LAW OFFICES
MILES & STOCKBRIDGE
A PROFESSIONAL CORPORATION
10 LIGHT STREET
BALTIMORE, MARYLAND 21202-1487

TELEPHONE 410-727-6464
FAX 410-385-3700

CAMBRIDGE, MD
COLUMBIA, MD
EASTON, MD
FREDERICK, MD

McLEAN, VA
ROCKVILLE, MD
TOWSON, MD
WASHINGTON, D.C.

JOHN A. STALFORT
410-385-3424

Primary

December 8, 1998

RECORDATION NO. 21848 FILED
DEC 9 '98 2-58 PM

RECORDATION NO. 21848-A FILED
DEC 9 '98 2-58 PM

via FEDERAL EXPRESS

Surface Transportation Board
1925 K Street, N.W.
Washington, D.C., 20423-0001
Attention: Mrs. Janice Fort

Re: Our File No.: 259-1903

Dear Mrs Fort:

Enclosed for recordation as a primary document pursuant to the provisions of 49 U.S.C. §11301(a) are one original and one notarized copy of the following document:

Railcar Lease Agreement dated as of May 1, 1998 between Progress Rail Services Corporation (P.O. Box 1037, Albertville, Alabama 35950) and Vulcan Materials Company (P.O. Box 530187, Birmington, Alabama 35253)

Also enclosed for recordation as a secondary document pursuant to the provisions of 49 U.S.C. §11301(a) are one original and one notarized copy of the following document:

Assignment of Lessor's Interest in Lease made as of November 30, 1998 by Progress Rail Services Corporation (P.O. Box 1037, Albertville, Alabama 35950) in favor of The First National Bank of Maryland (25 South Charles Street, Baltimore, Maryland 21201) which relates to the above-referenced Railcar Lease Agreement

Also enclosed is a check to cover the costs of recording the enclosed documents.

Upon recordation, please return the recorded documents to the undersigned.

Thank you for your prompt attention to this matter. If you have any questions, please call me at (800) 344-2532.

Sincerely,

Michele E. Sperato

Michele E. Sperato
Assistant to John A. Stalfort

Enclosures

RECORDATION NO. 21848 FILED

DEC 9 '98 2-58 PM

STATE OF MARYLAND
SS:
CITY OF BALTIMORE

THIS IS TO CERTIFY that the attached Railcar Lease Agreement is a true and complete copy of said Railcar Lease Agreement.

WITNESS my hand and seal this 8th day of December 1998.

Michele E. Sperato
Notary Public

My Commission Expires: January 28, 2001

RECORDATION NO. 21848 FILED
DEC 9 '98 2-58 PM

RAILCAR LEASE AGREEMENT

20 Used 100 Ton Ballast Railcars

Dated As Of

May 1, 1998

Between

PROGRESS RAIL SERVICES CORPORATION

And

VULCAN MATERIALS COMPANY

RAILCAR LEASE AGREEMENT

This **RAILCAR LEASE AGREEMENT ("AGREEMENT")** is entered into as of May 1, 1998, by and between **PROGRESS RAIL SERVICES CORPORATION (herein called *"Lessor"*) and VULCAN MATERIALS COMPANY (herein called *"Lessee"*).**

WITNESSETH

1. Lessor agrees to furnish and lease to Lessee, and Lessee agrees to accept and use upon the terms and conditions of this AGREEMENT, twenty (20), used 100 Ton Ballast Railcars ("Cars") more fully described on Schedule A, attached to this AGREEMENT. It is understood and agreed that the aforesaid Cars are to be used to move rock of Lessee only, and shall not, under any circumstances, be used for shipment of any other commodity without the prior written consent of Lessor.

2. Lessor agrees to deliver to Lessee and Lessee agrees to accept, the Cars at CSXT Interchange, Corbin, Kentucky. Lessee agrees to pay all freight charges to move Cars from delivery point. Lessor shall use all reasonable efforts to deliver Cars on a timely basis. However, Lessor shall not be liable for delays beyond the control of the Lessor. Lessee agrees that none of the Cars shall be shipped beyond the boundaries of the United States.

