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SURFACE TRANSPORTATION BOARD

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OF COUNSEL
URBAN A LESTER

December 29, 1999

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 three (3) copies of a Security Agreement, dated as of December 29, 1999, a primary document as defined in the Board's Rules for the Recordation of Documents.

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

Borrower: DJJ Leasing Ltd.
300 Pike Street
Cincinnati, Ohio 45202

Secured Party: Firstar Bank, N.A.
425 Walnut
Cincinnati, Ohio 45202

A description of the railroad equipment and leases covered by the enclosed document is attached hereto as Schedule A. Recordation Numbers for Leases previously filed with the Board are set forth on Schedule A. Leases not previously filed with the Board are attached as Schedule A-1.

Mr. Vernon A. Williams
December 29, 1999
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Also enclosed is a check in the amount of \$26.00 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,

A handwritten signature in black ink, appearing to read "Alvord", written in a cursive style.

Robert W. Alvord

RWA/bg
Enclosures

SCHEDULE A

POOL A CARS & LEASES

Leases	No. of Cars	Equipment Description	Car Rpt. Mark & Numbers	STB Rec. No.
Consolidated Rail Corp.	300	52'6" Steel Mill Gondola Car Type - G519	FCEN 96200 - 96499	20314
Union Pacific RR Company	100	52'6" Steel Mill Gondola Car Type - G519	CHTT 286000 - 286099	20389
Peoria & Pekin Union	100	52'6" Steel Mill Gondola Car Type - G519	PPU 9100 - 9199	20422
Union Pacific RR Co.	100	52'6" Steel Mill Gondola Car Type - G519	CHTT 286100 - 286199	21012
South Carolina Public Service Authority	95	Maxgon Aluminum Coal Gondola Car Type - J311	DJLX 97000 - 97094	20847
Harvest States Cooperatives	20	5125 cu. ft. Pressure Discharge Covered Hoppers Car Type - C614	DJLX 97200-97219	20848
Carolinas Cement Company	20	3230 cu. ft. Differential Covered Hoppers Car Type - C614	DJLX 97300-97319	21011
Wheeling & Lake Erie	50	52'6" Steel Mill Gondola Car Type - E534	WE 2600 - 2649	21224 20270-Q
Chicago S. Shore & S. Bend RR	75	52'6" Steel Mill Gondola Car Type - G519	CSS 30100 - 30174	21262 20270-R
California Northern RR Co.	50	52'6" Steel Mill Gondola Car Type - G519	CNFR 52001 - 52050	21263 20270-R

Arkansas Midland RR Co.	50	73' center partition Flatcars Car Type - F483	AKMD 2000 - 2049	21310 20270-S
Potlatch Corp.	50	73' center partition Flatcars Car Type - F483	CRLE 20815 - 20839 & CRLE 20715 - 20739	21319-A 20270-T
U.S. Silica	60	3200 cu. ft., 100 ton Cement Cars Car Type - C112	DJLX 98100 - 98159	21581 20270-U
Railtex, Inc.	30	100 Ton, Bulkhead Flatcars Car Type - F443	GSWR 501 - 530	21813 20270-V
Indiana Harbor Belt RR Company	20	100 Ton, Bulkhead Flatcars Car Type - F443	IHB 98200 - 98219	21938 20270-W
Willamette & Pacific RR, Inc.	50	73' center partition Flat Cars Type - F483	WPRR 75000 - 75049	21984 20270-X

POOL B CARS & LEASES

Pool B Leases	No. of Cars	Equipment Description	Car Rpt. Mark & Numbers	
Arkansas Shortline RR, Inc.	50	73' center partition Flatcars Car Type - F483	DR7100- 7149	
The David J. Joseph Co.	105	52'6" Steel Mill Gondola Car Type - G519	DJIX 9700 - 9804	
Union Pacific	105	100-ton 66 ft. Mill Gondola Car Type - G619	CHTT 286875 - 286979	
Canadian National	70	Centerbeam Flatcars Car Type - F483	TNMR 2731 - 2800	

Allied Enterprises	30	Centerbeam Flatcars Car Type - F483	AM 1310 - 1339	
West Tenn.	25	100 Ton 66 FT. Mill Gondolas Car Type - G619	TKEN 9928-29 9933-34, 36,40-41, 45, 49,52-54, 59, 63-64,66-73,77-78	
Finger Lakes	20	100-Ton 66 FT. Mill Gondolas Car Type G619	FGLK 9965,74-76, 79-94	
Longo Epic	50	100-Ton 66 FT. Mill Gondolas Car Type G619	DJIX 9900-27, 30-32, 35,37-39, 42-44, 46-48, 50-51 55-58,60 -62	22566
Wisconsin Central	60	Centerbeam Flatcars Car Type - F483	SSAM 38750 - 38809	
Ashland Railway	20	52' Mill Gondolas Car Type - G519	TNMR 4050 - 4069	
Kerr McGee	7	73' Centerbeam Flatcars Car Type - F483	DJLX 99000 - 99006	22565
DII	175	100-Ton 66 FT. Mill Gondolas Car Type G619	DJIX 19000-19131, 19151-19192	
MHF Logistics	70	52' Mill Gondolas Car Type - G519	MHFX 5800 - 5869	22446
Temple Inland	12	73' Centerbeam Flatcars Car Type - F483	TNMR 11000 - 11011	22487
Providence & Wooster	50	52' Mill Gondolas Car Type - G519	TKEN 9500 - 9549	22488
Union Pacific	120	Maxgon Aluminum Coal Gondola Car Type - J311	DJLX 96000 - DJLX 93124	

SCHEDULE A-1

Memorandum of Railroad Equipment Lease Agreement, dated January 5, 1999, between DJJ Leasing, Ltd., Lessor, and Arkansas Shortline Railroad, Inc. d/b/a Dardenelle & Russellville Railroad, Inc., covering fifty (50) railcars - DR 7100-7149, inclusive.

Memorandum of Railroad Equipment Lease Agreement, dated February 17, 1999, between DJJ Leasing Ltd., Lessor, and The David J. Joseph Company, Lessee, covering one hundred and five (105) railcars - DJJX 9700-9804, inclusive.

Memorandum of Railroad Equipment Lease Agreement, dated May 11, 1999, between DJJ Leasing Ltd., and Canadian National Railway Company, covering seventy (70) railcars - TNMR 2731-2800, inclusive.

Memorandum of Railroad Equipment Lease Agreement, dated February 22, 1999, between DJJ Leasing Ltd., and Allied Enterprises, Inc., covering thirty (30) railcars - AM 1310-1339, inclusive.

Memorandum of Agreement, dated June 2, 1999, between DJJ Leasing Ltd., Lessor, and West Tennessee Railroad, Lessee, covering twenty-five (25) railcars - TKEN 9928, 9929, 9933, 9934, 9936, 9940, 9941, 9945, 9949, 9952, 9953, 9954, 9959, 9963, 9964, 9966, 9967, 9968, 9969, 9970, 9971, 9972, 9973, 9977, 9978.

Memorandum of Railroad Equipment Lease Agreement, dated May 12, 1999, between DJJ Leasing Ltd., and Finger Lakes Railway Corp., covering twenty (20) railcars - FGLK 9965, 9974, 9975, 9976, 9979-9994.

