

BUTLER & BINION

A REGISTERED LIMITED LIABILITY PARTNERSHIP

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2-272A060

September 25, 1992

RECORDATION NO 17817-A FILED 1425

SEP 28 1992 2 25 PM

INTERSTATE COMMERCE COMMISSION

SEP 28 2 39 PM '92
MOTOR OPERATING UNIT

Secretary
Interstate Commerce Commission
12th Street and Constitution Avenue N.W.
Washington, D.C. 20243

Dear Secretary:

Enclosed for recordation pursuant to Section 11303 of Title 49 of the U.S. Code are an original and one additional counterpart of a First Amendment to Commercial Security Agreement, a secondary document dated September 23, 1992, executed by and between RailTex, Inc., a Texas corporation ("RailTex") as Debtor and First Interstate Bank of Texas, N.A., as Agent (the "Agent") for the benefit of and as the representative of National Bank of Canada (through its New York Branch) ("NBC"), First Interstate Bank of Texas, N.A. ("FITX") and certain other financial institutions that may from time to time become a party to that certain Loan Agreement dated as of May 8, 1992 by and among RailTex, the Agent, FITX and NBC (FITX, NBC and the other financial institutions that may from time to time become a party to the Loan Agreement being sometimes referred to herein collectively as the "Lenders"). The primary document to which this First Amendment to Commercial Security Agreement is connected is recorded under Recordation No. 17817.

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

Debtor: RailTex, Inc.
404 Broadway, Suite 200
San Antonio, Texas 78209

Secured Party: First Interstate Bank of Texas, N.A.,
as Agent for and on behalf of the Lenders
First Interstate Bank Plaza
1000 Louisiana
Houston, Texas 77002

Included in the property covered by the aforesaid First Amendment to Commercial Security Agreement are the locomotives

Secretary
Interstate Commerce Commission
Page 2

intended for use related to interstate commerce, or interests therein, owned by RailTex, Inc. at the date and execution of the above-referenced primary document or thereafter acquired by it or its successors as owners of the liens of railway covered by the primary document. A description of the locomotives is attached hereto as Exhibit A-1.

Also, enclosed is a check in the amount of \$16.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Please return the stamped original and any copies of the enclosed document not needed by the Commission to Nancy A. Talavera, Butler & Binion, 1000 Louisiana, First Interstate Bank Plaza, Houston, Texas 77002, in the enclosed stamped, self-addressed envelope.

A short summary of the enclosed secondary document to appear in the Commission's Index is:

First Amendment to Commercial Security Agreement, dated September 23, 1992, between RailTex, Inc. ("Debtor") whose address is 4040 Broadway, Suite 200, San Antonio, Texas 78209, and First Interstate Bank of Texas, N.A., as Agent ("Secured Party") whose address is First Interstate Bank Plaza, 1000 Louisiana, Houston, Texas 77002, for the benefit of and as the representative of National Bank of Canada (through its New York Branch) ("NBC"), First Interstate Bank of Texas, N.A. and certain other financial institutions that may from time to time become a party to that certain Loan Agreement dated as of May 8, 1992 by and among RailTex, the Agent, FITX and NBC, covering eighty-one locomotives and connected to the Commercial Security Agreement with Recordation No. 17817.

If you have any questions concerning any of the foregoing or the enclosed, please call me collect at (713) 237-3109.

Very truly yours,


Nancy A. Talavera

Enclosures

Interstate Commerce Commission
Washington, D.C. 20423

9/28/92

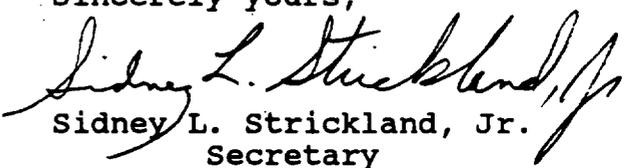
OFFICE OF THE SECRETARY

Nancy A. Talavera
Butler & Binion
1000 Louisiana-Ste. 1600
Houston, Texas 77002-5093

Dear Sirs:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 9/28/92 at 2:45PM, and assigned recordation number(s). 17817-A.