3. Lessee agrees to pay the rental charges with respect to each of the Cars from the date of delivery until termination of this AGREEMENT in accordance with Section 15. Such rental charges shall be paid to the Lessor at 1600 Progress Drive, P. O. Box 1037, Albertville, Alabama 35950, or such other place as Lessor may from time-to-time designate. Rental charges are due in advance on the first day of each month, prorating any period which is less than a full month. Such proration shall be based on a thirty (30) day period for each month prorated. The rental rate for each Car covered under this AGREEMENT shall be per month.

   In addition to the rental rate of per month, in the event that, any Car, for any reason, shall travel more than 12,000 miles annually during the term of this AGREEMENT, then, in that event, Lessee agrees to pay Lessor per mile for each mile in excess of 12,000 miles for each such Car. Such annual period shall be each 12 month period from May 1 to April 30 during the term of this AGREEMENT.

4. Lessor agrees to provide Cars under this lease that are acceptable for use in unrestricted interchange. Each of the Cars shall be available for inspection by Lessee upon delivery to Lessee and Lessee shall promptly notify Lessor of any deficiency with respect to any Car. Failure by Lessee to report any defect in any Car within five (5) business days after delivery of the Car or the loading of any Car by Lessee or at its direction shall constitute acceptance thereof.

IN CONNECTION WITH THE CARS LEASED HEREUNDER, LESSOR HEREBY DISCLAIMS ALL WARRANTIES (EXCEPT THAT LESSOR WARRANTS THAT IT HOLDS GOOD TITLE TO THE CARS), WHETHER EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE. LESSOR NEITHER ASSUMES NOR AUTHORIZES ANY PERSON TO ASSUME FOR IT ANY WARRANTY OR LIABILITY IN CONNECTION WITH THESE CARS. LESSOR SHALL NOT BE LIABLE UNDER ANY CIRCUMSTANCES FOR DAMAGES SUCH AS (BUT NOT LIMITED TO) DAMAGE OR LOSS OF PROPERTY OR EQUIPMENT, LOSS OF PROFIT OR REVENUE, COST OF REPLACEMENT GOODS OR CLAIMS OF LESSEE'S CUSTOMERS, ARISING OR RESULTING FROM THE LEASE OR USE OF THE CARS; provided, however, that nothing in this provision shall limit Lessor's financial obligations to Lessee under Sections 5, 10 or 16.

5. Lessor agrees during the term of this AGREEMENT, at Lessor's expense, to pay (or to reimburse Lessee if Lessee should pay) for all maintenance and repair of the Cars and Lessor shall keep all of the Cars in good repair and efficient working order, reasonable wear and tear excepted, and acceptable for use in unrestricted interchange. If more than ten (10) days are required for maintenance or repairs to any Car, Lessee's obligation to pay rent shall be suspended for such period (or prorated part of a rental period) that the Car(s) is out of service more than ten (10) days.

In the event the United States Department of Transportation, or any other governmental agency or non-governmental organization having jurisdiction over the operation, safety or use of railroad equipment requires that any Car be added to, modified, or in any manner adjusted in order to qualify it for operation in railroad interchange, Lessor, at its option, will (a) cause such modifications to be made at Lessor's expense, or, (b) terminate this AGREEMENT with respect to such Car with no further liability or obligation to Lessee.

Lessee shall not, without the prior written approval of Lessor, effect any change in the design, construction or body of any Car or the appurtenances thereto.

Any parts installed or replacements made by Lessee upon any Car shall be considered accessions to such Car and title thereto shall be immediately vested in Lessor, without cost or expense to Lessor except that this shall not apply to special equipment installed in any Car by Lessee with the consent of Lessor, provided that such equipment is removed by Lessee before the Car is returned to Lessor and all damage resulting from such installation and removal is repaired by Lessee, and further provided that removal of such equipment does not affect the Car's serviceability or use in unrestricted interchange.