Memorandum of Railroad Equipment Lease Agreement, dated July 8, 1999, between DJJ Leasing Ltd., Lessor, and Environmental Protection and Improvement Company d/b/a Epic, Lessee, covering fifty (50) railcars - DJJX 9900-9927, 9930, 9931, 9932, 9935, 9937, 9938, 9939, 9942, 9943, 9944, 9946, 9947, 9948, 9950, 9951, 9955, 9956, 9957, 9958, 9960, 9961, 9962.

Memorandum of Railroad Equipment Lease Agreement, dated July 12, 1999, between DJJ Leasing Ltd., Lessor, and Ashland Railway, Inc., Lessee, covering twenty (20) railcars - TMNR 4050-4069, inclusive.

Memorandum of Railroad Equipment Lease Agreement, dated August 31, 1999, between DJJ Leasing Ltd., Lessor, and Kerr-McGee Chemical, L.L.C., Lessee, covering seven (7) railcars - DJLX 99000-99006, inclusive.

Memorandum of Railroad Equipment Lease Agreement, dated October 11, 1999, between DJJ Leasing Ltd., Lessor, and The David J. Joseph Company, Lessee, covering one hundred seventy-five (175) railcars - DJLX 19000-19131, inclusive and 19150-19192, inclusive.

Memorandum of Railroad Equipment Lease Agreement, July 15, 1999, between DJJ Leasing Ltd., Lessor, and MHF-LS Equipment, Inc., Lessee, covering seventy (70) railcars - MHFX 5800-5869.

Memorandum of Railroad Equipment Lease Agreement, dated August 26, 1999, between DJJ Leasing Ltd., Lessor, and Temple Inland, Forest Products Corporation, Lessee, covering twelve (12) railcars - TNMR 11000-11011, inclusive.

Memorandum of Railroad Equipment Lease Agreement, dated September 7, 1999, between DJJ Leasing Ltd., Lessor, and Providence & Worcester Railroad Company, Lessee, covering fifty (50) railcars - TKEN 9500-9549, inclusive

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SECURITY AGREEMENT

SURFACE TRANSPORTATION BOARD

SECURITY AGREEMENT, dated as of December 29, 1999 (this "Security Agreement") by and between **DJJ LEASING LTD.**, an Ohio limited liability company (the "Borrower"), and **FIRSTAR BANK, N.A.**, a national banking association (the "Bank") pursuant to that certain Revolving Credit and Term Loan Agreement, by and between the Borrower and the Bank, and dated as of December 29, 1999 (as amended and in effect from time to time, the "Credit Agreement").

Section 1. DEFINITIONS

1.1 The following terms shall have the meanings herein specified unless the context otherwise requires. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Credit Agreement. All terms defined in the UCC (as hereinafter defined) and used herein shall have the same definitions herein as specified therein. Defined terms in this Security Agreement shall include in the singular number the plural and in the plural number the singular.

AAR. The Association of American Railroads.

AAR Value. With respect to any Railcar, the settlement value of such Railcar as determined in accordance with Rule 107 -- Damaged and/or Destroyed Cars (or any successor rule) of the AAR as published in the most recent edition of the Field Manual of the AAR. Interchange Rules (or a successor publication).

Collateral. As defined in Section 2 hereof.

Credit Agreement. As defined in the preamble hereof.

Event of Default. As defined in Section 13.1 of the Credit Agreement.

ICA. The Interstate Commerce Act, as amended, and the regulations and rulings promulgated thereunder or any successor statute thereto.

Lease. Any lease, master lease, sublease, chattel paper, installment sales agreement or rental agreement (including progress payment authorizations), including any and all schedules, supplements and amendments thereto and modifications thereof.

Lease Proceeds. As defined in Section 2.3 hereof.

Obligations. As defined in Section 1.1 of the Credit Agreement.

Permitted Lien. As defined in Section 3.3 hereof.

Security Agreement. This Security Agreement as specified in the first paragraph hereof.

UCC. The Uniform Commercial Code as in effect in the State of Ohio, as amended.

Section 2. GRANT OF SECURITY INTEREST

2.1 Collateral Granted. The Borrower in order to secure the due payment and performance in full of the Obligations, does hereby collaterally assign, mortgage, pledge, hypothecate, transfer and set over to the Bank and grant the Bank a first priority lien (except as noted herein or in the Credit Agreement) on and security interest in all of the Borrower's right, title and interest in and to the assets, properties, rights, interests and privileges described in Sections 2.2, 2.3, 2.4, 2.5 and 2.6 hereof, whether now owned or existing or hereafter acquired or arising and wheresoever located, and all proceeds and products thereof (all of which, including all proceeds and products thereof, cash or non-cash are hereinafter collectively referred to as the "Collateral").

2.2 Railcars. The Collateral includes all Railcars which are described on Schedule A attached hereto (as may be supplemented from time to time pursuant to a Security Documents Supplement) (the "Railcars"), together with all accessories, equipment, parts and appurtenances appertaining or attached to such Railcars, whether now owned or hereafter acquired, and all substitutions, renewals or replacements of and additions, improvements, accessions and accumulations to or proceeds of any and all of said Collateral, together with all the records, rents, mileage credits earned, issues, income, profits, avails and other proceeds (including insurance proceeds) therefrom.

2.3 Leases.

(a) The Collateral also includes all right, title, interest, claims and demands of the Borrower in, to and under each and every Lease, including, but not limited to, the Leases which are more particularly described on Schedule A attached hereto (as may be supplemented from time to time pursuant to a Security Documents Supplement), including, without limitation, per diem Leases, whether now existing or hereafter entered into, including any and all renewals, extensions, modifications, substitutions and replacements of every Lease, all of the Borrower's rights under any Lease to receive all monies due or to become due thereunder (whether as contractual obligations, damages, casualty payments, insurance proceeds or otherwise) (the "Lease Proceeds"), to make determinations, to exercise any election (including, but not limited to, election of remedies) or option or to give or receive any notice, consent, waiver or approval together with full power and authority with respect to any Lease to demand, receive, enforce, collect or give receipt for any of the foregoing rights or any property which is the subject of any of the Leases, to enforce or execute any checks, or other instruments or orders, to file any claims and to take any action which (in the opinion of the Bank) may be necessary or advisable in connection with any of the foregoing.

(b) It is expressly agreed that anything herein contained to the contrary notwithstanding, the Borrower shall remain liable under the Leases to perform all of the obligations assumed by it thereunder, all in accordance with and pursuant to the terms and provisions thereof, and neither the Bank nor its successors, assigns and participants shall have any obligation or liability under the Leases by reason of or arising out of the assignment hereunder, nor shall the Bank and its successors, assigns and participants be required or obligated in any manner to perform or fulfill any obligations of the Borrower under or pursuant to the Leases or, except as herein expressly provided, to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it, or present or file any claim, or take any action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

(c) The Bank shall be entitled to collect and receive the Lease Proceeds upon the occurrence of and during the continuance of an Event of Default.

2.4 Contract Rights. Collateral also includes all rights of warranty, indemnity and other contract rights related to the Railcars and the Leases (including, without limitation, the Management Agreement).

