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RECORDATION NO. 26089-B FILED

MAR 22 '06 5-15 PM

SURFACE TRANSPORTATION BOARD
OF COUNSEL
URBAN A. LESTER

ELIAS C ALVORD (1942)
ELLSWORTH C ALVORD (1964)

March 22, 2006

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Supplement No. 1 to Security Agreement, dated as of March 21, 2006, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Security Agreement previously filed with the Board under Recordation Number 26089.

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

Agent for the Lenders:	Siemens Financial Services, Inc. 1700 Wood Avenue South Iselin, New Jersey 08830
Debtor:	The Andersons Rail Operating I, LLC 480 West Dussel Drive Maumee, Ohio 43537

Mr. Vernon A. Williams

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

107 cars ADDED, 105 within the series BPRR 2700 - BPRR 2823 as more particularly set forth in the equipment schedule attached to the document, plus BPRR 4910.

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

Supplement No. 1 to Security Agreement.

Also enclosed is a check in the amount of \$33.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/anm
Enclosures

SUPPLEMENT NO. 1
TO
SECURITY AGREEMENT

MAR 22 '06 5-15 PM
SURFACE TRANSPORTATION BOARD

SUPPLEMENT No. 1 (this "Supplement") dated as of March 22, 2006 to the Security Agreement, dated as of December 29, 2005 (as amended, **supplemented** or modified from time to time, the "Security Agreement"), made by THE ANDERSONS RAIL OPERATING I LLC in favor of SIEMENS FINANCIAL SERVICES, INC., as Agent (in such capacity, the "Agent") and the several banks and other financial institutions or entities (the "Lenders") from time to time parties to the Term Loan Agreement, dated as of December 29, 2005 (as amended, supplemented or otherwise modified from time to time, the "Loan Agreement"), among the Borrower, the Lenders and the Agent.

WHEREAS, the Security Agreement was recorded on December 30, 2005 with the Surface Transportation Board, **Recordation** No. 26089 , and on December 30, 2005 with the Registrar General of Canada.

1. Definitions. Except as otherwise defined in this **Supplement**, terms defined in the Security Agreement or by reference therein are used herein as defined therein.

2. Supplements. The Security Agreement shall be amended and supplemented as follows:

(a) Schedule A to the Security Agreement shall be amended and supplemented by **Schedule A-1** hereto to include the Equipment and the Equipment Leases (relating to the Equipment but to and only to the extent relating to the Equipment) more fully described on Schedule A-1 hereto and Schedule A-1 hereto shall be deemed to be an addition to and part of Schedule A to the Security Agreement, The Borrower hereby assigns, mortgages, pledges, hypothecates, transfers and sets over to the Secured Party and grants the Secured Party a first priority Hen on and security interest in all of the **Borrower's** right, title and interest in and to such Equipment and Equipment Leases (relating to the Equipment but to and only to the extent relating to the Equipment) and agrees that such Equipment and Equipment Leases shall constitute Collateral subject to the grant of security by the Borrower set forth in Section 2.1 of the Security Agreement. Each reference to Schedule A in the Security Agreement, and each reference to Schedule A to the Security Agreement in any other Loan Documents, shall be deemed to be a reference to Schedule A as amended and supplemented by Schedule A-1 hereto. In connection herewith, the Borrower represents that it delivered to the Agent a supplemental schedule to Schedule A to the Loan Agreement, identifying the names of the Equipment Lessees under the Equipment Leases which are referenced on Schedule A-1 hereto.

(b) It is hereby agreed that each reference to "this Security Agreement" in the Security Agreement, "**hereunder**", "**hereof**" or words of like import referring to the Security Agreement, and each reference to the Security Agreement in each of the other Loan Documents, shall be deemed to be a reference to the Security Agreement as amended and supplemented by this Supplement.

3. Ratification. Except as expressly amended and supplemented hereby, the Security Agreement is and shall remain in full force and effect and is hereby ratified, approved and confirmed in all **respects**, and no amendment or supplement in respect of any

term or condition of the Security Agreement shall be deemed to be an amendment or supplement in respect of any other term or condition contained in the Security Agreement or any other Loan Document.

4. Counterparts. This Supplement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Supplement by signing any such counterpart.

5. **Governing Law: Binding Effect.** THIS SUPPLEMENT, INCLUDING THE VALIDITY THEREOF, SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF NEW JERSEY WITHOUT REGARD TO ITS OTHER CONFLICT OF LAWS PRINCIPLES. This Supplement shall be binding on the undersigned and its successors and permitted assigns and shall inure to the benefit of each of the Agent, the Lenders and the Borrower and their respective successors and assigns.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereto have executed and delivered **this** Supplement in one or more counterparts as of the date first set forth above.

THE ANDERSONS RAIL OPERATING I LLC

By: *Richard R. George*
Name: Richard R. George
Title: Manager

STATE OF OHIO)

COUNTY OF LUCAS) SS:

Before me, a Notary **Public**, in and for said county and state, personally appeared Richard R. George , Secretary of The Andersons **Rail** Operating I, LLC, a Delaware limited liability company, who acknowledged that he being thereunto duly **authorized**, did sign the foregoing instrument on behalf of said limited liability company and by authority of its Managers on behalf of the limited liability company and that the same is the free act and deed of said officer and of said limited liability company.

In Testimony Whereof, I have hereunto set my hand and official seal at Maumee, Ohio ~~this 02/04~~ ^{02/04} of the month of March, 2006.



Judy A. Baldwin
Notary Public ~f
My Commission Expires 02/01/2010
JUDY A. BALDWIN
Notary Public, State of Ohio
Commission Expires 02/01/2010

[Signature Page to Supplement No. 1]

SCHEDULE A-1
to the SUPPLEMENT NO. 1 TO SECURITY AGREEMENT

Buffalo & Pittsburgh Railroad, Inc.

