



November 27, 1991

17690
 FEB 3 1992 -2:40 PM
 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 railroad equipment lease agreement, a primary document; dated the 15th day of October, 1991.

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

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

Lessee: Econo-Rail Corporation
 11811 I-10 East, Suite 630
 Houston, Texas 77229

A description of the equipment covered by the document is as follows: 10 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: Railroad Equipment Lease between ITG, Inc., 106 North Main, Victoria, Texas, and Econo-Rail Corporation, 11811 I-10 East, Suite 630, Houston, Texas 77229, dated October 15, 1991, and covering 10 railway cars, initial numbers 12000 through 12009.

Secretary, Interstate Commerce Commission
Page 2
November 27, 1991

Very truly yours,

FIRST VICTORIA NATIONAL BANK

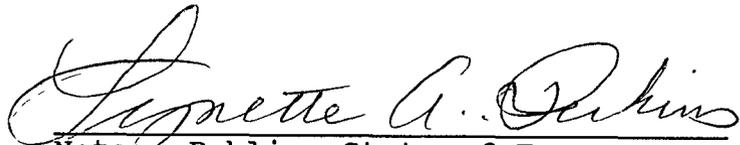
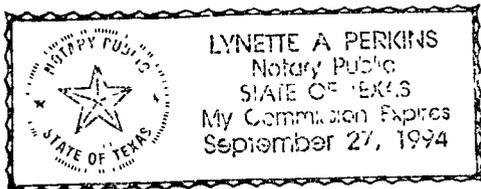


By: Craig G. Friemel
Its Vice President

STATE OF TEXAS §

COUNTY OF VICTORIA §

This instrument was acknowledged before me on December 4th, 1991, by Craig G. Friemel, as Vice President of First Victoria National Bank.



Notary Public, State of Texas

EXHIBIT A

Car Numbers: 12000 through 12009
Car Owner Marks: ITGX
Class of Car: LO C213
Number of Cars: Ten (10)
Capacity of Cars: 100-Ton--4650 cubic feet

Interstate Commerce Commission
Washington, D.C. 20423

2/4/92

OFFICE OF THE SECRETARY

Craig G. Friemel

Vice President

1st First Victoria National Bank

One DeLeon Plaza

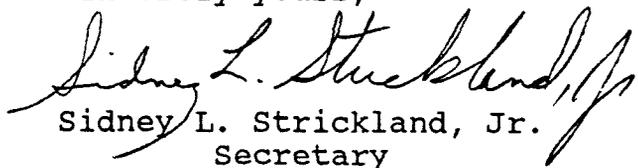
P.O.Box 1338

Victoria, Texas 77902

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 2/3/92 at 2:40pm, and assigned recordation number(s). 17690 & 17691

Sincerely yours,


Sidney L. Strickland, Jr.
Secretary

RAILROAD CAR LEASE AGREEMENT

17690
FEB 3 1992 -2:40 PM
INTERSTATE COMMERCE COMMISSION

This agreement, No. ITG-2361, made and entered into October 15, 1991, by and between ITG, INC., a Texas Corporation with its principal office and place of business in Victoria, Texas (herein called "LESSOR") and ECONO-RAIL CORPORATION, a Texas Corporation, (herein called "LESSEE").

WITNESSETH:

Description 1. Lessor agrees to furnish to Lessee, and of Leased Cars: Lessee agrees to rent from Lessor, the railroad cars shown on the Rider No. 1 attached hereto and made a part of hereof, cars, and such additional Riders as may be added to hereto from time to time by mutual agreement of the parties and signed by each their duly authorized representatives. Each Rider shall set forth a brief description of the car, or cars, car initials and numbers, the Association of American Railroads ("AAR") or Interstate Commerce Commission ("ICC") specifications, cubic capacity, truck capacity, delivery point, rental term throughout which the cars shall remain in Lessee's service, and other pertinent information that may be desired by both parties.