2.5 Lockbox Account, Operating Account, Interest Reserve Account and Collateral Account. Collateral also includes the Lockbox Account, the Operating Account, the Interest Reserve Account and the Collateral Account, all amounts from time to time on deposit therein and all investments made with the proceeds thereof and all interest earned thereon. Concurrently with the execution and delivery hereof, the Borrower shall establish the Collateral Account and the Interest Reserve Account with the Bank, in which all proceeds from the sale of Collateral and/or reserved for interest shall be deposited by the Borrower. Amounts deposited in the Collateral Account and/or the Interest Reserve Account shall bear interest at such rates as the Bank customarily pays on deposit accounts. The Collateral Account and the Interest Reserve Account shall each be in the name of the Bank and the Bank shall have sole dominion and control of each such account. At such time as any obligation shall become payable by the Borrower or, if an Event of Default under the Loan Agreement shall have occurred and be continuing, at any time in the Bank's election, the Bank shall apply all or any part of the funds on deposit in the Lockbox Account, the Operating Account, the Interest Reserve Account and/or the Collateral Account to the Obligations, the order and method of such application to be in the sole discretion of the Bank.

2.6 Other Assets. The Collateral shall also include all personal and fixture property of every kind and nature including without limitation all furniture, fixtures, equipment, raw materials, inventory, other goods, accounts, contract rights, rights to the payment of money, insurance refund claims and all other insurance claims and proceeds, tort claims, chattel paper, documents, instruments, securities and other investment property, deposit accounts and all general intangibles including, without limitation, all tax refund

claims, license fees, patents, patent applications, trademarks, trademark applications, trade names, copyrights, copyright applications, rights to sue and recover for past infringement of patents, trademarks and copyrights, computer programs, computer software, engineering drawings, service marks, customer lists, goodwill, and all licenses, permits, agreements of any kind or nature pursuant to which the Borrower possesses, uses or has authority to possess or use property (whether tangible or intangible) of others or property possessed by others, use or have authority to possess or use property (whether tangible or intangible) of the Borrower, and all recorded data of any kind or nature, regardless of the medium of recording including, without limitation, all software, writings, plans, specifications and schematics.

2.7 Delivery of Instruments, etc.

(a) Pursuant to the terms hereof, the Borrower has endorsed, assigned and delivered to the Bank all negotiable or non-negotiable instruments (including certificated securities) and chattel paper pledged by it hereunder, together with instruments of transfer or assignment duly executed in blank as the Bank may have specified. In the event that the Borrower shall, after the date of this Security Agreement, acquire any other negotiable or non-negotiable instruments (including certificated securities) or chattel paper to be pledged by it hereunder, the Borrower shall forthwith endorse, assign and deliver the same to the Bank, accompanied by such instruments of transfer or assignment duly executed in blank as the Bank may from time to time specify.

(b) To the extent that any securities now or hereafter acquired by the Borrower are uncertificated and are issued to the Borrower or its nominee directly by the issuer thereof, the Borrower shall cause the issuer to note on its books the security interest of the Bank in such securities and shall cause the issuer, pursuant to an agreement in form and substance satisfactory to the Bank, to agree to comply with instructions from the Bank as to such securities, without further consent of the Borrower or such nominee. To the extent that any securities, whether certificated or uncertificated, or other financial assets now or hereafter acquired by the Borrower are held by the Borrower or its nominee through a securities intermediary, the Borrower shall (i) cause such securities intermediary to note on its books the security interest of the Bank in such securities or other financial assets and to confirm such notation promptly to the Bank and (ii), at the request of the Bank, cause such securities intermediary, pursuant to an agreement in form and substance satisfactory to the Bank, to agree to comply with entitlement orders or other instructions from the Bank as to such securities or other financial assets, without further consent of the Borrower or such nominee. The Bank agrees with the Borrower that the Bank shall not give any such entitlement orders or instructions to any such issuer or securities intermediary unless an Event of Default has occurred and is continuing and the Bank has elected to exercise its rights and remedies as contemplated by Section 6 hereof.

Section 3. COVENANTS AND WARRANTIES OF BORROWER

So long as the Borrower is indebted to the Bank or the Bank has any obligation to make any Loans and until the Notes are irrevocably paid in full, performance of all of the other Obligations and expiration and termination of the Credit Agreement and the other Loan Documents, the Borrower covenants, warrants and agrees with the Bank that:

3.1 Maintenance of Railcars and Eligible Equipment. The Borrower shall maintain and keep, or cause to be maintained and kept, at its or the Lessees' own cost and expense, each Railcar and item of Eligible Equipment in good order and repair in compliance with all AAR mechanical regulations and industrial commercial acceptance standards for revenue interchange loading, unless and until such Railcar and/or Eligible Equipment becomes worn out, unsuitable for use, lost or destroyed, provided that any such Railcar or item of Eligible Equipment so worn out, obsolete, lost or destroyed shall be replaced in accordance with the provisions of Section 4.2 of the Credit Agreement unless the Borrower elects to prepay the Loans in accordance with Section 4.2 of the Credit Agreement.

3.2 Insurance.

(a) The Borrower shall maintain, or cause to be maintained at its own expense, with responsible insurance companies reasonably acceptable to the Bank, property, liability and other insurance, on such of its properties, in such amounts, against such risks and in such form as is customarily maintained by similar businesses, and, in any event, (i) all risk of direct physical damage or loss insurance, including all Collateral under repair or construction or in transit, in an aggregate amount of not less than \$10,000,000, with a deductible of not more than \$50,000 in each incident, including breach of warranty and waiver of set-off provisions, and (ii) general commercial liability and excess liability insurance, including cross liability, in an aggregate amount of not less than \$75,000,000, with a deductible not to exceed \$50,000 for any one accident, which insurance shall at all times include coverage for all liabilities covered under, and shall not include any exclusions other than those set forth in, the Borrower's policies of insurance as in effect on the Closing Date.

(b) Such insurance shall be primary, and without contribution from any insurance effected by the Bank, and the insurers thereunder shall have waived any rights of subrogation against these parties.

(c) The Borrower shall cause the Bank to be named as loss payee under all policies of property insurance under a "standard" or "New York" loss payee clause, and shall cause the Bank to be named an additional insured under all policies of liability insurance, maintained pursuant to the provisions of this Section 3.2 and shall deliver to the Bank (i) on the Closing Date and on or about each anniversary thereof, a Certificate of Insurance and (ii) thirty (30) days prior written notice before any cancellation, expiration, cessation, and, with

respect to the property insurance, reduction in amount or change in coverage thereof shall become effective.

(d) The Borrower, upon request of the Bank, shall provide the Bank with complete copies of the Borrower's insurance policies, as in effect from time to time.

3.3 Title to Collateral; Preservation of Collateral.

(a) The Borrower is the owner of the Collateral free from any adverse lien, security interest or other encumbrance, except for the security interest created by this Security Agreement and other liens permitted by the Credit Agreement. None of the Collateral constitutes, or is the proceeds of, "farm products" as defined in Section 9-109(3) of the UCC.

(b) The Borrower will warrant and defend the title to the Collateral against all claims and demands of all Persons except Persons claiming by, through or under the Bank, its successors and assigns and participants thereof. Except as permitted under the Credit Agreement, the Borrower will not assign, sell, lease, transfer or otherwise dispose of, nor will the Borrower suffer or permit any of the same to occur with respect to, the Collateral. The Borrower will pay promptly when due all taxes, assessments, governmental charges and levies upon the Collateral or incurred in connection with the use or operation of such Collateral or incurred in connection with this Security Agreement. The Borrower has at all times operated and will continue to operate its business in compliance with all applicable provisions of the federal Fair Labor Standards Act, as amended, and with all applicable provisions of federal, state and local statutes and ordinances dealing with the control, shipment, storage or disposal of hazardous materials or substances. The Borrower will at all times maintain good and marketable title to the Collateral and will not create, assume or suffer to exist any Lien on the Collateral other than Permitted Liens (as hereinafter defined) and shall pay or discharge, at its own cost and expense, any and all claims, Liens or charges other than Permitted Liens. As used herein, "Permitted Liens" shall mean:

(i) the Liens created and granted by this Security Agreement and the other Security Documents; and

(ii) Liens allowed under Section 9.2 of the Credit Agreement.

