

FIRST ALABAMA BANK

AMENDMENT NUMBER TWO

TO

SECURITY AGREEMENT, GOODS AND EQUIPMENT
(ROLLING STOCK)

RECORDATION NO 17417-A FILED 1992

JAN 3 1992 -2 00 PM

INTERSTATE COMMERCE COMMISSION

THIS AMENDMENT dated October 21, 1991 to that certain Security Agreement, Goods and Equipment (Rolling Stock) by and between Galveston Railroad, L.P. ("GR"), LRW Ry, L.P. ("LRW"), ET Ry, L.P. ("ET"), KWT Railway, Inc. ("KWT"), ATW Ry, L.P. ("ATW") and First Alabama Bank of Dothan, Alabama ("Bank"), dated July 2, 1991 and subsequently amended by Amendment dated July 22, 1991 as follows:

WHEREAS, GR, LRW, ET, KWT and ATW entered into a Security Agreement, Goods and Equipment (Rolling Stock) (the "Security Agreement") dated July 2, 1991 in favor of Bank; and

WHEREAS, the Security Agreement was recorded at the Interstate Commerce Commission on July 3, 1991 at 2:45 P.M. and has been assigned Recordation Nos. 17413 through 17417; and

WHEREAS, the Security Agreement was amended to change the name of LRW Ry, L.P. to LRW Ry, L.P., a Limited Partnership and was recorded at the Interstate Commerce Commission on July 25, 1991 at 9:40 A.M. and has been assigned Recordation No. 17416-A; and

WHEREAS, the Security Agreement is being amended to change the name of ET Ry, L.P. to East Tennessee Railway, L.P. and to change the name of ATW Ry, L.P. to Atlantic and Western Railway, L.P. and the Security Agreement and Amendment Number One thereto is being amended to change the name of LRW Ry, L.P., a Limited Partnership to Little Rock & Western Railway, L.P., a Limited Partnership;

NOW, THEREFORE, for good and valuable consideration and intending to be legally bound, the names of the debtors, ET Ry, L.P., ATW Ry, L.P. and LRW Ry, L.P., a Limited Partnership are hereby deleted from Schedule "A", Schedule "B" and from the Execution Addendum to the Security Agreement and the name of the debtor LRW Ry, L.P., a Limited Partnership is hereby deleted from Amendment Number One to the Security Agreement; the names of said debtors are hereby corrected and changed to East Tennessee Railway, L.P., Atlantic and Western Railway, L.P. and Little Rock & Western Railway, L.P., a Limited Partnership. It is the intent of this Amendment Number Two only to change the names of the debtors, ET Ry, L.P. to East Tennessee Railway, L.P., ATW Ry, L.P. to

Atlantic and Western Railway, L.P. and LRW Ry, L.P., a Limited Partnership to Little Rock & Western Railway, L.P. a Limited Partnership in each place in the Security Agreement in which the names ET Ry, L.P., ATW Ry, L.P. and LRW Ry, L.P., a Limited Partnership appear, and to change the name of LRW Ry, L.P., a Limited Partnership in each place in Amendment Number One to the Security Agreement in which the name LRW Ry, L.P., a Limited Partnership appears. The remaining terms and conditions of the Security Agreement and Amendment Number One thereto shall remain valid and legally binding upon each of the parties thereto and this Amendment Number Two shall not change or effect any of said terms and conditions.

IN WITNESS WHEREOF, Galveston Railroad, L.P., Little Rock and Western Railway, L.P., a Limited Partnership, East Tennessee Railway, L.P., KWT Railway, Inc., Atlantic and Western Railway, L.P. and First Alabama Bank - Dothan, Alabama have duly executed this Amendment Number Two to the Security Agreement as of the day and year first above written.

Galveston Railroad, L.P.

By Rail Management and Consulting Corporation, General Partner

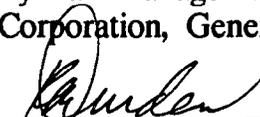
By:


K. Earl Durden, Its President

Little Rock and Western Railway, L.P.,
a Limited Partnership

By Rail Management and Consulting Corporation, General Partner

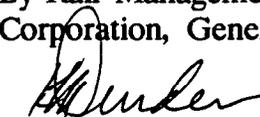
By:


K. Earl Durden, Its President

East Tennessee Railway, L.P.

By Rail Management and Consulting Corporation, General Partner

By:


K. Earl Durden, Its President

KWT Railway, Inc.

By:


K. Earl Durden, Its President

Atlantic and Western Railway, L.P.