Use of Cars: 2. Lessee agrees to use said cars under the following restrictions:

(a) The cars will be delivered to Lessee,

freight prepaid by Lessor and Lessee agrees such cars shall be used and operated at all times in compliance with all lawful acts, rules, regulations and orders issued by the railroads on which the cars are operated and government agencies.

(b) At the expiration or termination of the rental term of the particular Rider applicable to each such car described in such Rider, Lessee shall cause said cars to be returned to Lessor at Victoria, Texas or any other point so designated by Lessor not exceeding the distance from Lessee's usage of cars in Houston, Texas to Victoria, Texas freight prepaid by Lessee.

(c) The Lessee acknowledges having tested a sample car FPAX 945434 at Safety Railway Service on October 11, 1991 in Victoria, Texas. Lessor warrants that it will deliver all subject cars to Lessee, in substantially the same loading and discharge configuration as FPAX 945434 at the time of the test inspection of that car. Lessee hereby acknowledges the sample car performed according to expectations and interchange cars of similar design are hereby accepted by Lessee for application on this Lease without any further cost or modification by Lessor.

(d) Lessor will cause all cars to be delivered to Lessee in A.A.R. Interchange condition and ready for their intended service. The cars covered hereby shall be returned to Lessor in the same condition as received from Lessor, except for ordinary wear and tear, and are acceptable for transit through interchange by the servicing railroads.

At the termination of this Lease the cars covered hereby shall be returned to Lessor with interiors washed and cleaned and in a condition such that the cars are able to load, transport and discharge commodities for which they are initially designed (plastics) and are acceptable for transit through interchange by the servicing railroads. Any dispute on car condition will be resolved through binding arbitration. Each party shall choose an independent arbitrator who shall be a qualified rail car inspector. If these arbitrators fail to agree, they shall choose a third arbitrator who shall be mutually agreeable to both parties. The cost of any arbitrator shall be equally borne by Lessor and Lessee.

(e) Lessee agrees the cars will not be altered or modified and no advertising or logos shall be applied to any such car without the approval

of Lessor.

(f) Lessee agrees the cars are intended only for use in transporting the following commodity: Flexicoker Bed Coke

The use of these cars for any other purpose is not permitted without prior written approval of Lessor, which will not be unreasonably withheld.

(g) Lessee agrees that the cars will be operated only within the confines of the market area in the United States for Flexicoker Bed Coke.

Rent:

3. Lessee agrees to pay Lessor one month in advance a monthly rental of \$350.00 per car per month commencing on the first day of the first full month the cars are in service. The first and last monthly payments shall be prorated to include any partial months that the cars may be in service. Such rental shall be paid monthly to Lessor in Victoria, Texas or in such other place as Lessor may hereafter direct in writing.

Term of
Lease:

4. The term of this Lease shall commence the date the cars are delivered to the Lessee and shall terminate no earlier than sixty (60) months from such date, unless this contract is extended or renewed in writing by mutual

Repair
and
Maintenance:

agreement, or a new contract is executed.

5. After delivery of cars to Lessee, Lessee agrees to maintain all cars in accordance with the mechanical requirements specified in the Field Manual published by the AMERICAN ASSOCIATION OF RAILROADS, and to pay all costs of such maintenance and repair as the cars may from time to time require including all costs of repairing damages while such cars are in the possession of Lessee, shipper, consignee, or agent. Lessee shall make all contractual arrangements for all repairs notwithstanding who is responsible for the costs thereof. Lessee shall notify Lessor within three (3) full business days following knowledge of any damage requiring repairs to any of the cars. However, the rental shall not abate during the period repairs are being made.

If any car, while under the control of the Lessee, is completely destroyed or, in the opinion of Lessee and Lessor, such car's physical condition is such that it cannot be economically repaired to be operated in railroad service, Lessee will pay Lessor full settlement value. The term "settlement value" as used herein shall mean the valuation of such cars as set forth in the Rider No. 2 attached

hereto and made a part hereof. Upon payment of "settlement value" this lease will terminate with respect to that car. If the parties are unable to agree regarding the repair or regarding the destruction they shall utilize the same procedures set forth in Paragraph 2(d) hereof regarding arbitration by independent railroad inspectors. However, the rental shall not abate during the resolution of any such dispute or any repairs being made.