(c) The Borrower shall advise the Bank promptly, in reasonable detail, of any Lien or claim made or asserted against any of the Collateral and of any event affecting the Bank's security interest in the Collateral.

(d) In its discretion, the Bank may discharge taxes and other encumbrances at any time levied or placed on any of the Collateral, make repairs thereto and pay any necessary filing fees. The Borrower agrees to reimburse the Bank on demand for any and all expenditures so made. The Bank shall have no obligation to the Borrower to make any such

expenditures, nor shall the making thereof relieve the Borrower of any default or constitute a waiver by the Bank of any right, power or interest, including but not limited to those rights provided to or assumed by the Bank under this Security Agreement, the Credit Agreement and/or any other Agreement or Contract made in connection herewith.

(e) The Bank's sole duty with respect to the custody, safe keeping and physical preservation of the Collateral in its possession, under §9-207 of the Uniform Commercial Code of the State of Ohio or otherwise, shall be to deal with such Collateral in the same manner as the Bank deals with similar property for its own account.

3.4 Further Assurances. The Borrower will, at its own cost and expense, do, execute, acknowledge and deliver all and every deed, conveyance, transfer and assurance necessary to create and maintain in favor of the Bank, a duly perfected, first priority security interest in the Collateral, subject to no other Liens other than Permitted Liens, whether now owned or hereafter acquired, with the STB, pursuant to the UCC and ICA, and with the Registrar General of Canada pursuant to the Canada Transportation Act (and/or other Canadian jurisdictions) and shall take all such further actions as the Bank may reasonably consider necessary or desirable in connection with the foregoing, including, without limitation, (a) executing, delivering and, where appropriate, filing (i) financing statements and continuation statements under the UCC and (ii) supplemental security agreements and other instruments as referred to in Section 3.5; (b) obtaining governmental and other third party consents and approvals; and (c) taking all actions required by Sections 8-313 and 8-321 of the UCC, as applicable in each relevant jurisdiction, with respect to certificated and uncertificated securities.

3.5 Recordation and Filing.

(a) The Borrower will (i) cause this Security Agreement and any Security Documents Supplements hereto at all times to be executed, recorded and filed, at no expense to the Bank, with the STB and with the Registrar General of Canada, (and/or other Canadian jurisdictions) and all financing and continuation statements to be filed with the Secretary of State of the State of Ohio and with the County Clerk in Hamilton County, Ohio, and cause such documents and all similar notices required by applicable law to be filed in such other jurisdictions and with such other Federal, state, provincial or local government or agency thereof as the Bank deems is necessary or desirable to perfect, protect, or preserve its first priority Lien on the Collateral, in order to fully preserve and protect the rights of the Bank hereunder; and (ii) at Borrower's expense, furnish to the Bank promptly after the execution and delivery of any Security Documents Supplement to this Security Agreement, opinions of: (A) Alvord and Alvord, special STB counsel to the Borrower and (B) Fraser Milner, special Canadian counsel to the Borrower with respect to the Railcars being financed with the proceeds of any Loan, or such other counsel as the Bank may reasonably request, which opinions shall be in form and substance satisfactory to the Bank in its sole discretion.

(b) The Borrower hereby authorizes the Bank to take all action (including, without limitation, the filing of this Security Agreement and any Security Documents Supplement thereto and any UCC Financing Statements or amendments thereto without the signature of the Borrower) which the Bank may deem necessary to perfect, protect, or preserve the first priority Liens and security interests created hereunder, subject to only the Permitted Liens, and to obtain the benefits of this Security Agreement.

(c) The Borrower represents and warrants to the Bank and covenants with the Bank that this Security Agreement creates a valid security interest in the Collateral as security for the payment and performance of the Obligations. Upon (i) the filing and recording of this Agreement with the STB in accordance with §11301 of Title 49 of the United States Code and the rules and regulations thereunder (the "USC"), (ii) the filing and recording of this Agreement with the Registrar General of Canada in accordance with the Canada Transportation Act, and (iii) the filing under the UCC as in effect in the states and/or counties in which such Borrower or any Collateral is located, of UCC financing statements describing the Collateral and naming the Borrower as debtor and the Bank as secured party, all filings, assignments, pledges and deposits of documents or instruments will have been made and all other actions will have been taken that are necessary or advisable, under applicable law, to establish and perfect or to continue the perfection of, as the case may be, the security interest of the Bank in such of the Collateral as to which a security interest may be perfected by filing under the USC, UCC, ICA and/or the Canada Transportation Act and such security interest shall remain prior to all other liens, except as contemplated by the Credit Agreement. No further filings, recordings or other actions are or will be necessary to maintain the priority of such security interest other than the filing of UCC continuation statements within six months prior to the expiration of a period of five years after the original filing thereof. The Collateral and the Bank's rights with respect to the Collateral are not subject to any setoff, claims, withholdings or other defenses.

(d) Except for the filings referred to in Section 3.5 hereof, no authorization, approval or other action by, and no notice of filing with, any governmental authority or regulatory body or other Person that has not been received, taken or made is required (i) for the grant by the Borrower of the security interest granted hereby or for the execution, delivery or performance of this Security Agreement by the Borrower, (ii) for the perfection and maintenance of the security interest hereunder (including the first priority nature of such security interest with respect to Collateral of the Borrower), or (iii) for the exercise by the Bank of the rights or the remedies in respect of the Collateral pursuant to this Security Agreement.

3.6 Power of Attorney.

(a) The Borrower does hereby irrevocably constitute and appoint the Bank and its successors and assigns, upon the occurrence and continuation of an Event of Default, its true and lawful attorney with full power of substitution for it and in its name, place and stead, to ask, demand, collect, receive, receipt for and sue for any and all Collateral with

full power to settle, adjust or compromise any claim thereunder as fully as the Borrower could itself do, and to endorse the name of the Borrower on all instruments or commercial paper given in payment or in part payment thereof, and in its discretion to file any claim or take any other action or proceedings, either in its own name or in the name of the Borrower or otherwise, which the Bank may deem necessary in its reasonable discretion to perfect, protect and preserve the right, title and interest of the Bank in and to such Collateral and the security intended to be afforded hereby. This power of attorney is coupled with an interest. The Borrower hereby ratifies all actions that may be taken thereunder.

(b) The parties acknowledge that the powers conferred on the Bank hereunder are solely to protect the Bank's interest in the Collateral and that anything herein contained to the contrary notwithstanding, neither the Bank, nor its successors or assigns shall have any duty, obligation or liability by reason of or arising out of this Security Agreement to make any inquiry as to the nature or sufficiency of, to present or file any claim with respect to, or to take any action to collect or enforce the payment of, any amounts to which the Bank may be entitled at any time by virtue of this Security Agreement.

