

RECORDATION FORM COVER
TRADEMARKS ON

06-08-1998

(Rev 6-93)

5-28-98



100729640

To the Honorable Commissioner of Patents and Trademarks: Please record the

1. Name of conveying party(ies):
 OmniTRAX, Inc.
 Individual(s) Association
 General Partnership Limited Partnership
 Corporation-State (Colorado)
 Other _____

Additional name(s) of conveying party(ies) attached? Yes No

2. Name and address of receiving party(ies):
 Name: The Bank of Nova Scotia
 as U.S. Agent and in its capacity as Canadian Agent
 Internal Address: _____
 Street Address: 1 Liberty Plaza

 City: New York State: New York ZIP: 10006
 Country: _____
 Individual(s) citizenship _____
 Association _____
 General Partnership _____
 Limited Partnership _____
 Corporation-State _____
 Other Bank

If assignee is not domiciled in the United States, a domestic representative designation is attached: Yes No
 (Designations must be a separate document from assignment)

Additional name(s) & Address(es) attached? Yes No

3. Nature of conveyance:
 Assignment Merger
 Security Agreement Change of Name
 Other _____

Execution Date: May 13, 1998

4. Application number(s) or trademark number(s):
 If this document is being filed together with a new application, the execution date of the application is _____

A. Trademark Application No.(s)
74/365,941
74/365,928

B. Trademark No.(s)

..... Additional numbers attached Yes No

5. Name and address of party to whom correspondence concerning document should be mailed:
 Name: Nora A. Whitescarver
 Internal Address: Mayer, Brown & Platt

 Street Address: 2000 Pennsylvania Avenue
Suite 3900
 City: Washington State: DC ZIP: 20006

6. Total number of applications and trademarks involved: 2

7. Total fee (37 CFR 3.41): \$65.00 *E*
 Enclosed check No 15804
 Authorized to be charged to deposit account

8. Deposit account number: _____

(Attach duplicate copy of this page if paying by deposit account)

06/05/1998 JSH/BAZZ 0000064 74365941

01 FC:401
02 FC:402

~~40.00 OP~~
25.00 OP

DO NOT USE THIS SPACE

9. Statement and signature.
 To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Nora A. Whitescarver *Nora A. Whitescarver* May 28, 1998
 Name of Person Signing Signature Date

Total number of pages comprising cover sheet and document attachments: 8

TRADEMARK SECURITY AGREEMENT

This TRADEMARK SECURITY AGREEMENT (this "Agreement"), dated as of May 13, 1998, is made between OMNITRAX, INC., a Colorado corporation (the "Grantor"), and THE BANK OF NOVA SCOTIA ("Scotiabank"), as U.S. Agent and in its capacity as Canadian Agent, (collectively, the "Agents", and each, individually, an "Agent") for each of the Secured Parties;

W I T N E S S E T H :

WHEREAS, pursuant to a Credit Agreement, dated as of May 13, 1998 (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), among OmniTRAX Holdings, LLC, a Colorado limited liability company ("OmniTRAX"), MCS Properties, LLC, a Colorado limited liability company ("MCS"; each of OmniTRAX and MCS is a "U.S. Borrower" and together are the "U.S. Borrowers"), Carlton Trail Railway Company/La Compagnie de Chemin Carlton Trail, a company incorporated under the Companies Act of Nova Scotia ("Carlton Trail"), Hudson Bay Railway Company, a company incorporated under the Companies Act of Nova Scotia ("Hudson Bay"; each of Carlton Trail and Hudson Bay is a "Canadian Borrower", and together are the "Canadian Borrowers" and together with the U.S. Borrowers, collectively referred to as the "Borrowers"), the various financial institutions as are or may become parties thereto which extend a Commitment under the U.S. Facility (collectively, the "U.S. Lenders"), the various financial institutions as are or may become parties thereto which extend a Commitment under the Canadian Facility (collectively, the "Canadian Lenders", and together with the U.S. Lenders, the "Lenders"), Scotiabank, as agent for the U.S. Lenders under the U.S. Facility (in such capacity, the "U.S. Agent") and Scotiabank, currently acting through its executive offices in Winnipeg, as agent for the Canadian Lenders under the Canadian Facility (in such capacity, the "Canadian Agent"), the Lenders and the Issuers have extended Commitments to make Credit Extensions to the Borrowers;

WHEREAS, as a condition precedent to the making of the Credit Extensions (including the initial Credit Extension) under the Credit Agreement, the Grantor is required to execute and deliver this Security Agreement;

WHEREAS, the Grantor has duly authorized the execution, delivery and performance of this Security Agreement; and

WHEREAS, it is in the best interests of the Grantor to execute this Security Agreement inasmuch as the Grantor will derive substantial direct and indirect benefits from

the Credit Extensions made from time to time to the Borrowers by the Lenders and the Issuers pursuant to the Credit Agreement;

NOW THEREFORE, for good and valuable consideration the receipt of which is hereby acknowledged, and in order to induce the Lenders and the Issuers to make Credit Extensions (including the initial Credit Extension) to the Borrowers pursuant to the Credit Agreement, and to induce Secured Parties to enter into Rate Protection Agreements, the Grantor agrees, for the benefit of each Secured Party, as follows.

