70, inclusive; 73 to 77, inclusive; 79 to 81, inclusive; 83 to 86, inclusive; 88 to 94, inclusive; and 96 to 99, inclusive

Key to Abbreviations: LSRC Lake State Railway Company