Sincerely yours,


Sidney L. Strickland, Jr.
Secretary

17817-A

SEP 23 1992 2:45 PM

INTERSTATE COMMERCE COMMISSION

FIRST AMENDMENT TO COMMERCIAL SECURITY AGREEMENT

This is the First Amendment (this "Amendment"), dated as of September 23, 1992 to a Commercial Security Agreement (the Security Agreement as amended herein and from time to time being herein called the "Agreement") dated as of the 8th day of May, 1992, by RAILTEX, INC., a Texas corporation, whose address is 4040 Broadway, Suite 200, San Antonio, Bexar County, Texas 78209 (the "Debtor") in favor of FIRST INTERSTATE BANK OF TEXAS, N.A., as Agent (together with its successors and assigns in such capacity, the "Secured Party") for the benefit of and as the representative of the Lenders from time to time a party to the Loan Agreement (as hereinafter defined). All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in that certain Loan Agreement dated as of May 8, 1992, by and among Debtor, Secured Party, National Bank of Canada (through its New York Branch), First Interstate Bank of Texas, N.A., and any other Lenders that may from time to time become a party thereto (as it may be amended, modified, renewed, extended, increased or restated from time to time, the "Loan Agreement").

Section 1. Recitals. Debtor has requested that the Lenders extend an Acquisition Loan pursuant to the terms of the Loan Agreement and, subject to the terms and conditions hereinafter stated, the Lenders are willing to do so. Therefore, Debtor hereby agrees as follows, intending to be legally bound:

Section 2. Amendments. The Agreement is amended hereby as follows:

Exhibit A-1 to the Agreement is deleted therefrom and Exhibit A-1 hereto is substituted in lieu thereof.

Section 3. Representations. Debtor represents and warrants that all of the representations and warranties contained in the Agreement and all instruments and documents executed pursuant thereto or contemplated thereby are true and correct in all material respects on and as of this date, except (i) such representations that relate solely to an earlier date and that were true and correct on such earlier date, and (ii) the breach or inaccuracy of representations and warranties about which Secured Party has been notified in writing prior to the date of this Amendment.

Section 4. Continued Force and Effect. Except as specifically amended herein, all of the terms and conditions of the Agreement and all documents executed in connection therewith or contemplated thereby are and remain in full force and effect in accordance with their respective terms. All of the terms used herein have the same meanings as set out in the Agreement, unless

amended hereby or unless the context clearly requires otherwise. References in the Agreement to the "Agreement," the "Security Agreement," "hereof," "herein" and words of similar import shall be deemed to be references to the Agreement as amended hereby.

Section 5. Severability. In the event any one or more provisions contained in the Agreement or this Amendment should be held to be invalid, illegal or unenforceable in any respect, the validity, enforceability and legality of the remaining provisions contained herein and therein shall not be affected in any way or impaired thereby and shall be enforceable in accordance with their respective terms.

Section 6. Acknowledgment. The undersigned officer of Debtor executing this Amendment represents and warrants that he has full power and authority to execute and deliver this Amendment on behalf of Debtor and that such execution and delivery has been duly authorized by the Board of Directors of the Company.

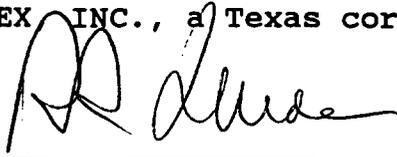
Section 7. No Waiver. Debtor agrees that no Event of Default and no default has been waived or remedied by the execution of this Amendment, and any such default or Event of Default heretofore arising and currently continuing shall continue after the execution and delivery hereof.

Section 8. Governing Law. This Amendment shall be governed by and construed in accordance with the laws of the State of Texas, applicable provisions of the Uniform Commercial Code of the State of South Carolina and applicable federal law.

Section 9. Grant and Affirmation of Security Interest. Debtor hereby grants a security interest in the Collateral to secure payment and performance of the Notes and the Obligations and all documents and instruments executed in connection therewith and, Debtor hereby confirms and agrees that any and all liens, security interests and other security or Collateral now or hereafter held by Secured Party as security for payment and performance of the Obligations are renewed and carried forth to secure payment and performance of all of the Obligations.

EXECUTED as of the date of the acknowledgement below, to be effective as of the date first written above.