SECTION 1. Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Agreement, including its preamble and recitals, have the meanings provided (or incorporated by reference) in the Security Agreement.

SECTION 2. Grant of Security Interest. For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to secure all of the Secured Obligations, the Grantor does hereby mortgage, pledge and hypothecate to the U.S. Agent, and grant to the U.S. Agent a security interest in, for its benefit and the benefit of each Secured Party, all of the following property (the "Trademark Collateral"), whether now owned or hereafter acquired or existing by it:

(a) all trademarks, trade names, corporate names, company names, business names, fictitious business names, trade styles, service marks, certification marks, collective marks, logos, other source of business identifiers, prints and labels on which any of the foregoing have appeared or appear, designs and general intangibles of a like nature (all of the foregoing items in this clause (a) being collectively called a "Trademark"), now existing anywhere in the world or hereafter adopted or acquired, whether currently in use or not, all registrations and recordings thereof and all applications in connection therewith, whether pending or in preparation for filing, including registrations, recordings and applications in the United States Patent and Trademark Office or in any office or agency of the United States of America or any State thereof or any foreign country, including those referred to in Item A of Attachment 1 attached hereto;

(b) all Trademark licenses, including each Trademark license referred to in Item B of Attachment 1 attached hereto;

(c) all reissues, extensions or renewals of any of the items described in clauses (a) and (b);

(d) all of the goodwill of the business connected with the use of, and symbolized by the items described in, clauses (a) and (b); and

(e) all proceeds of, and rights associated with, the foregoing, including any claim by the Grantor against third parties for past, present or future infringement or

dilution of any Trademark, Trademark registration or Trademark license, including any Trademark, Trademark registration or Trademark license referred to in Item A and Item B of Attachment 1 attached hereto, or for any injury to the goodwill associated with the use of any such Trademark or for breach or enforcement of any Trademark license.

SECTION 3. Security Agreement. This Agreement has been executed and delivered by the Grantor for the purpose of registering the security interest of the U.S. Agent in the Trademark Collateral with the United States Patent and Trademark Office and corresponding offices in other countries of the world. The security interest granted hereby has been granted as a supplement to, and not in limitation of, the security interest granted to the U.S. Agent for its benefit and the benefit of each Secured Party under the Security Agreement. The Security Agreement (and all rights and remedies of the U.S. Agent and each Secured Party thereunder) shall remain in full force and effect in accordance with its terms.

SECTION 4. Release of Security Interest. Upon payment in full in cash of all Secured Obligations, the termination or expiry of all Letters of Credit, the termination of all Rate Protection Agreements and the termination of all Commitments, the U.S. Agent shall, at the Grantor's expense, execute and deliver to the Grantor all instruments and other documents as may be necessary or proper to release the lien on and security interest in the Trademark Collateral which has been granted hereunder.

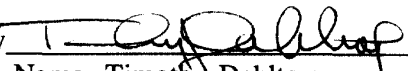
SECTION 5. Acknowledgment. The Grantor does hereby further acknowledge and affirm that the rights and remedies of the U.S. Agent with respect to the security interest in the Trademark Collateral granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which (including the remedies provided for therein) are incorporated by reference herein as if fully set forth herein.

SECTION 6. Loan Document, etc. This Agreement is a Loan Document executed pursuant to the Credit Agreement and shall (unless otherwise expressly indicated herein) be construed, administered and applied in accordance with the terms and provisions of the Credit Agreement.

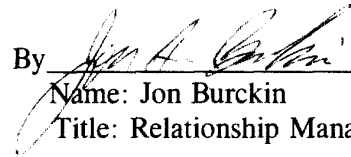
SECTION 7. Counterparts. This Agreement may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year first above written.

OMNITRAX, INC.

By 
Name: Timothy Dahltorp
Title: Treasurer

THE BANK OF NOVA SCOTIA, as U.S.
Agent

By  _____
Name: Jon Burckin
Title: Relationship Manager

THE BANK OF NOVA SCOTIA, as
Canadian Agent

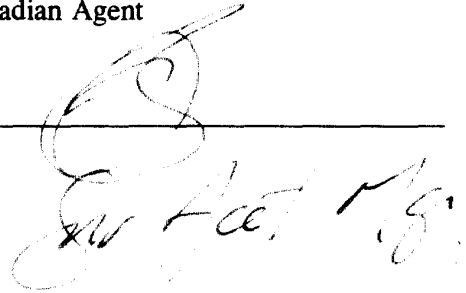
By _____
Name:
Title:

THE BANK OF NOVA SCOTIA, as U.S.
Agent

By _____
Title:

THE BANK OF NOVA SCOTIA, as
Canadian Agent

By _____
Title:



C. W. F. C. M. G.

24288770

TRADEMARK
REEL: 1736 FRAME: 0447

ATTACHMENT 1
to Trademark
Security Agreement

Item A. Trademarks

Registered Trademarks

<u>Country</u>	<u>Trademark</u>	<u>Registration No.</u>	<u>Registration Date</u>	<u>Int. Class</u>
U.S.A.	"OmniTRAX"	74/365,941	March 5, 1993	39
U.S.A.	"OmniTRAX"	74/365,928	March 5, 1993	36

Pending Trademark Applications

None.

Trademark Applications in Preparation

None.

Item B. Trademark Licenses

None.