6. In the event that any of the fittings, appliances or appurtenances of any Car, shall be damaged (ordinary wear and tear excepted) or destroyed as a result of the negligent or willful acts of any of Lessee's employees, agents or customers (including but not limited to, negligence in loading commodities therein), Lessee agrees to assume financial responsibility for such damage or destruction. Lessee shall promptly notify Lessor upon receipt by Lessee of knowledge of any major damage to any Car. In the event any Car is damaged or destroyed beyond economic repair, Lessor shall make reasonable effort to collect any Settlement Value due Lessor from any railroad as compensation for any Car so damaged or destroyed. Lessor shall provide Lessee written notice of such Settlement Value collected with respect to such Car and upon receipt of such written notice, Lessee shall pay to Lessor the excess, if any, of over the Settlement Value received by the Lessor. If Lessor has not collected any Settlement Value within 90 days of such damage or destruction to any Car, through no fault or delay by Lessor, Lessor shall provide written notice to Lessee and Lessee shall, upon receipt of such written notice, remit to Lessor $12,500.00 for each such Car. In the event Lessor collects any Settlement Value for any Car for which Lessee has paid) to Lessor, Lessor shall promptly remit to Lessee the Settlement Value, not to exceed so collected. The rental for any Car damaged or destroyed beyond economic repair shall terminate and be prorated upon and to the date that payment, as described above, is received from Lessee by the Lessor.

   In the event rental of a Car (or Cars) is terminated pursuant to the above, Lessor shall have the right, but shall not be obligated, to substitute for any such Car another car of the same type and capacity and the rental with respect to such substituted car shall commence upon delivery of the substituted car to Lessee.

7. Lessee agrees not to load any Car in excess of the load limit stenciled thereon. Lessor shall not be liable for any loss of or damage to commodities, or any part thereof, caused by such overloading. Further, Lessee agrees to assume financial responsibility for, to indemnify Lessor against, and to save it harmless from any loss or damage caused by overloading; provided, however, that Lessee's responsibility for damage or loss to any Car is limited to

8. The Cars shall be delivered to Lessee marked "SPSX" and no additional lettering or marking of any kind or change to such lettering or marking shall be placed upon any of the Cars by Lessee except with the prior written consent of Lessor.

9. Lessee shall be liable for any demurrage, track storage or detention charge imposed in connection with any of the Cars while on any private siding or track or on any private or industrial railroad or in the custody of any carrier not subject to the Association of American Railroads Rules for Interchange.

10. Lessor agrees to assume responsibility for and to pay all property taxes levied upon the Cars and to file all property tax reports relating thereto. Lessee agrees to assume responsibility for and to pay any applicable state sales, use or similar taxes resulting from the lease or use of the Cars.

11. This AGREEMENT shall be binding upon the parties hereto, their respective successors, assigns and legal representatives, and shall remain in full force and effect from the date hereof until the termination of the leasing arrangement and all such Cars are returned to Lessor in accordance with Section 15.

12. In addition to Lessor's right of substitution in Section 6 above, if mutually agreed, the Lessor shall have the right, but shall not be obligated to substitute for any Car another car of the same type and capacity. The rental with respect to the substituted car shall commence upon delivery of such substituted car to Lessee.

13. Lessee shall make no sublease, transfer or assignment of its interest under this AGREEMENT in and to the Cars without Lessor's prior written consent, which consent shall not be unreasonably withheld. However, in any event, Lessee shall continue to remain liable to Lessor under all conditions and terms of this AGREEMENT. No right, title or interest in any of the Cars shall vest in Lessee or Sublessee by reason of this AGREEMENT or by reason of the delivery to or use by Lessee or Sublessee of the Cars, except the right to use the Cars in accordance with the terms of this AGREEMENT.

14. Lessor, at its election, may terminate this AGREEMENT if Lessee fails to perform any of its obligations hereunder, Lessor has provided Lessee written notice of such default, and Lessee has not taken action to correct such default within thirty (30) days after receipt of such notice.

    If this AGREEMENT is terminated, Lessor may (a) repossess the Cars, (b) demand that Lessee shall pay all amounts owing to Lessor by Lessee and all costs of withdrawing Cars from service of Lessee, including any costs of cleaning as described in Section 15 below, and (c) withdraw the Cars from the service of Lessee and deliver the same, or any thereof, to others upon such terms as Lessor may see fit. If Lessor shall elect to proceed in accordance with clause (c) above and if Lessor during the balance of the term of this AGREEMENT shall fail to collect for the use of the Cars a sum at least equal to all unpaid rentals hereunder to the stated date of termination hereof plus an amount equal to all expenses of withdrawing the Cars from the service of Lessee and collecting the earnings thereof, Lessee agrees to pay from time to time upon demand by Lessor the amount of any such deficiency.