Indemnity:

6. Lessee will indemnify Lessor against any loss, damage, claim, expense (including attorneys' fees and expenses of litigation) or injury imposed on, incurred by, or asserted against Lessor arising directly or indirectly out of Lessee's, its consignee's agents, or shippers' use, lease possession or operation of the cars during the term of the Lease, or by the contents of such cars, however occurring except any loss, liability, claim, damage or expense arising from latent defects or pay any loss, liability, claim, damage or expenses for which a railroad or railroads have assumed full responsibility and have satisfied such responsibility. All indemnities contained in the Agreement shall survive the termination hereof, however same shall occur for a period

of one year. Nothing herein shall be construed as an indemnification against Lessor's negligence.

Lessee is responsible and will identify if Flexicoker Bed Coke is considered a Hazardous Material by the E.P.A. or any other Governmental Agency. If so, Lessee will placard the cars in accordance with regulations and accept all responsibilities for the commodity and contacts with the governing agency pertaining to spillage, loss, or product liability. Lessee will indemnify Lessor from all product liabilities.

Insurance: 7. Lessee shall, at its own cost and expense, at all times, maintain and furnish Lessor with evidence of insurance as follows:

(a) General Liability Insurance in the amount of One Million Dollars (\$1,000,000.00) covering any loss or claim for damage arising out of or incurred in connection with the use, maintenance or operation of the cars covered by this Agreement.

(b) All risk insurance covering physical damage to cars to the full amount of the value of each car according to Rider #2. Lessee will effect physical loss insurance

coverage prior to the receipt of the cars for service.

All such insurance shall name Lessor and First Victoria National Bank or any other lien holder designated by Lessor as a Co-insured. Lessee's obligation to maintain insurance with respect to each car shall continue until the lease thereof is terminated and, if such car is required hereunder to be returned to Lessor, until such return. Lessee shall cooperate and, to the extent possible, cause insurance companies providing such insurance to cooperate with Lessor in naming Lessor and its bank as co-insured with respect to the cars.

Additional
Charges by
Railroad:

8. All freight or demurrage or other charges made by a Railroad on account of such cars during the term of this Lease after such cars have been delivered to Lessee pursuant to Paragraph (2) two hereof, shall be paid by Lessee.

Right of
Entry:

9. Lessor shall have the same rights as Lessee to enter the property where the cars are used or stored, at Lessor's own cost and during normal business hours, for the purpose of making car inspections. Lessor will provide

Lessee 48 hours advance notice for planned inspection.

Payment of Taxes:

10. During the term of the Agreement, Lessee shall promptly pay, when due, use, rental, and excise taxes, assessment and other governmental charges, whatsoever, whether payable by Lessor or Lessee, on or relating to the use of the cars leased hereunder prorated to the actual time covered by this Lease or extensions thereof. If for any reason Lessee fails to make full and prompt payment of any such charges, Lessor may, at its option, pay such charges and charge the amount so paid to Lessee. Any expense incurred by the Lessee with respect to contesting the applicability of such rental or use tax to this Agreement shall be payable by Lessee. Lessor specifically warrants and represents that as of the date of delivery of each and every car all sales, use, rental and excise taxes, personal property taxes assessments and other governmental charges due on such cars have been paid in full and Lessor agrees to indemnify and hold harmless Lessee from any obligations for such taxes.

- Liens: 11. Lessee shall not cause or allow any encumbrances or liens to attach to any such cars or otherwise permit a cloud on Lessor's title thereto.
- Marking of Cars: 12. Lessee shall keep all cars subject to lease free of any markings which might be interpreted as a claim of ownership.
- Remedies: 13. Upon the happening of any of the events of default as hereinafter defined, the Lessor or its assignee may then, or at any time thereafter, without notice, take possession of the cars and any accessions thereto, wherever same may be found, and remove, keep or dispose of the same and the balance of unpaid rentals shall become due and payable in full. To the extent that any car is re-leased Lessee shall only be responsible for paying any net rental deficiency during the remaining term of this Lease including the cost incurred in obtaining such re-lease. If any step is taken by legal action or otherwise by Lessor to recover possession of equipment or otherwise enforce this Agreement or to collect monies due hereunder, Lessee shall pay Lessor the equivalent of the monies so expended or charges thus incurred in such behalf including all reasonable costs and attorneys fees.

