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TEXAS BOARD OF LEGAL SPECIALIZATION

August 14, 1996

Mr. Vernon A. Williams, Secretary  
Surface Transportation Board  
12th and Constitution, Room 2311  
Washington, D.C. 20423

20227-A  
RECORDED  
AUG 19 1996 3 32 PM  
FILED 1423

RECEIVED  
SURFACE TRANSPORTATION  
BOARD  
AUG 19 3 32 PM '96

Dear Mr. Williams:

I have enclosed two originals of the document described below, to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code.

**NOTE:** Pursuant to my office's discussion with Betty Uzzle at the Surface Transportation Board, we understand that Janice Fort is on vacation until August 16, 1996 and that her mail is not being opened by anyone while she is out. As explained to Ms. Uzzle, we mailed a Security Agreement / Collateral Assignment to your office for filing on July 26, 1996. **The document we are enclosing herewith is a secondary document to that filing.** Due to Ms. Fort being out of the office, we were unable to obtain a document filing number for the first filing. Therefore, we are unable to reference a document filing number for the secondary document attached.

The enclosed document is a First Amendment to Security Agreement / Collateral Assignment, a secondary document, dated August 9, 1996. **The primary document to which this is connected is recorded under Recordation No. [SEE NOTE ABOVE].** The parties to the document are:

ITG, Inc. (Debtor)

South Texas Bank, fsb (Secured Party)

The equipment covered by the document is comprised of Seventeen (17) steel body gondola railroad cars described as follows:

CAR INITIAL NUMBERS: 1001 through 1017, inclusive  
CAR OWNER MARKS: MACX  
CLASS OF CARS: GR/G515  
NUMBER OF CARS: Seventeen (17)  
CAPACITY OF CARS: 100-ton/2244 cu. ft.

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Mr. Vernon A. Williams  
August 14, 1996  
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The document also covers the Debtor's interest in and to that certain Railroad Car Lease Agreement No. ITG-2381, dated May 1, 1996 by and between Debtor (as lessor) and Meridian Aggregates Company (as lessee) covering and affecting the seventeen (17) steel body gondola railroad cars described above.

A fee of \$21.00 is enclosed. Please return a recorded original to W. Lee Keeling, Walker, Keeling & Carroll, L.L.P., P.O. Box 108, Victoria, Texas 77902.

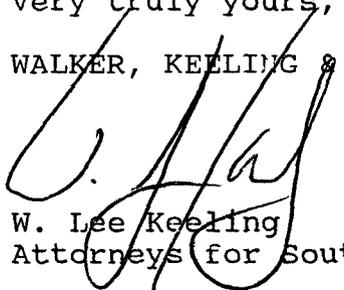
A short summary of the document to appear in the index follows:

First Amendment to Security Agreement/Collateral Assignment amending the Security Agreement / Collateral Assignment with Recordation No. [SEE NOTE ABOVE] between ITG, INC., P.O. Box 1777, Victoria, Texas 77902 (as debtor) and SOUTH TEXAS BANK, FSB, 1205 N. Navarro St., Victoria, Texas 77901 (as secured party) dated July 26, 1996 to add to the collateral covered thereby (i) 17 steel body 100 ton gondola railroad cars, Class GR/G515, marked MACX initial nos. 1001 through 1017, inclusive; and (ii) debtor's interest in Railroad Car Lease Agreement No. ITG-2381, dated May 1, 1996 by and between Debtor (as lessor) and Meridian Aggregates Company (as lessee) covering 17 railcars above described.

If you have any questions concerning this secondary filing or the previous one sent to you on July 26, 1996, please don't hesitate to contact the undersigned. I ask that you please insert the correct Recordation Number from our prior filing in the blank spaces in this transmittal letter, or alternatively, advise us of the number so that we can re-transmit the enclosed documents.

Very truly yours,

WALKER, KEELING & CARROLL, L.L.P.