    It is expressly understood that either party, at their option, may terminate this AGREEMENT in the event that a petition in bankruptcy or a petition for a trustee or receiver be filed by or against the other, or in the event that either party shall make an assignment for creditors.

Lessee, at its election, may terminate this AGREEMENT if Lessor fails to perform any of its obligations hereunder, Lessee has provided Lessor written notice of such default, and Lessor has not taken action to correct such default within thirty (30) days after receipt of such notice.

15. Upon the termination of this AGREEMENT, Lessee agrees, at its expense and subject to the provisions of Section 6 above, to return the Cars to Lessor at CSXT delivery Corbin, Kentucky (the "Return Point"). Cars will be delivered back to Lessor in interchange condition and in the same or as good condition as received, ordinary wear and tear excepted, free from all charges and liens which may result from any act or default of Lessee, and free from all accumulations or deposits from commodities transported in or on the Cars while in the service of Lessee. Upon return of the Cars as provided herein, each Car shall be subject to a joint inspection by Lessor and Lessee. Failure of Lessor to report any defect in any Car or to report any accumulations or any deposits within a reasonable time after receipt of any Car shall be deemed acceptance of such Car by Lessor. If any Car is not returned to Lessor free from such accumulations or deposits, Lessee shall reimburse Lessor for any reasonable expense incurred in cleaning such Car.

    Unless terminated earlier in accordance with Section 6 or Section 14 of this AGREEMENT, Lessee's obligation to pay rental with respect to each of said Cars shall be deemed to have terminated on the later of the following: (i) the termination date of this AGREEMENT, including extensions if any; (ii) the day after that respective Car arrives, free from all accumulations and deposits at the Return Point; or (iii) the day after Lessor completes cleaning of that respective Car in accordance with Section 15 hereof.

16. Lessor agrees to indemnify and hold Lessee harmless from and against any and all claims (including Environmental Claims as defined in Section 18), loss, liabilities, damages, death, injuries or expenses (including, unless Lessor assumes the defense, the cost of investigating and defending against any claim for damages) with respect to any Car, arising from the following: (a) any event occurring prior to the acceptance of any Car by Lessee; (b) the failure of Lessor to perform its obligations under this AGREEMENT; and (c) any negligent or willful act of Lessor or its agents or employees in connection with use of the Cars after acceptance, excepting, however, any loss, liability, claim, damage or expense which accrues with respect to any of the Cars which is attributable to the negligence or omission of Lessee. All indemnities contained in this AGREEMENT shall survive the termination thereof.

17. Lessee agrees to indemnify and hold Lessor harmless from and against any and all claims, loss, liabilities, damages, death, injuries or expenses (including, unless Lessee assumes the defense, the reasonable cost of investigating and defending against any claim for damages) arising from the following: (a) out of or in connection with the use of the Cars during the term of this AGREEMENT, excepting, however, any loss,

liability, claim, damage or expense which accrues with respect to any of the Cars which is attributable to the negligence or omission of Lessor, its agents or employees or for which a railroad or railroads have assumed full responsibility, including investigating and defending against any claim for damages; and (b) the failure of Lessee to perform its obligations under this AGREEMENT. All indemnities contained in this AGREEMENT arising from or in connection with events occurring during the period beginning with the acceptance of a Car by the Lessee and ending with the return of the Car to Lessor in accordance with Section 15 above shall survive the termination hereof.

18. If any commodity or material other than rock is transported in any Car(s), Lessee agrees to indemnify, defend, protect and hold harmless Lessor from and against any and all claims, liabilities, damages, death, injuries, and expenses (including attorney's fees and expenses) for Environmental Claims in connection with, or alleged to be in connection with: (i) the use, operation, possession, storage, abandonment or return of any Car, (ii) any site or location whatsoever (including without limitation any landfill) owned, operated or used (intentionally or unintentionally) by Lessee for the treatment, transportation, storage or disposal of any waste or hazardous substance ("Hazardous Substance") as defined by applicable Environmental Law, (iii) any site or location whatsoever (including without limitation any landfill) used by Lessor for the treatment, transportation, storage or disposal by Lessor or any waste or Hazardous Substance remaining in any Car upon return or abandonment of any Car or upon assignment; excluding, however, any environmental claim to the extent, and only to the extent, a court of competent jurisdiction establishes that such Environmental Claim was the result of Lessor's negligence or willful misconduct; provided that, in the case of Lessor's negligence, such negligence must be of a type which could not have been discovered by Lessee through a reasonable inspection of such Car. All indemnities, including this indemnity respecting Environment Claims, contained in this AGREEMENT arising from or in connection with events occurring during the period beginning with the acceptance of a Car by the Lessee and ending with the return of the Car to Lessor in accordance with Section 15 above shall survive termination hereof.