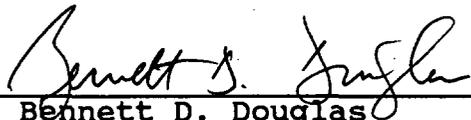
RAILTEX, INC., a Texas corporation

By 
Robert R. Lende
Vice President

By 
Bruce M. Flohr
President

- DEBTOR -

FIRST INTERSTATE BANK
OF TEXAS, N.A., AS AGENT

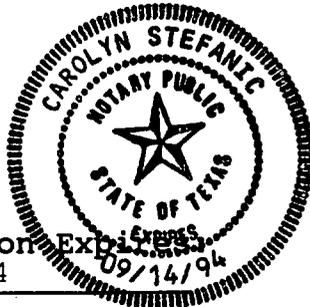
By 
Bennett D. Douglas
Vice President

- SECURED PARTY -

THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on September 23, 1992, by Robert R. Lende, Vice President of RAILTEX, INC., a Texas corporation, on behalf of said corporation.

[SEAL]



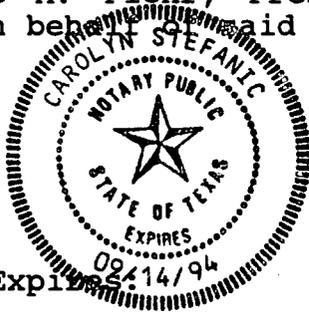

Notary Public in and for
The State of Texas

My Commission Expires
9/14/94

THE STATE OF TEXAS §
 §
COUNTY OF BEXAR §

This instrument was acknowledged before me on September 23 , 1992, by Bruce M. Flohr, President of RAILTEX, INC., a Texas corporation, on behalf of said corporation.

[SEAL]



Carolyn Stefanie

Notary Public in and for
The State of Texas

My Commission Expires
 9/14/94

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

This instrument was acknowledged before me on September 25 , 1992, by Bennett D. Douglas, Vice President of FIRST INTERSTATE BANK OF TEXAS, N.A., a national banking association, on behalf of said association.



Yvette Goree-Harris

Notary Public in and for
The State of Texas

My Commission Expires:

EXHIBIT A-1

INVENTORY OF LOCOMOTIVES

<u>RR</u>	<u>LOCO NUMBER</u>	<u>FRAME NUMBER</u>	<u>FORMER ROAD NUMBER</u>	<u>EMD TYPE</u>	<u>HP</u>
SDIV	1438	5624-14		GP-20	2000
SDIV	2151	1888-8	ATSF 2151	GP-7	1500
SDIV	3162	5054-13	ATSF 3162	GP-7	1500
SDIV	4168	5200-8	ATSF 4168	GP-7	1500
SDIV	5911	5398-9	#5911	GP-9	1750
NCVA	6244	5544-6	C&O 6244	GP-9	1750
NCVA	6515	5519-2	B&O 6515	GP-9	1750
NCVA	23	5377-13	CC&H 23*	GP-9	1750
VSRR	618	5490-13	C&O 6181	GP-9	1750
VSRR	178		#178	GP-9	1750
MMRR	24	5560-11	CC&H 24	GP-9	1750
MMRR	5967	5413-30	B&O 5967	GP-9	1750
MS	1077	8135-3		ALCO-RS3	1600
MMRR	177		#177	GP-9	1750
MMRR	179		#179	GP-9	1750
MMRR	180		#180	GP-9	1750
AUNW	8	4625	#8	SW-1200	1200
AUNW	33	5398-5	DRGW 5911	GP-9	1750
AUNW	44	5469-8	none	GP-9	1750
AUNW	55	5469-2	DRGW 5932	GP-9	1750
AUNW	66	7694-1	Unit 869	GP-38	2000
AUNW	171	5565-3	#171	GP-9	1750
AUNW	172	5413-8	#172	GP-9	1750
AUNW	174	5334-5	#174	GP-9	1750
AUNW	272	5362-10	GWR 272	GP-9	1750
AUNW	11	5469-10	DRGW 5952	GP-9	1750
AUNW	22	5398-2	DRGW 5902	GP-9	1750