  
W. Lee Keeling  
Attorneys for South Texas Bank, fsb

WLK:lsm

Enclosures

20227-A

FIRST AMENDMENT TO SECURITY AGREEMENT / COLLATERAL ASSIGNMENT

ITG, INC. ("Debtor"), a Texas corporation, whose address is P.O. Box 1777, 106 North Main Street, Victoria, Texas 77901, and SOUTH TEXAS BANK, FSB ("Secured Party"), a federal savings bank, whose address is 1205 North Navarro Street, Victoria, Texas 77901, execute this First Amendment to Security Agreement / Collateral Assignment (this "Amendment"), intending hereby to supplement and amend the terms and provisions of that certain Security Agreement / Collateral Assignment dated July 26, 1996 (herein, the "Agreement"). Debtor and Secured party hereby agree as follows:

1. CONSTRUCTION: Capitalized terms used in this Amendment but not specifically defined herein shall have the meaning given them in the Agreement. In the event of conflict between the terms and provisions of this Amendment and those of the Agreement, the terms and provisions of this Amendment shall govern and control.

2. COLLATERAL ADDED: Debtor and Secured Party agree that Exhibit A to the Agreement and Exhibit B to the Agreement are hereby replaced and amended by the substitution therefor, respectively, of Exhibit A and Exhibit B attached to this Amendment and made a part hereof for all purposes.

3. GRANT OF SECURITY INTEREST IN ALL COLLATERAL: In order to secure the prompt and unconditional payment and performance of the indebtedness described in, and the obligations, covenants, agreements and undertakings of Debtor under the Agreement, as hereby amended, Debtor hereby grants to Secured Party a security interest in and mortgages, assigns, transfers, delivers, pledges, sets over and confirms to Secured Party all of Debtor's remedies, powers, privileges, rights, titles and interests (including all power of Debtor, if any, to pass greater title than it has itself) of every kind and character now owned or hereafter acquired, created or arising in and to all of the assets, rights and property more particularly listed and described in Exhibit A and Exhibit B attached to this Amendment, together with all parts, accessories, repairs, accessions, appurtenances and additions to and substitutions for any of the foregoing and all products and proceeds of any of the foregoing; all maintenance records, licenses, certifications or other documents relating to the foregoing; and all accounts receivable, rights to payment, and other general intangibles arising from any contract of sale or lease of railroad cars so listed and described, including but not limited to all receivables, rents, revenues, income and profits payable to Debtor hereinafter arising in any way under any railroad car lease agreements so listed and described. As used in the Agreement, as hereby amended, the term "Collateral" shall mean all of said properties and interests.

4. ADDITIONAL DEBT: As used in the Agreement, as hereby amended, the term "Note" shall collectively mean and include all indebtedness now and hereafter evidenced and to be evidenced by each of the following described promissory notes:

(a) the promissory note dated July 26, 1996 in the face amount of ONE HUNDRED THIRTY FIVE THOUSAND and no/100 Dollars (\$135,000.00), bearing interest at the rate or rates therein stated, principal and interest payable to the order of Secured Party on the dates therein stated, with final payment due on July 26, 1996, executed by Debtor and made payable to the order of Secured Party;

(b) the promissory note dated of even date with this Amendment in the face amount of THREE HUNDRED FORTY THOUSAND and no/100 Dollars (\$340,000.00), bearing interest at the rate or rates therein stated, principal and interest payable to the order of Secured Party on the dates therein stated, with final payment due on August 9, 2003, executed by Debtor and made payable to the order of Secured Party;

together with any and all modifications, extensions, renewals, rearrangements, replacements and increases of any of the foregoing. The term "Debt" as used in the Agreement shall mean and include the Note, as defined hereby. Borrower acknowledges and agrees that the promissory note of even date herewith, this Amendment, and the other papers this day executed by Borrower and delivered to Lender constitute "Credit Documents" as that term is used in the Agreement.

5. AGREEMENT NOT OTHERWISE CHANGED: Except as stated herein, the Agreement is not otherwise modified, and remains in full force and effect. Debtor repeats, renews, and reaffirms all of the covenants, representations, warranties and other undertakings of the Agreement, as hereby amended.

EXECUTED as of the 9th day of August, 1996.

SOUTH TEXAS BANK, FSB

ITG, INC.