Definitions. For purposes of this Section the following words shall have the meanings set forth below:

(i) "Environmental Claim" means any accusation, allegation, notice of violation, claim, demand, abatement order, direction, investigation, litigation or any other proceeding by any governmental authority or any person (including any corporation, partnership, association or any other organization, entity, individual or class of individuals) for personal injury (including sickness, disease, death, dismemberment, disfigurement or mental anguish), tangible or intangible property damage, damage to environmental or natural resources, reimbursement of environmental cleanup cost, nuisance, pollution, contamination, fines, penalties, restrictions, attorney's fees, health effects monitoring or any other adverse effects on the environment arising under Environmental Law; and

(ii) "Environmental Law" means any applicable foreign, federal, state or local statute, law (including common law), ordinance, rule, regulation, order (whether voluntary or not) relating to the environment, natural resources, or human health and safety.

19. The term of this AGREEMENT shall begin on May 1, 1998, or the date of delivery for Cars that are delivered on a date different from May 1, 1998, and shall terminate, subject to Section 16 above, on April 30, 1999.

If the Lessee is not in default of any of the terms or conditions hereof, the Lessee at its option may extend this AGREEMENT, upon the same terms and conditions as contained herein; (i) at April 30, 1999 for a period of one year, and if so extended (ii) at April 30, 2000 for an additional period of one year. Such extensions shall be effective upon written notice from Lessee to Lessor at or prior to April 30, 1999 or April 30, 2000, as applicable, stating that the Lessee intends to extend the AGREEMENT as provided herein.

20. The failure of either party to enforce any of the provisions of this AGREEMENT or to require compliance with any of its terms at any time shall in no way affect the validity of this AGREEMENT or any part hereof, and shall not be deemed a waiver of the party to thereafter enforce any term, provision, condition or requirement of this AGREEMENT.

21. All notices and correspondence between the parties concerning this AGREEMENT shall be effective five days after it is sent by US Mail being certified or registered with postage prepaid and addressed as follows:

To Lessor:
Progress Rail Services Corporation
ATTN: Doug Creech
Post Office Box 1037
Albertville, Alabama 35950

To Lessee:
Vulcan Materials Company
ATTN: John R. Bargerhuff
Post Office Box 530187
Birmingham, Alabama 35253

22. This AGREEMENT may be executed in any number of counterparts each of which counterparts shall represent an original and all such counterparts shall constitute one and the same agreement. This AGREEMENT contains the entire agreement and understanding between the parties hereto with respect to the subject matter contained herein and supersedes all prior agreements, understandings, and representations whether oral or written. No modifications, limitations or release of any of the terms and conditions as contained herein shall be effective until made by written agreement to that effect and signed by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed this AGREEMENT effective the day and year first above written.

WITNESS:

Diane Eakin

PROGRESS RAIL SERVICES CORPORATION

By: Bob Grace

Title: Sr Vice President

WITNESS:

Gina Hill

VULCAN MATERIALS COMPANY

By: John R Burgenhoff

Title: Dir. Trans. Ops.

SCHEDULE A

To The

RAILCAR LEASE AGREEMENT

Dated As Of

May 1, 1998

Between

PROGRESS RAIL SERVICES CORPORATION

And

VULCAN MATERIALS COMPANY

Schedule of Leased Cars

Twenty Used 100 Ton Ballast Railcars

SPSX 964001	SPSX 964270
SPSX 964068	SPSX 964299
SPSX 964118	SPSX 964307
SPSX 964123	SPSX 964356
SPSX 964144	SPSX 964370
SPSX 964154	SPSX 964379
SPSX 964186	SPSX 964386
SPSX 964226	SPSX 964402
SPSX 964250	SPSX 964413
SPSX 964259	SPSX 964414

VulcanLse.501