*CC&H = Cape Cod & Hyannis

INVENTORY OF LOCOMOTIVES

RR	LOCO NUMBER	FRAME NUMBER	FORMER ROAD NUMBER	EMD TYPE	HP
SCRF	5905	5379-5	B&O 5905	GP-9	1750
SCRF	6097	5473-9	C&O 6097	GP-9	1750
SCRF	6187	5590-21	C&O 6187	GP-9	1750
SCRF	6439	5393-50	B&O 6439	GP-9	1750
SCRF	6440	5393-16	B&O 6440	GP-9	1750
SCRF	6550	5519-40	B&O 6550	GP-9	1750
SCRF	6555	5519-45	B&O 6555	GP-9	1750
GAAB	2077	1698-8	ATSF 2077	GP-7	1500
GAAB	2078	1698-2	ATSF 2078	GP-7 MOD	1850
GGG	2130	5219-13	ATSF 2130	GP-7	1500
GSWR	20	5474-11	CC&H 20	GP-9	1750
GSWR	21	5474-2	CC&H 21	GP-9	1750
GSWR	6541	5519-37	B&O 6541	GP-9	1750
GSWR	2027	5145-6	ATSF 2027	GP-7	1500
GSWR	2127	1637-7	ATSF 2127	GP-7	1500
GSWR	2160	5145-7	ATSF 2160	GP-7	1500
GSWR	2176	1637-4	ATSF 2176	GP-7	1500
GSWR	2185	5145-17	ATSF 2185	GP-7	1500
CPDR	25	7561-4	CC&H 25	GP-9	1750
CPDR	8379	5591-10	#8379	GP-10	1850
CPDR	8383	5591-18	#8383	GP-10	1850
CPDR	8387	5184-4	#8387	GP-10	1850
TNMR	2053	1889-9	ATSF 2053	GP-7	1500
TNMR	2234	5145-22	ATSF 2234	GP-7	1500
NEKM	2022	5200-12	ATSF 2022	GP-7	1500
NEKM	2210	5110-1	ATSF 2210	GP-7	1500
NEKM	2167	5470-12	ATSF 2167	GP-7	1500
C & A	2190	1762-8	ATSF 2190	GP-7 MOD	1750
C & A	2158	1697-8	ATSF 2158	GP-7	1500
TNER	92	6074-2	#175	GP-7 M	1750
TNER	107	5019-8	#176	GP-7	1750
TNER	115	6323-6	Unit 115	GP-7	1500
TNER	1229	4219-10	ATSF 1229	SW-1200	1200
TNER	1237		ATSF 1237	SW-1200	1200

INVENTORY OF LOCOMOTIVES

RR	LOCO NUMBER	FRAME NUMBER	FORMER ROAD NUMBER	EMD TYPE	HP
TNER	2153	1221-0	ATSF 2153	GP-7 MOD	1750
TNER	2166	5200-15	#2166	GP-7 MOD	1850
TNER	2219	5288-1	#2219	GP-7	1500
NOLR	8375	5591-5	#8375	GP-10	1850
NOLR	8377	5591-8	#8377	GP-10	1850
ITW	173	5595-6	#173	GP-9	1750
KCS	4161	N/A		SLUG	
ATSF	2013	6525-1	ATSF 2013	GP-7	1500
ATSF	2207	5054-10	ATSF 2207	GP-7	1500
ATSF	1120	N/A	ATSF 1120		
ATSF	1326	5200-1	ATSF 1326	GP-7	1500
AUNW	6527	7695-8	SP 6527	GP-35	2250
ISRR	6556	5811-11	CSXR 6556	GP-40	3000
ISRR	6560	5811-15	CSXR 6560	GP-40	3000
ISRR	6563	5811-18	CSXR 6563	GP-40	3000
ISRR	6835	7340-16	CSXR 6835	GP-40	3000
ISRR	6853	5811-8	CSXR 6853	GP-40	3000
ISRR	6599	7340-50	NRE-6599	GP-40	3000
ISRR	3078	3483-7	BN-3078*	GP-40	3000
ISRR	3084	3486-2	BN-3084**	GP-40	3000

* Original Road Number BO-3739

** Original Road Number BO-3714

RECAP

81 LOCOMOTIVES

8	- GP-40	3000 HP
1	- GP-35	2250 HP
1	- GP-38	2000 HP
1	- GP-20	2000 HP
5	- GP-10	1850 HP
32	- GP-9	1750 HP
2	- GP-7 MOD	1850 HP
4	- GP-7 MOD	1750 HP
21	- GP-7	1500 HP
2	- S2-1200	1200 HP
2	- SLUG	
1	- ALCO RS-3	1600 HP

94\NATA\FIBOT#8\RAILTEX\1AMEND-3.CSA