Victoria National Bank

0-327A002

November 20, 1990

RECORDATION NO 17086 FILED 1425

NOV 23 1990 -9 55 AM

INTERSTATE COMMERCE COMMISSION

Secretary, Interstate Commerce Commission
12th and Constitution Avenue NW
Room 2303
Washington, D.C. 20423

Dear Secretary:

I have enclosed an original and one certified copy of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the United States Code.

This document is a security agreement, a primary document, dated the 20th day of November, 1990.

The names and addresses of the parties to the documents are as follows:

Secured Party: First Victoria National Bank
101 S. Main Street/P. O. Box 1338
Victoria, Texas 77902

Debtor: ITG, Inc.
106 North Main
Victoria, Texas 77901

A description of the equipment covered by the document is as follows: 20 open top hopper railway cars, as more particularly described on the list attached hereto as Exhibit A.

A fee of $15.00 is enclosed. Please return the original and any extra copies not needed by the commission for recordation to Craig G. Friemel at First Victoria National Bank, P. O. Box 1338, Victoria, Texas 77902.

A short summary of the document to appear in the index follows: Security Agreement between First Victoria National Bank, P. O. Box 1338, Victoria, Texas 77902 and ITG, Inc. dated November 20, 1990, and covering 20 open top hopper railway cars, initial numbers 9500 through 9519.

One DeLeon Plaza
P.O. Box 1338
Victoria, Texas 77902
512/573-6321

Colony Creek Branch
1206 N John Stockbauer
Victoria, Texas 77901
512/573-1088

Very truly yours,

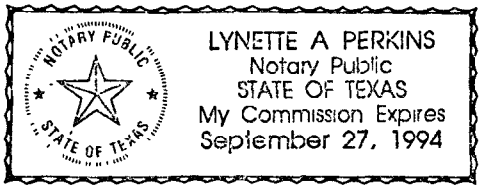
FIRST VICTORIA NATIONAL BANK

By: Craig G. Friemel
Its Vice President

THE STATE OF TEXAS §

COUNTY OF VICTORIA §

This instrument was acknowledged before me on this the 20th day of November, 1990, by Craig G. Friemel, acting in his representative capacity as Vice President of First Victoria National Bank.



Lynette A. Perkins
Notary Public, State of Texas

EXHIBIT A

Car Initial Numbers:	9500 - 9519
Car Owner Marks:	ITGX
Class of Car:	HM H340
Number of Cars:	Twenty (20)
Capacity of Cars:	100-Ton 2300 Cu. ft.

The above numbers are to be assigned following the execution of this security agreement. Current numbers of these cars are among those listed on the attached Exhibit "A-1."

Twenty (20) all steel 100 ton, 1974-1976 built, 2300 Cubic Foot capacity Open Top Hopper Cars and bearing reporting marks as follows:

Agtrans Corporation Hopper Cars

SONX	1003	SONX	1021
	1005		1023
	1006		1025
	1009		1027
	1010		1028
	1011		1030
	1012		1032
	1015		1034
	1018		1035
	1019		1037

EXHIBIT A-1

11/23/90

Interstate Commerce Commission

Washington, D.C. 20423

OFFICE OF THE SECRETARY

Craig G. Friemel
Vice President
15 Victoria National Bank
One DeLeon Plaza
P.O.Box 1338
Victoria, Texas 77901

Dear Sir:

The enclosed dcoument(s) was recorded pursuant to the provisions of Section 11303 of the Insterstate Commerce Act, 49 U.S.C. 11303, on 11/23/90 at 9:55am, and assigned recordation number(s). 17086

Sincerely yours,

Sidney L. Strickland, Jr.

Sidney L. Strickland, Jr.
Secretary

LOANS/ITG/NOV/Secr-Agr.20/MM/dr 11-19-90/

17086
RECORDATION NO. FILED 1425

NOV 23 1990 -9 55 AM

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT

Date: November 20, 1990

Debtor(s) Name(s) ITG, INC.
Addresses 106 North Main
Victoria, Texas 77901

Secured Party(s) Name(s): First Victoria National Bank
Addresses 101 S. Main
Victoria, Texas 77901

TYPE OF SECURITY AGREEMENT:
_____ Consumer Goods; __x__ Equipment
__x__ Inventory for resale or lease
_____ Inventory, Accounts & Contract Rights;
_____ Fixtures

The above named Debtor hereinafter called Borrower hereby grants to the above named Secured Party (hereinafter called Lender or Secured Party) a security interest in the following described property (hereinafter called Collateral and including all proceeds, products and accessions thereto):

20 railroad cars, as more particularly described on the Exhibit "A" which is attached hereto and incorporated herewith by this reference.

Together with all parts, accessories, repairs, improvements, accessions, substitutions and replacements therefor, at any time hereinafter made or acquired, and all proceeds thereof (as defined in the Uniform Commercial Code) hereafter at any time acquired by Borrower or in which Borrower obtains rights and all rights to payment and other general intangibles arising from any contract of sale or lease of such cars.