3.7 Chief Executive Office. The chief executive office of the Borrower, since the Borrower's formation has been, and is, located at 300 Pike Street, Cincinnati, Ohio 45202 and all the records related to the Collateral are kept in said office. The Borrower shall not change its chief executive office, corporate name or location of books and records unless (a) it shall have given the Bank thirty (30) days advance written notice of any change of such office, name or address and (b) it shall have taken all actions required to maintain the perfection and priority of the Liens granted hereunder. Notwithstanding the requirements of this Section 3.7, Borrower shall be permitted to change its name from DJJ Leasing Ltd to Joseph Leasing Ltd. as contemplated by the Credit Agreement, without providing the Bank the otherwise required 30 day advance written notice.

3.8 Acquisition of Interest in the Collateral. The Borrower has acquired its interest in the Collateral (including all Railcars and each item of Eligible Equipment) for its own account and with the proceeds of the Loans and its own funds and no funds used to acquire any Collateral have been furnished directly or indirectly out of the assets of or in connection with any employee benefit plan (or its related trust) or any separate account in which any employee benefit plan has any interest. As used in this paragraph, the terms "employee benefit plan" and "separate account" shall have the respective meanings assigned to them in ERISA.

3.9 Actions Under the Leases.

(a) All the Leases, among other things, are full service operating leases (serviced by the Manager, the Lessee or a reputable third party) (and not leases intended as security under Articles 2A and 9 of the UCC), are in full force and effect and are in substantially the form of Exhibit K to the Credit Agreement (or earlier forms no less favorable to the Borrower) and the Borrower shall not enter into any agreement amending,

restating, supplementing or otherwise modifying any Lease in any material respect, execute any waiver or modification of, or consent to the non-compliance with, any material provision of any Lease, settle or compromise any material claim against any Lessee arising under any Lease, or submit or consent to the submission of any dispute, difference or other matter arising under or in respect of any Lease to arbitration thereunder, in each instance, without the prior written consent of the Bank, such consent not to be unreasonably withheld.

(b) The Borrower shall comply, and shall cause each of the Lessees to comply, in all material respects, with all acts, rules, regulations and orders of any legislative, administrative or judicial body or official applicable to the Collateral or any part thereof, or to the operation of the Borrower's business (including all laws of the jurisdictions in which operations involving the Railcars and each item of Eligible Equipment may extend, the interchange rules of the AAR and all rules of the STB and the Registrar General of Canada).

3.10 Marking of Collateral.

(a) The Borrower will cause each Railcar to be kept numbered with the identifying number set forth in Schedule A hereto (as may be supplemented from time to time pursuant to a Security Documents Supplement), and at the request of the Bank, if the Bank determines that it is necessary in order to perfect, protect or preserve its first priority security interest in the Collateral, the Borrower shall keep and maintain plainly, distinctly, permanently and conspicuously marked on each side of each Railcar, in letters and/or numbers not less than one inch in height, the words, "Ownership subject to a Security Agreement filed with the Surface Transportation Board of the U.S. Department of Transportation and the Registrar General of Canada". The Borrower shall not change, or permit to be changed, the identifying number of any Railcar except in accordance with a statement of new identifying numbers to be substituted therefor after the Bank has been notified in writing and which statement shall be filed, recorded or deposited in all public offices where this Security Agreement shall have been filed, recorded or deposited, including, without limitation, the STB, the Registrar General of Canada and under the UCC. The Borrower shall forthwith furnish to the Bank an opinion of such counsel and in form and substance satisfactory to the Bank to the effect that such statement has been so filed, recorded and deposited, such filing, recordation and deposit will protect the Bank's first priority Lien or security interests in such Railcar and no further filing, recording, deposit or giving of notice with or to any other Federal, state or local government or agency thereof is necessary to perfect, protect, or preserve the security interest of the Bank in such Railcar.

(b) Except as above provided, the Borrower will not allow the name of any Person (other than the Borrower) to be placed on any Railcar or Eligible Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Borrower may permit Railcars and items of Eligible Equipment to be lettered with the names, trademarks, initials or other insignia customarily used by the user of such Eligible Equipment or its affiliates.

3.11 Use of Railcars and Eligible Equipment. The Railcars and each item of Eligible Equipment will be used by a Lessee incorporated in the United States of America (or any State thereof or the District of Columbia) or Canada (or any Province thereof), only upon lines of railroad owned or operated by a railroad company or companies incorporated in the United States of America (or any State thereof or the District of Columbia) or Canada (or any Province thereof) or over lines upon which such railroad company or companies have trackage rights or rights for operation of their trains, and upon connecting with other carriers in the usual interchange of traffic in the continental United States and Canada, only upon and subject to all the terms and conditions of Leases. Notwithstanding any provision herein to the contrary, the Railcars shall not be operated or be present in Mexico at any time without the prior written consent of the Bank and the Borrower will take all steps which the Bank reasonably determines to be necessary or advisable to perfect the rights and interests of the Bank in such Railcars.

3.12 Eligible Leases. The representations and warranties of the Borrower with respect to the Railcars, Eligible Equipment and the Leases which are set forth in the Credit Agreement shall be true and correct with respect to each Railcar, item of Eligible Equipment and Lease as of the date such Collateral becomes subject to this Security Agreement.

Section 4. SPECIAL PROVISIONS CONCERNING LEASES

4.1 Borrower's Rights Under Leases. Until the occurrence and continuance of an Event of Default, and subject to any limitations set forth herein, in the Credit Agreement or in any other Loan Document, the Borrower may exercise all of the Borrower's rights, powers, privileges and remedies under the Leases, including, without limitation, the right to receive any and all monies due or to become due under the Leases; provided, that, the Borrower shall promptly deposit, or shall cause to be deposited, prior to the date which is sixty (60) days after the Closing Date, into the Operating Account and thereafter into the Lockbox Account all payments under any Lease and in respect of any Railcar.

4.2 Number of Leases. There shall not exist more than five (5) originals of any Lease, one of which shall be retained by the Lessee. The Borrower shall promptly forward to the Bank one such original Lease together with an originally executed Certificate of Delivery and Acceptance, or a facsimile thereof, with respect to the Collateral leased pursuant to such Lease. The Bank shall have the right from time to time to audit the records of the Borrower as to the status of the Collateral in accordance with Section 8.3 of the Credit Agreement.

Section 5. COLLATERAL

5.1 Release of Certain Collateral. So long as no Default or Event of Default shall have occurred and be continuing, subject to and in accordance with Section 4.3 of the Credit Agreement, upon the request of the Borrower with respect to a sale of a Railcar in accordance with the Credit Agreement, the Bank shall take such actions as may be

reasonably requested by the Borrower and which are necessary or appropriate in order to release, and shall execute and deliver releases in recordable form, including releases under the ICA, UCC and Canada Transportation Act, releasing (i) all interest of the Bank in any Railcars and related Leases, and (ii) such Railcars and related Leases from the Lien of this Security Agreement.

Section 6. SECURED PARTY'S RIGHTS

6.1 Secured Party's Rights. The Borrower agrees that when any Event of Default has occurred and is continuing, the Bank shall have the rights, options, duties and remedies of a secured party, and the Borrower shall have the rights and duties of a debtor, under the ICA and under the UCC (regardless of whether the UCC or a law similar thereto has been enacted in a jurisdiction wherein the rights or remedies are asserted) as applicable, and the Bank shall have the following rights and remedies:

(a) All the rights of a secured party or otherwise given by law to the Bank under the ICA, the UCC and the Canada Transportation Act to enforce the Liens and security interests herein.