By Rail Management and Consulting Corporation, General Partner

By: *K. Earl Durden*
K. Earl Durden, Its President

First Alabama Bank - Dothan

By: *Lowell Yearia*
Lowell Yearia
Its Senior Vice President

STATE OF ALABAMA]
HOUSTON COUNTY]

I, *Dow T. Huskey*, a Notary Public, in and for said County in said State, hereby certify that K. Earl Durden, whose name as President of Rail Management and Consulting Corporation, a Delaware corporation and sole general partner of said Galveston Railroad, L.P., a limited partnership, is signed to the foregoing Amendment Number Two to Security Agreement, Goods and Equipment (Rolling Stock), and who is known to me, acknowledged before me on this day that, being informed of the contents of the Amendment Number Two to Security Agreement, Goods and Equipment (Rolling Stock), he, as such officer and with full authority, executed the same voluntarily for and as the act of said limited partnership.

Given under my hand this the 21st day of October, 1991.

Dow T. Huskey
My Commission Expires: *8/8/92*

STATE OF ALABAMA]
HOUSTON COUNTY]

I, *Dow T. Huskey*, a Notary Public, in and for said County in said State, hereby certify that K. Earl Durden, whose name as President of Rail Management and Consulting Corporation, a Delaware corporation and sole general partner of said Little Rock and Western Railway, L.P., a Limited Partnership, is signed to the foregoing Amendment Number Two to Security Agreement, Goods and Equipment (Rolling Stock), and who is known to me, acknowledged before me on this day that, being informed of the contents of the Amendment Number Two to Security Agreement, Goods and Equipment (Rolling Stock), he, as such officer and with full authority, executed the same voluntarily for and as the act of said limited partnership.

Given under my hand this the 21st day of October, 1991.

Dow T. Huskey
My Commission Expires: *8/8/92*

STATE OF ALABAMA]
HOUSTON COUNTY]

I, Dow T. Huskey, a Notary Public, in and for said County in said State, hereby certify that K. Earl Durden, whose name as President of Rail Management and Consulting Corporation, a Delaware corporation and sole general partner of said East Tennessee Railway, L.P., a limited partnership, is signed to the foregoing Amendment Number Two to Security Agreement, Goods and Equipment (Rolling Stock), and who is known to me, acknowledged before me on this day that, being informed of the contents of the Amendment Number Two to Security Agreement, Goods and Equipment (Rolling Stock), he, as such officer and with full authority, executed the same voluntarily for and as the act of said limited partnership.

Given under my hand this the 21st day of October, 1991.

Dow T. Huskey
My Commission Expires: 8/8/92

STATE OF ALABAMA]
HOUSTON COUNTY]

I, Dow T. Huskey, a Notary Public, in and for said County in said State, hereby certify that K. Earl Durden, whose name as President of KWT Railway, Inc., a corporation, is signed to the foregoing Amendment Number Two to Security Agreement, Goods and Equipment (Rolling Stock), and who is known to me, acknowledged before me on this day that, being informed of the contents of the Amendment Number Two to Security Agreement, Goods and Equipment (Rolling Stock), he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand this the 21st day of October, 1991.

Dow T. Huskey
My Commission Expires: 8/8/92

STATE OF ALABAMA]
HOUSTON COUNTY]

I, Dow T. Huskey, a Notary Public, in and for said County in said State, hereby certify that K. Earl Durden, whose name as President of Rail Management and Consulting Corporation, a Delaware corporation and sole general partner of said Atlantic and Western Railway, L.P., a limited partnership, is signed to the foregoing Amendment Number Two to Security Agreement, Goods and Equipment (Rolling Stock), and who is known to me, acknowledged before me on this day that, being informed of the contents of the Amendment Number Two to Security Agreement, Goods and Equipment (Rolling Stock), he, as such officer and with full authority, executed the same voluntarily for and as the act of said limited partnership.

Given under my hand this the 21st day of October, 1991.

Dow T. Huskey
My Commission Expires: 8/8/92

STATE OF ALABAMA]
HOUSTON COUNTY]

I, Kay Driskell, a Notary Public, in and for said County in said State, hereby certify that Lowell Yearta, whose name as Senior Vice President of First Alabama Bank - Dothan, a bank, is signed to the foregoing Amendment Number Two to Security Agreement, Goods and Equipment (Rolling Stock), and who is known to me, acknowledged before me on this day that, being informed of the contents of the Amendment Number Two to Security Agreement, Goods and Equipment (Rolling Stock), he, as such officer and with full authority, executed the same voluntarily for and as the act of said bank.

Given under my hand this the 21st day of October, 1991.

Kay Driskell
My Commission Expires: MY COMMISSION EXPIRES APRIL 19, 1995