To secure payment to Secured Party at the address stated above of the following promissory notes:

One certain promissory note of even date herewith executed by Borrower and payable to the order of Lender in the original principal sum of $360,000.00, bearing interest and being due on the 18th day of February, 1991, and all renewals, extensions and rearrangements thereof, together with all other indebtedness now or hereinafter owing by Borrower to Lender.

Borrower(s) Warrants and Agrees:

1. The collateral will be held by Borrower for sale or lease to others under such sale or lease agreements as Borrower may make with the consent of Lender.

2. The Borrower is a Texas corporation in good standing.

3. The collateral will be acquired by Borrower with the proceeds of the above described loan.

4. The Borrower will use the collateral for purposes of leasing to third parties.

5. If any of the Collateral is Equipment or Goods of a type normally used in more than one state (whether or not actually so used), Borrower will contemporaneously herewith furnish Secured Party a list of the states wherein such Equipment or Goods are or will be used, and hereafter will notify Secured Party in writing (i) of any other states in which the Equipment or Goods are so used, and (ii) of any change in the location of Borrower's chief place of business.

6. Borrower will not sell, transfer, lease or otherwise dispose of the Collateral, or attempt or offer to do any of the foregoing, without the prior written consent of Secured Party and unless the proceeds of any such sale, transfer, lease or other disposition are paid directly to Secured Party. No provisions contained in this Agreement shall be construed to authorize any such sale, transfer, lease or other disposition of the Collateral except on the conditions contained in the paragraphs pertaining to other types of Collateral.

7. Secured Party shall have the authority, but shall not be obligated to: (a) notify any or all lessees or others obligated to Borrower for the use or rental of such cars of the existence of Secured Party's Security Interest and to pay or remit all sums due or to become due directly to Secured Party or Secured Party's nominee; (b) place on any Chattel Paper received as Proceeds a notation or legend showing Secured Party's Security Interest; (c) in the name of Borrower or otherwise, to demand, collect, receive and receipt for, compound, compromise, settle and give acquittance for, and prosecute and discontinue any suits or proceedings in respect of any of the Collateral; (d) take any action which Secured Party may deem necessary or desirable in order to realize on the Collateral, including, without limitation, the power to perform any contract, to endorse in the name of Borrower any checks, drafts, notes or other instruments or documents received in payment of or on account of the Collateral; (e) to place upon Borrower's books and records relating to the Accounts and Contract Rights covered by the Security Interest granted hereby a notation or legend stating that such Account or Contract Rights is subject to a Security Interest held by Secured Party; and (f) after any Default, to enter upon and into and take possession of all or such part or parts of the properties of Borrower, including lands, plants, buildings, machinery, equipment and other property as may be necessary or appropriate in the judgment of Secured Party to permit or enable Secured Party to manufacture, produce, process, store or sell or complete the manufacture, production, processing, storing or sale of all or any part of the Collateral, as Secured Party may elect, and to use and operate said properties for said purposes and for such length of time as Secured Party may deem necessary or appropriate for said purposes without the payment of any compensation to Borrower therefor.

8. Borrower will not sell, lease or otherwise dispose of any Inventory Collateral other than in the ordinary course of its business at prices constituting the then fair market value thereof, or at the Minimum Release Price therefor contained herein or in any supplement to Security Agreement further describing Inventory Collateral concerned. Borrower will not sell, transfer, lease or otherwise dispose of any Collateral other than Inventory Collateral, or attempt or offer to do so, without the prior written consent of Secured Party. Borrower agrees to account for and pay over or deliver to Secured Party all Proceeds of all Collateral promptly upon receipt thereof.

9. Borrower will keep accurate books, records and accounts with respect to the Collateral, and with respect to the general business of Borrower, and will make the same available to Secured Party at Secured Party's request for examination and inspection; and will make and render to Secured Party such reports, accountings, and statements as Secured Party from time to time may request with respect to the Collateral; and will permit any authorized representative of Secured Party to examine and inspect, during normal business hours, any and all premises where the Collateral is or may be kept or located.

10. Borrower will keep the Collateral (and all lands, plants, buildings, machinery, equipment and other property now or hereafter at any time owned or used by Borrower in connection with the manufacture, processing, production, storage, sale or

lease of the Collateral) in good condition and insured against such risks and in such amounts as Secured Party may request, and with an insurance company or companies satisfactory to Secured Party, the policies to protect Secured Party as its interest may appear and to be delivered to Secured Party at its request.

11. Borrower has or will acquire title and will and at all times keep the Collateral free of all liens and encumbrances, except the Security Interest created hereby, and has full power and authority to execute this Security Agreement, to perform Borrower's obligations hereunder, and to subject the Collateral to the Security Interest created hereby. No financing statements covering all or any part of the Collateral, except any which may have been filed by Secured Party, is on file in any public office.

12. Upon default by Borrower in any of the preceding agreements, Secured Party, at its option, may (i) effect such insurance and repairs and pay the premiums therefor and the costs thereof and (ii) pay and discharge any taxes, liens and encumbrances on the Collateral. All sums so advanced or paid by Secured Party shall be payable by Borrower on demand with interest at the minimum rate allowed by law and shall be a part of the Secured Obligations.