(b) The right (subject to compliance with any applicable mandatory legal requirements) to take immediate possession of the Collateral, or any portion thereof, and for that purpose may pursue the same wherever it may be found, and may enter any of the premises of the Borrower, with or without notice, demand, process of law or legal procedure, if this can be done without breach of the peace, and search for, take possession of, remove, keep and store the Collateral, or use and operate or lease the Collateral until sold, and the Borrower shall deliver, or cause to be delivered, possession of the Collateral to the Bank where the same may be found or at such place or places as the Bank may reasonably require.

(c) Any Collateral repossessed by the Bank under or pursuant to this Section 6.1 may be sold, leased or otherwise disposed of under one or more contracts or as an entirety, and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner, at such time or times, at such place or places and on such terms as the Bank may, in compliance with any mandatory requirements of applicable law, determine to be commercially reasonable. Any of the Collateral may be sold, leased or otherwise disposed of, in the condition in which the same existed when taken by the Bank or after any overhaul or repair which the Bank shall determine to be commercially reasonable. Any such disposition which shall be a private sale or other private proceedings permitted by such requirements shall be made upon not less than ten (10) days' written notice to Borrower specifying the times at which such disposition is to be made and the intended sale price or other consideration therefor. Any such disposition which shall be a public sale permitted by such requirements shall be made upon not less than ten (10) days' written notice to Borrower specifying the time and place of such sale and, in the absence of applicable requirements of law, shall be by public auction after publication of notice of such auction not less than ten

(10) days prior thereto. To the extent permitted by any such requirement of law, the Bank may itself bid for and become the purchaser of the Collateral or any item thereof, offered for sale in accordance with this Section without accountability to Borrower (except to the extent of surplus money received as provided in Section 6.5 of this Security Agreement). In the payment of the purchase price therefor, the Bank shall be entitled to have credit on account of the purchase price thereof of amounts owing to the Bank on account of the indebtedness hereby secured and the Bank may deliver the claims for interest on or principal of the Loans or other indebtedness hereby secured in lieu of cash up to the amount which would, upon distribution of the net proceeds of such sale, be payable thereon. If, under mandatory requirements of applicable law, the Bank shall be required to make disposition of the Collateral within a period of time which does not permit the giving of notice to Borrower as hereinabove specified, the Bank need give Borrower only such notice of disposition as shall be reasonably practicable in view of such mandatory requirements of applicable law.

(d) By such means as it shall determine, including, without limitation, by delivery of the notice of assignment executed by the Borrower concurrently herewith, (i) to cause each Lessee under a Lease to make payment of all Lease Proceeds relating to the Collateral, due and becoming due under any Lease included in the Collateral, directly to, in the Bank's sole discretion, either the Bank or to a post office box designated by the Bank to which only the Bank shall have access, (ii) if the Borrower shall receive any Lease Proceeds relating to the Collateral in respect of such Lease, or any Railcar or item of Eligible Equipment (including, without limitation, any proceeds of insurance with respect to the Railcars or any item of Eligible Equipment), hold the amount of such payment in trust by the Borrower for the benefit of the Bank, and shall not commingle such payment with any other monies or assets of the Borrower and (iii) promptly turn over and remit to the Bank all sums thus received, in the identical form as received, with all such endorsements thereof as may be required.

(e) The Bank may proceed to protect and enforce this Security Agreement by suit or suits or proceedings in equity, at law or in bankruptcy, and whether for the specific performance of any covenant or agreement herein contained or in execution or aid of any power herein granted, or for foreclosure hereunder, or for the appointment of a receiver or receivers for the Collateral or any part thereof, for the recovery of judgment for the indebtedness hereby secured or for the enforcement of any other legal or equitable remedy available under applicable law.

6.2 Effect of Sale. Any sale, whether under any power of sale hereby given or by virtue of judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Borrower in and to the property sold and shall be a perpetual bar, both at law and in equity, against the Borrower, its successors and assigns, and against any and all Persons claiming the property sold, or any part thereof under, by or through the Borrower, its successors or assigns.

6.3 Discontinuance of Remedies. In case the Bank shall have proceeded to enforce any right under this Security Agreement by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely, then, and in every such case, the Borrower and the Bank shall be restored to their former respective positions and rights hereunder with respect to the property subject to the security interest created under this Security Agreement.

6.4 Cumulative Remedies. No delay or omission of the Bank to exercise any right or power arising from any default on the part of the Borrower, shall exhaust or impair any such right or power or prevent its exercise during the continuance of such default. No waiver by the Bank of any such default, whether such waiver be full or partial, shall extend to or be taken to affect any subsequent default, or to impair the rights resulting therefrom except as may be otherwise provided herein. The Bank may exercise any one or more or all of the remedies hereunder and no remedy is intended to be exclusive of any other remedy but each and every remedy shall be cumulative and in addition to any and every other remedy given hereunder or otherwise existing now or hereafter at law or in equity; nor shall the giving, taking or enforcement of any other or additional security, collateral or guaranty for the payment of the indebtedness hereby secured under this Security Agreement operate to prejudice, waive or affect the security of this Security Agreement or any rights, powers or remedies hereunder, nor shall the Bank be required to first look to, enforce or exhaust such other or additional security, collateral or guaranties.

6.5 Distribution of Proceeds. Proceeds of Collateral shall be applied and paid by the Bank in the order set forth in Section 13.4 of the Credit Agreement.

6.6 Securities and Deposits. The Bank may at any time after the occurrence and during the continuance of a Default or an Event of Default, at its option, transfer to itself or any nominee any securities constituting Collateral, receive any income thereon and hold such income as additional Collateral or apply it to the Obligations. Regardless of the adequacy of Collateral or any other security for the Obligations, any deposits or other sums at any time credited by or due from the Bank to the Borrower may at any time after the occurrence and during the continuance of a Default or an Event of Default be applied to or set off against any of the Obligations.

Section 7. MISCELLANEOUS

7.1 Successors and Assigns. Whenever any of the parties hereto is referred to, such reference shall be deemed to include the successors, and permitted assigns and participants of such party; and all the covenants, promises and agreements in this Security Agreement contained by or on behalf of the Borrower or by or on behalf of the Bank shall bind and inure to the benefit of such successors, assigns and participants of such parties whether so expressed or not.

7.2 **Partial Invalidity.** The unenforceability or invalidity of any provision or provisions of this Security Agreement shall not render any other provision or provisions herein contained unenforceable or invalid.

7.3 **Notices.** All notices and communications provided for herein shall be given to such parties, at such addresses and in such manner as is provided in the Credit Agreement.

7.4 **Termination.** This Security Agreement and the security interest granted hereby shall terminate when the Obligations have been irrevocably paid or discharged in full, at which time the Bank shall, at the Borrower's expense, execute and deliver to the Borrower at its expense all UCC termination statements and such similar documents or proper instrument or instruments which the Borrower shall reasonably request to evidence such termination and the release of Collateral, including releases in recordable form under the ICA and the Canada Transportation Act. Upon the release of this Security Agreement, all amounts in the Collateral Account shall be under the sole dominion and control of the Borrower.