Default:

14. The happening of any of the following events shall be considered an "event of default":

(a) Nonpayment by Lessee, within ten (10) days after written notice from Lessor demanding payment thereof.

(b) Failure of Lessee to comply with, or perform, any of the other material terms and conditions of the Agreement within thirty (30) days after receipt of written notice from Lessor demanding compliance therewith and performance thereof.

(c) The appointment of a receiver or trustee in bankruptcy for Lessee or any of its property and the failure by such receiver or trustee to adopt and assume and agree to perform the obligations of Lessee hereunder within thirty (30) days after such appointment.

Filing:

15. Lessor intends to cause this Lease to be filed and recorded with the ICC pursuant to 49 U.S.C. Section 1103 of the Interstate Commerce Commission Act. Lessee shall from time to time do and perform any other act, and execute, acknowledge, deliver, any and all further instruments required by law, or reasonably requested by Lessor, for the purpose of protecting its title and rights, or for the

purpose of carrying out the intention of this Agreement, and Lessee will promptly furnish to Lessor certificates or other evidences of all such filing, registering, and recording in form satisfactory to Lessor.

Inspection
of Cars:

16. Lessee shall inspect each car and provide written notice of Lessee's acceptance of each car. Said acceptance by the Lessee shall be conclusive evidence (i) of the fit and suitable condition of such car for the purpose of transporting Flexicoker Bed Coke then and thereafter loaded therein, and (ii) that it is one of the cars described in the Rider(s). At termination of Lease, a joint inspection will be made; and acceptance thereof by the Lessor shall be conclusive evidence (i) of the fit and suitable condition of such car as required by Paragraph 2(c) hereof; and (ii) that is one of the cars described in the Rider(s).

Car
Monitoring:

17. Lessor will have the right to obtain information from Lessee concerning the location and movement of cars subject to this Agreement.

Notice:

18. All notices provided for herein shall be given in writing and delivered personally, or sent by registered or certified mail, return receipt requested. The effective date of the notice shall be the date personally delivered,

or date of delivery shown on the return receipt. The respective addresses for notice shall be the addresses of the parties given in writing at the execution of the Agreement. Such addresses may be changed by either party giving written notice thereof to the other.

Governing
Law:

19. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of Texas, in which state it has been executed and delivered.

Option to
Extend:

20. Lessee shall have the option to renew and extend this Lease for five (5), one-year (1) periods by notifying Lessor in writing at least ninety (90) days prior to the end of the original term or within ninety (90) days prior to the end of each one (1) year extension thereof.

Assignment:

21. Lessor shall have the right at any time to sell, assign, pledge or transfer all or any part of this Lease and/or the equipment covered thereby. Lessee shall not have the right to assign its interest in this Lease or sub-lease the equipment covered thereby without the prior written consent of Lessor. Such consent will not be unreasonably withheld.

Entire
Agreement:

22. No other representations, warranties, promises, guarantees, or agreements, oral or written, expressed or implied, have been made by either party hereto with respect to this Agreement, except as expressly provided herein or executed by Letter Agreement contemporaneously herewith. This Agreement constitutes the entire Agreement between the parties hereto with respect to the leasing of the rail cars. Any change or modification of this Agreement must be in writing and signed by both parties hereto.

Waiver:

23. Failure of either Party to require performance of any provision of this Agreement shall not affect either Party's right to require full performance thereof at any time thereafter, and the waiver by either party of a breach of any provisions hereof shall not constitute a waiver of a similar breach in the future or of any other breach or nullify the effectiveness of such provision.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers and duly attested, as to the date first above written.