1. Class II and III Railroad Per Diem Lease 1146-92-1 made as of October 28, 1992, between General Electric Railcar Services Corporation, which was subsequently assigned to The Andersons, Inc. as **Lessor**, and Buffalo & Pittsburgh Railroad, Inc. as Lessee.
2. Schedule No. 10 dated November 1, 2005 between General Electric Railcar Services Corporation, which was subsequently assigned to The Andersons, Inc. as Lessor, and Buffalo & Pittsburgh Railroad, Inc. as Lessee.
3. Assignment and Assumption Agreement dated as of December 16, 2005 between General Electric Railcar Services Corporation as Seller, and The Andersons, Inc. as Buyer, and referencing Schedule No. 10 to Class n and III Railroad Per Diem Lease 1146-92-1.

SCHEDULE
to the **SUPPLEMENT NO. 1 TO SECURITY AGREEMENT**
Car List

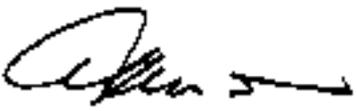
Buffalo & Pittsburgh RR
R00911

	Current Mark	Future Mark		Current Mark	Future Mark		Current Mark	Future Mark
1	BPRR002700	BPRR002700	46	BPRR002752	BPRR002752	91	BPRR002808	BPRR002808
2	8PRR002701	BPRR002701	47	BPRR002753	BPRR002753	92	BPRR002809	BPRR002809
3	BPRR002702	BPRR002702	48	BPRR002754	BPRR002754	93	BPRR002810	BPRR002810
4	BPRR002703	BPRR002703	49	BPRR002755	BPRR002755	94	BPRR002811	BPRR002811
5	BPRR002704	BPRR002704	50	BPRR002756	BPRR002756	95	BPRR002812	BPRR002812
6	BPRR002705	BPRR002705	51	BPRR002757	BPRR002757	96	BPRR002813	BPRR002813
7	BPRR002706	BPRR002706	52	BPRR002760	BPRR002760	97	BPRR002814	BPRR002814
8	BPRR002708	BPRR002708	53	BPRR002761	BPRR002761	98	BPRR002815	BPRR002815
9	BPRR002709	BPRR002709	54	BPRR002762	BPRR002762	99	BPRR002816	BPRR002816
10	BPRR002710	BPRR002710	55	BPRR002763	BPRR002763	100	BPRR002817	BPRR002817
11	BPRR002711	BPRR002711	56	BPRR002765	BPRR002765	101	BPRR002818	BPRR002818
12	BPRR002712	BPRR002712	57	BPRR002766	BPRR002766	102	BPRR002819	BPRR002819
13	BPRR002714	BPRR002714	58	BPRR002767	BPRR002767	103	BPRR002820	BPRR002820
14	BPRR002715	BPRR002715	59	BPRR002768	BPRR002768	104	BPRR002821	8PRR002821
15	BPRR002716	BPRR002716	60	BPRR002769	BPRR002769	105	BPRR002822	BPRR002822
16	BPRR002717	BPRR002717	61	BPRROQ277Q	BPRR002770	106	BPRR002823	BPRR002823
17	BPRR002718	BPRR002718	62	BPRR002772	BPRR002772	107	BPRR004910	BPRR004910
18	BPRR002719	BPRR002719	63	BPRR002773	BPRR002773			
19	BPRR002720	BPRR002720	64	BPRR002774	BPRR002774			
20	BPRR002721	BPRR002721	65	BPRR002775	BPRR002775			
21	BPRR002722	BPRR002722	66	BPRR002776	BPRR002776			
22	BPRR002723	BPRR002723	67	BPRR002777	BPRR002777			
23	BPRR002724	BPRR002724	68	BPRR002778	BPRR002778			
24	BPRR002725	BPRR002725	69	BPRR002780	BPRR002780			
25	BPRR002728	BPRR002728	70	BPRR002781	BPRR002781			
26	BPRR002729	BPRR002729	71	BPRR002782	BPRR002782			
27	BPRR002730	BPRR002730	72	BPRR002783	BPRR002783			
28	BPRR002731	BPRR002731	73	BPRR002784	BPRR002784			
29	BPRR002732	BPRROQ2732	74	BPRRQ02785	BPRR002785			
30	BPRR002733	BPRR002733	75	BPRR002786	BPRR002786			
31	BPRR002734	BPRR002734	76	BPRR002787	BPRR002787			
32	BPRR002735	BPRR002735	77	BPRR002788	BPRR002788			
33	BPRR002736	BPRR002736	78	BPRR002789	BPRR002789			
34	BPRR002737	BPRR002737	79	BPRR002790	BPRR002790			
35	BPRR002738	BPRR002738	80	BPRR002791	BPRR002791			
36	BPRR002739	BPRR002739	81	BPRR002792	BPRR002792			
37	BPRR002740	BPRR002740	82	BPRR002793	BPRR002793			
38	BPRR002742	BPRR002742	83	BPRR002795	BPRR002795			
39	BPRR002743	BPRR002743	84	BPRR002800	BPRR002800			
40	BPRR002744	BPRR002744	85	BPRR002801	BPRR002801			
41	BPRR002746	BPRR002746	86	BPRR002802	BPRR002802			
42	BPRR002747	BPRR002747	87	BPRR002803	BPRR002803			
43	BPRR002748	BPRR002748	88	BPRR002804	BPRR002804			
44	BPRR002749	BPRR002749	89	BPRR002805	BPRR002805			
45	BPRR002751	BPRR002751	90	BPRR002806	BPRR002806			

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 3/22/06



Robert W. Alvord