7.5 **Entire Agreement.** This Security Agreement, together with the Notes, the Credit Agreement and the other Loan Documents, constitute the entire understanding between the parties with respect to the subject matter hereof. All prior agreements, understandings, representations, warranties and negotiations, if any, are merged into this Security Agreement, and this Security Agreement is the entire agreement between the Borrower and the Bank relating to the subject matter hereof. This Security Agreement cannot be changed or terminated orally.

7.6 **GOVERNING LAW, CONSENT TO JURISDICTION.** THIS SECURITY AGREEMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF OHIO EXCLUDING THE LAWS APPLICABLE TO CONFLICTS OR CHOICE OF LAW; PROVIDED, HOWEVER, THAT THE PARTIES SHALL BE ENTITLED TO ALL RIGHTS CONFERRED BY 49 U.S.C. SECTION 11303 AND SUCH ADDITIONAL RIGHTS, ARISING OUT OF THE FILING, RECORDING OR DEPOSIT HEREOF, IF ANY. The Borrower agrees that any suit for the enforcement of this Security Agreement may be brought in the courts of the State of Ohio or any federal court sitting therein and consents to the non-exclusive jurisdiction of such court and to service of process in any such suit being made upon the Borrower by mail at the address specified in Section 18 of the Credit Agreement. The Borrower hereby waives any objection that it may now or hereafter have to the venue of any such suit or any such court or that such suit is brought in an inconvenient court.

7.7 **Counterparts.** This Security Agreement may be executed, acknowledged and delivered in any number of counterparts, each of such counterparts constituting an original but all together constituting only one Security Agreement.

7.8 Headings. Any headings or captions preceding the text of the several sections hereof are intended solely for convenience of reference and shall not constitute a part of this Security Agreement nor shall they affect its meaning, construction or effect.

7.9 WAIVER OF JURY TRIAL. BY ITS SIGNATURE BELOW WRITTEN, EACH PARTY HERETO IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. Except as prohibited by law, the Borrower waives any right which it may have to claim or recover in any litigation referred to in the preceding sentence any special, exemplary, punitive or consequential damages or any damages other than, or in addition to, actual damages. The Borrower (i) certifies that neither the Bank nor any representative, agent or attorney of the Bank has represented, expressly or otherwise, that the Bank would not, in the event of litigation, seek to enforce the foregoing waivers and (ii) acknowledges that, in entering into the Credit Agreement and other Loan Documents to which the Bank is a party, the Bank is relying upon, among other things, the waivers and certifications contained in this Section 7.9.

7.10 No Waiver, Etc. The Borrower waives demand, notice, protest, notice of acceptance of this Security Agreement, notice of loans made, credit extended, Collateral received or delivered or other action taken in reliance hereon and all other demands and notices of any description. With respect to both the Obligations and the Collateral, the Borrower assents to any extension or postponement of the time of payment or any other indulgence, to any substitution, exchange or release of or failure to perfect any security interest in any Collateral, to the addition or release of any party or person primarily or secondarily liable, to the acceptance of partial payment thereon and the settlement, compromising or adjusting of any thereof, all in such manner and at such time or times as the Bank may deem advisable. The Bank shall have no duty as to the collection or protection of the Collateral or any income thereon, nor as to the preservation of rights against prior parties, nor as to the preservation of any rights pertaining thereto beyond the safe custody thereof as set forth in Section 3.3 hereof. The Bank shall not be deemed to have waived any of its rights upon or under the Obligations or the Collateral unless such waiver shall be in writing and signed by the Bank. No delay or omission on the part of the Bank 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, power or interest on any future occasion. All rights and remedies of the Bank with respect to the Obligations or the Collateral, whether evidenced hereby or by any other instrument or paper, shall be cumulative and may be exercised singularly, alternatively, successively or concurrently at such time or at such times as the Bank deems expedient.

7.11. Marshalling. The Bank shall not be required to marshal any present or future collateral security (including but not limited to this Security Agreement and the Collateral) for, or other assurances of payment of, the Obligations or any of them or to resort to such collateral security or other assurances of payment in any particular order, and all of the

rights of the Bank hereunder and of the Bank in respect of such collateral security and other assurances of payment shall be cumulative and in addition to all other rights, however existing or arising. To the extent that it lawfully may, the Borrower hereby agrees that it will not invoke any law relating to the marshalling of collateral which might cause delay in or impede the enforcement of the Bank's rights under this Security Agreement or under any other instrument creating or evidencing any of the Obligations or under which any of the Obligations is outstanding or by which any of the Obligations is secured or payment thereof is otherwise assured, and, to the extent that it lawfully may, the Borrower hereby irrevocably waives the benefits of all such laws.

7.12. Overdue Amounts. Until paid, all amounts due and payable by the Borrower hereunder shall be a debt secured by the Collateral and shall bear, whether before or after judgment, interest at the rate of interest for overdue principal set forth in the Credit Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Security Agreement as of the day and year first above written.

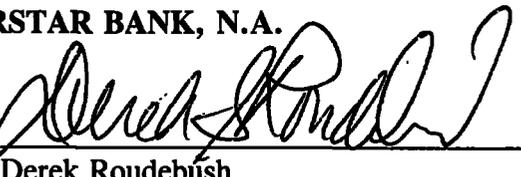
DJJ LEASING LTD.

By: 

Name: PAUL E. LOEBIG

Title: VICE PRESIDENT

FIRSTAR BANK, N.A.

By: 

Derek Roudebush
Vice President

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On this 22nd day of December, 1999, before me, personally appeared Paul Loebig to me personally known, who being by me duly sworn, says, that he resides at Cincinnati, Ohio and is Vice President of DJJ LEASING LTD., that said instrument was signed on the date hereof on behalf of said limited liability company by authority of its Committee; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said limited liability company.



Notary Public

My commission expires: _____

MELVIN S. SHOTTEN, Attorney at Law
NOTARY PUBLIC, STATE OF OHIO
My commission has no expiration
date. Section 147.03 O.R.C.

STATE OF OHIO)
) SS:
COUNTY OF HAMILTON)

On this 22nd day of December, 1999, before me, personally appeared Derek Roudebush, to me personally known, who being by me duly sworn, says that he resides in Cincinnati, Ohio and is Vice President of FIRSTAR BANK, N.A., that said instrument was signed on the date hereof on behalf of said entity by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said entity.



Notary Public

My commission expires: _____

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MELVIN S. SHOTTEN, Attorney at Law
NOTARY PUBLIC, STATE OF OHIO
My commission has no expiration
date. Section 147.03 O.R.C.