(Corporate Seal)

I T G, INC. (LESSOR)

ATTEST:

By: Connie Pulkin
Its: Secretary

By: [Signature]
Its. President

Address:
106 N. Main, Suite 200
P.O. Box 1777
Victoria, Texas 77902

(Corporate Seal)

ECONO-RAIL CORPORATION
(LESSEE)

ATTEST:

By: [Signature]
Its: Secretary

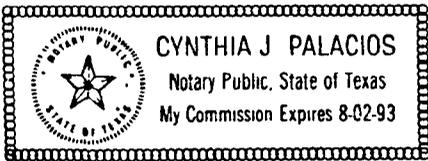
By: [Signature]
Its: President

Address:
11811 I-10 East, Suite 630
Houston, Texas 77229

STATE OF { TEXAS

CITY OF { VICTORIA

On this 12th day of December, 1991, before me personally appeared Michael Sagebiel, to me personally known, who being by me duly sworn, says that he is the President of ITG, INC., that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of said instrument was his free act and deed.



Cynthia Palacios
NOTARY PUBLIC, STATE OF TEXAS

My commission expires:

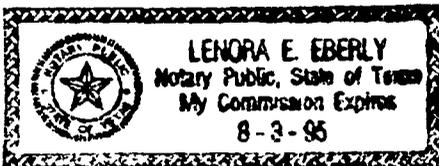
STATE OF { TEXAS

COUNTY OF { HARRIS

On this 12th day of December, 1991, before me personally appeared Nita Scott, to me personally known, who being by me duly sworn, says that she is President of ECONO-RAIL CORPORATION, that the foregoing instrument was signed on behalf of said corporation, and she acknowledged that the execution of the said instrument was her free act and deed.

Lenora E. Eberly
NOTARY PUBLIC

My commission expires:



RIDER NO. 01

To Master Agreement No. ITG-2361

It is hereby agreed that effective October 15, 1991, this Rider shall become a part of Master Car Agreement No. ITG-2361, between Econo-Rail Corporation and ITG, Inc., dated October 15, 1991, and the cars described herein shall be placed in service subject to the terms set forth below:

CAR INITIAL NUMBERS	12000 - 12009
CAR OWNER MARKS:	ITGX
CLASS OF CAR:	LO C213
NUMBER OF CARS:	TEN (10)
CAPACITY OF CARS:	100-Ton 4650 Cu.ft.
COMMODITY LIMITATION:	Flexicoker Bed Coke
DELIVERY POINT:	
TERMS OF RENT:	\$350.00 per car per month payable monthly in advance as provided for in Paragraphs 3 and 4 of Lease ITG-2361
TERM:	For a minimum of 60 months as defined in Paragraphs 3 and 4 of Lease ITG-2361

(Corporate Seal)

I T G, INC.

ATTEST:

By: Connie Adams
Its: Secretary

By: [Signature]
Its: President

(Corporate Seal)

Econo-Rail Corporation

By: [Signature]
Its: Secretary

By: Nita Scott
Its: President

RIDER NO. 2

To Master Agreement No. ITG-2361

It is hereby agreed that effective October 15, 1991, this Rider shall become a part of Master Car Agreement No. ITG-2361, between ECONO-RAIL CORPORATION AND ITG, INC., dated October 15, 1991. In the event any car(s) is damaged or destroyed by ECONO-RAIL CORPORATION, its agents, or material suppliers, and the car(s) is beyond economical repair, the settlement value for such destroyed car(s) payable to ITG, with ECONO-RAIL CORPORATION to retain the destroyed unit for their disposition is:

ITGX 12,000 SERIES: \$30,000.00 Per Car

(Corporate Seal)

ATTEST:

By: Connie Perkins
Its: Secretary

I T G, INC.

By: [Signature]
Its: President

(Corporate Seal)

By: Neil Scott
Its: Secretary

ECONO-RAIL CORPORATION

By: Neil Scott
Its: President

CERTIFICATE

I hereby certify that I have compared the foregoing copy with the original document and have found that it is complete and identical in all respects to the original document.

Signed this 17th day of December, 1991.



Doris J. Rehan
Notary Public in and for
the State of Texas