13. Borrower will at any time or times hereafter execute such financing statements and other instruments and perform such acts as Secured Party may request to establish and maintain a valid Security Interest in the Collateral, and will pay all costs of filing and recording.

14. The occurrence of any of the following events shall constitute a Default: (a) failure of Borrower, or of any co-maker, endorser, surety or guarantor to pay when due any amount payable under any of the Secured Obligations; (b) failure to perform any agreement of Borrower contained herein; (c) any statement, representation or warranty of Borrower made herein or at any time furnished to Secured Party is untrue in any respect as of the date made; (d) entry of any judgment against Borrower; (e) appointment of a receiver for, loss, substantial damage to, destruction, theft, sale or encumbrance to or of any portion of the Collateral, or the making of any levy, seizure, or attachment thereof; (f) Borrower becomes insolvent or unable to pay Borrower's debts as they mature or makes an assignment for the benefit of Borrower's creditors or any proceeding is commenced by or against Borrower alleging that Borrower is insolvent or unable to pay its debts a they mature; (g) death of any Borrower who is a natural person or of any partner of any Borrower which is a partnership; (h) dissolution, consolidation, or merger, or transfer of a substantial part of the property of any Borrower which is a corporation or a partnership; (i) such a change in the condition or affairs (financial or otherwise) of Borrower of any co-maker, endorser, surety or guarantor of any of the Secured Obligations, as in the opinion of Secured Party impairs Secured Party's security or increases its risk; or (j) Secured Party deems itself insecure for any reason whatsoever.

15. Whenever a default shall exist, Secured Party may, at its option and without demand or notice, declare all or any part of the Secured Obligations immediately due and payable, and Secured Party may exercise, in addition to the rights and remedies granted hereby, all rights and remedies of a secured party under the Uniform Commercial Code or any other applicable law.

16. Borrower agrees, in the event of default, to make the Collateral available to Secured Party at a place or places acceptable to Secured Party, and to pay all costs of Secured Party, including reasonable attorney's fees, in the collection of any of the Secured Obligations and the enforcement of any of Secured Party's rights. At Secured Party's request, Borrower

shall cause the railroad cars described herein as collateral to be returned to Secured Party at Victoria, Texas, or any other point designated by Secured Party, freight prepaid by Borrower.

17. If any notification of intended disposition of any of the Collateral is required by law, such notification shall be deemed reasonably and properly given if mailed at least ten (10) days before such disposition, postage prepaid, addressed to Borrower at the address shown below.

18. No delay or failure by Secured Party in the exercise of any right or remedy shall constitute a waiver thereof, and no single or partial exercise by Secured Party of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy. In case any one or more of the provisions of this agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, and unenforceability, shall not affect any other provision of this agreement.

SIGNED this the 20th day of November, 1990, in duplicate original counterparts.

ITG, INC.

ATTEST:

Connie Perkins

By _____
MICHAEL SAGEBIEL
Its PRESIDENT

FIRST VICTORIA NATIONAL BANK

By _____
CRAIG FRIEMEL
Its VICE PRESIDENT

THE STATE OF TEXAS §

COUNTY OF VICTORIA §

This instrument was acknowledged before me on this the 20th day of November, 1990, by MICHAEL SAGEBIEL, acting in his representative capacity as PRESIDENT of ITG, INC.

Lynette A. Perkins
Notary Public, State of Texas

LYNETTE A. PERKINS
Notary Public
State of Texas
My Commission Expires
September 27, 1994

THE STATE OF TEXAS §

COUNTY OF VICTORIA §

This instrument was acknowledged before me on this the 20th day of November, 1990, by CRAIG FRIEMEL, acting in his representative capacity as VICE PRESIDENT of FIRST VICTORIA NATIONAL BANK.

Lynette A. Perkins
Notary Public, State of Texas

LYNETTE A. PERKINS
Notary Public
STATE OF TEXAS
My Commission Expires
September 27, 1994

EXHIBIT A

Car Initial Numbers:	9500 - 9519
Car Owner Marks:	ITGX
Class of Car:	HM H340
Number of Cars:	Twenty (20)
Capacity of Cars:	100-Ton 2300 Cu. ft.

The above numbers are to be assigned following the execution of this security agreement. Current numbers of these cars are among those listed on the attached Exhibit "A-1."

Twenty (20) all steel 100 ton, 1974-1976 built, 2300 Cubic Foot capacity Open Top Hopper Cars and bearing reporting marks as follows:

Agtrans Corporation Hopper Cars

SONX	1003	SONX	1021
	1005		1023
	1006		1025
	1009		1027
	1010		1028
	1011		1030
	1012		1032
	1015		1034
	1018		1035
	1019		1037

EXHIBIT A-1

THE STATE OF TEXAS §

COUNTY OF VICTORIA § KNOW ALL MEN BY THESE PRESENTS:

I, the undersigned Notary Public, have compared the foregoing copy of the Security Agreement with the original Security Agreement and have found the copy to be complete and identical in all respects to the original document.

Doris J. Rohan

Notary Public, State of Texas