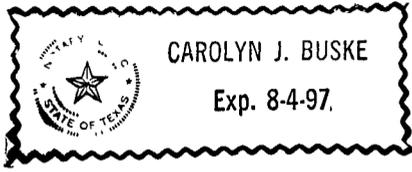
By: Billy W. Perkins  
Name: Billy W. Perkins  
Title: First Vice President

By: Michael Sagubial  
Name: Michael Sagubial  
Title: President

RECEIVED  
TRANSPORTATION  
BOARD  
AUG 19 10 32 PM '96

THE STATE OF TEXAS §  
§  
COUNTY OF VICTORIA §

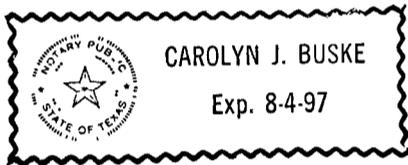
This instrument was acknowledged before me on this 9<sup>th</sup> day of August, 1996, by MICHAEL SAGEBIEL, President of ITG, Inc., a Texas corporation, on behalf of said corporation.



Carolyn J. Buske  
Notary Public in and for  
the State of Texas  
Name printed: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

THE STATE OF TEXAS §  
§  
COUNTY OF VICTORIA §

This instrument was acknowledged before me on this 9<sup>th</sup> day of August, 1996, by BILLY PERKINS, Vice President of South Texas Bank, fsb, a federal savings bank, on behalf of said bank.



Carolyn J. Buske  
Notary Public in and for  
the State of Texas  
Name printed: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

EXHIBIT A

1. Twelve (12) aluminum body railroad cars described as follows:

CAR INITIAL NUMBERS: 11000 through 11011, inclusive  
CAR OWNER MARKS: ITGX  
CLASS OF CARS: LO C111  
NUMBER OF CARS: Twelve (12)  
CAPACITY OF CARS: 100-ton/2605 cu. ft.

Prior to purchase by Debtor, these cars were marked as follows:

<u>New Reporting Mark</u>	<u>Old Reporting Mark</u>
ITGX 11000	SOU 4032
ITGX 11001	SOU 4007
ITGX 11002	SOU 4150
ITGX 11003	SOU 4037
ITGX 11004	SOU 4059
ITGX 11005	SOU 4185
ITGX 11006	SOU 4111
ITGX 11007	SOU 4095
ITGX 11008	SOU 4159
ITGX 11009	SOU 4058
ITGX 11010	SOU 4024
ITGX 11011	SOU 4073

2. Seventeen (17) steel body gondola railroad cars described as follows:

CAR INITIAL NUMBERS: 1001 through 1017, inclusive  
CAR OWNER MARKS: MACX  
CLASS OF CARS: GR/G515  
NUMBER OF CARS: Seventeen (17)  
CAPACITY OF CARS: 100-ton/2244 cu. ft.

Prior to purchase by Debtor, these cars were marked as follows:

<u>New Reporting Mark</u>	<u>Old Reporting Mark</u>
MACX 1001	FEC 12684
MACX 1002	FEC 12678
MACX 1003	FEC 12616
MACX 1004	FEC 12647
MACX 1005	FEC 12651
MACX 1006	FEC 12656
MACX 1007	FEC 12659
MACX 1008	FEC 12663
MACX 1009	FEC 12673
MACX 1010	FEC 12675
MACX 1011	FEC 12676
MACX 1012	FEC 12679
MACX 1013	FEC 12680
MACX 1014	FEC 12688
MACX 1015	FEC 12691
MACX 1016	FEC 12692
MACX 1017	FEC 12698

EXHIBIT B

1. Railroad Car Lease Agreement No. ITG-2380, dated March 6, 1996 by and between Debtor (as lessor) and Lone Star Industries, Inc. (as lessee) covering and affecting the twelve (12) aluminum body railroad cars referred to and described in Exhibit A, attached.
  
2. Railroad Car Lease Agreement No. ITG-2381, dated May 1, 1996 by and between Debtor (as lessor) and Meridian Aggregates Company (as lessee) covering and affecting the seventeen (17) steel body gondola railroad cars referred to and described in Exhibit A, attached.