SCHEDULE A

POOL A CARS & LEASES

Leases	No. of Cars	Equipment Description	Car Rpt. Mark & Numbers	STB Rec. No.
Consolidated Rail Corp.	300	52'6" Steel Mill Gondola Car Type - G519	FCEN 96200 - 96499	20314
Union Pacific RR Company	100	52'6" Steel Mill Gondola Car Type - G519	CHTT 286000 - 286099	20389
Peoria & Pekin Union	100	52'6" Steel Mill Gondola Car Type - G519	PPU 9100 - 9199	20422
Union Pacific RR Co.	100	52'6" Steel Mill Gondola Car Type - G519	CHTT 286100 - 286199	21012
South Carolina Public Service Authority	95	Maxgon Aluminum Coal Gondola Car Type - J311	DJLX 97000 - 97094	20847
Harvest States Cooperatives	20	5125 cu. ft. Pressure Discharge Covered Hoppers Car Type - C614	DJLX 97200-97219	20848
Carolinas Cement Company	20	3230 cu. ft. Differential Covered Hoppers Car Type - C614	DJLX 97300-97319	21011
Wheeling & Lake Erie	50	52'6" Steel Mill Gondola Car Type - E534	WE 2600 - 2649	21224 20270-Q
Chicago S. Shore & S. Bend RR	75	52'6" Steel Mill Gondola Car Type - G519	CSS 30100 - 30174	21262 20270-R
California Northern RR Co.	50	52'6" Steel Mill Gondola Car Type - G519	CNFR 52001 - 52050	21263 20270-R

Arkansas Midland RR Co.	50	73' center partition Flatcars Car Type - F483	AKMD 2000 - 2049	21310 20270-S
Potlatch Corp.	50	73' center partition Flatcars Car Type - F483	CRLE 20815 - 20839 & CRLE 20715 - 20739	21319-A 20270-T
U.S. Silica	60	3200 cu. ft., 100 ton Cement Cars Car Type - C112	DJLX 98100 - 98159	21581 20270-U
Railtex, Inc.	30	100 Ton, Bulkhead Flatcars Car Type - F443	GSWR 501 - 530	21813 20270-V
Indiana Harbor Belt RR Company	20	100 Ton, Bulkhead Flatcars Car Type - F443	IHB 98200 - 98219	21938 20270-W
Willamette & Pacific RR, Inc.	50	73' center partition Flat Cars Type - F483	WPRR 75000 - 75049	21984 20270-X

POOL B CARS & LEASES

Pool B Leases	No. of Cars	Equipment Description	Car Rpt. Mark & Numbers	
Arkansas Shortline RR, Inc.	50	73' center partition Flatcars Car Type - F483	DR7100- 7149	
The David J. Joseph Co.	105	52'6" Steel Mill Gondola Car Type - G519	DJIX 9700 - 9804	
Union Pacific	105	100-ton 66 ft. Mill Gondola Car Type - G619	CHTT 286875 - 286979	
Canadian National	70	Centerbeam Flatcars Car Type - F483	TNMR 2731 - 2800	

Allied Enterprises	30	Centerbeam Flatcars Car Type - F483	AM 1310 - 1339	
West Tenn.	25	100 Ton 66 FT. Mill Gondolas Car Type - G619	TKEN 9928-29 9933-34, 36,40-41, 45, 49,52-54, 59, 63-64,66-73,77-78	
Finger Lakes	20	100-Ton 66 FT. Mill Gondolas Car Type G619	FGLK 9965,74-76, 79-94	
Longo Epic	50	100-Ton 66 FT. Mill Gondolas Car Type G619	DJTX 9900-27, 30-32, 35,37-39, 42-44, 46-48, 50-51 55-58,60 -62	22566
Wisconsin Central	60	Centerbeam Flatcars Car Type - F483	SSAM 38750 - 38809	
Ashland Railway	20	52' Mill Gondolas Car Type - G519	TNMR 4050 - 4069	
Kerr McGee	7	73' Centerbeam Flatcars Car Type - F483	DJLX 99000 - 99006	22565
DJJ	175	100-Ton 66 FT. Mill Gondolas Car Type G619	DJTX 19000-19131, 19151-19192	
MHF Logistics	70	52' Mill Gondolas Car Type - G519	MHFX 5800 - 5869	22446
Temple Inland	12	73' Centerbeam Flatcars Car Type - F483	TNMR 11000 - 11011	22487
Providence & Wooster	50	52' Mill Gondolas Car Type - G519	TKEN 9500 - 9549	22488
Union Pacific	120	Maxgon Aluminum Coal Gondola Car Type - J311	DJLX 96000 - DJLX 93124	

SCHEDULE A-1

Memorandum of Railroad Equipment Lease Agreement, dated January 5, 1999, between DJJ Leasing, Ltd., Lessor, and Arkansas Shortline Railroad, Inc. d/b/a Dardenelle & Russellville Railroad, Inc., covering fifty (50) railcars - DR 7100-7149, inclusive.

Memorandum of Railroad Equipment Lease Agreement, dated February 17, 1999, between DJJ Leasing Ltd., Lessor, and The David J. Joseph Company, Lessee, covering one hundred and five (105) railcars - DJJX 9700-9804, inclusive.

Memorandum of Railroad Equipment Lease Agreement, dated May 11, 1999, between DJJ Leasing Ltd., and Canadian National Railway Company, covering seventy (70) railcars - TNMR 2731-2800, inclusive.

Memorandum of Railroad Equipment Lease Agreement, dated February 22, 1999, between DJJ Leasing Ltd., and Allied Enterprises, Inc., covering thirty (30) railcars - AM 1310-1339, inclusive.

Memorandum of Agreement, dated June 2, 1999, between DJJ Leasing Ltd., Lessor, and West Tennessee Railroad, Lessee, covering twenty-five (25) railcars - TKEN 9928, 9929, 9933, 9934, 9936, 9940, 9941, 9945, 9949, 9952, 9953, 9954, 9959, 9963, 9964, 9966, 9967, 9968, 9969, 9970, 9971, 9972, 9973, 9977, 9978.

Memorandum of Railroad Equipment Lease Agreement, dated May 12, 1999, between DJJ Leasing Ltd., and Finger Lakes Railway Corp., covering twenty (20) railcars - FGLK 9965, 9974, 9975, 9976, 9979-9994.

Memorandum of Railroad Equipment Lease Agreement, dated July 8, 1999, between DJJ Leasing Ltd., Lessor, and Environmental Protection and Improvement Company d/b/a Epic, Lessee, covering fifty (50) railcars - DJJX 9900-9927, 9930, 9931, 9932, 9935, 9937, 9938, 9939, 9942, 9943, 9944, 9946, 9947, 9948, 9950, 9951, 9955, 9956, 9957, 9958, 9960, 9961, 9962.

Memorandum of Railroad Equipment Lease Agreement, dated July 12, 1999, between DJJ Leasing Ltd., Lessor, and Ashland Railway, Inc., Lessee, covering twenty (20) railcars - TMNR 4050-4069, inclusive.

Memorandum of Railroad Equipment Lease Agreement, dated August 31, 1999, between DJJ Leasing Ltd., Lessor, and Kerr-McGee Chemical, L.L.C., Lessee, covering seven (7) railcars - DJLX 99000-99006, inclusive.

Memorandum of Railroad Equipment Lease Agreement, dated October 11, 1999, between DJJ Leasing Ltd., Lessor, and The David J. Joseph Company, Lessee, covering one hundred seventy-five (175) railcars - DJLX 19000-19131, inclusive and 19150-19192, inclusive.

Memorandum of Railroad Equipment Lease Agreement, July 15, 1999, between DJJ Leasing Ltd., Lessor, and MHF-LS Equipment, Inc., Lessee, covering seventy (70) railcars - MHFX 5800-5869.

Memorandum of Railroad Equipment Lease Agreement, dated August 26, 1999, between DJJ Leasing Ltd., Lessor, and Temple Inland, Forest Products Corporation, Lessee, covering twelve (12) railcars - TNMR 11000-11011, inclusive.

Memorandum of Railroad Equipment Lease Agreement, dated September 7, 1999, between DJJ Leasing Ltd., Lessor, and Providence & Worcester Railroad Company, Lessee, covering fifty (50) railcars - TKEN 9500-9549, inclusive