

LAW OFFICES

MILES & STOCKBRIDGE

A PROFESSIONAL CORPORATION

10 LIGHT STREET

BALTIMORE, MARYLAND 21202-1487

TELEPHONE 410-727-6464

FAX 410-385-3700

300 ACADEMY STREET
CAMBRIDGE, MD 21613-1865

101 BAY STREET
EASTON, MD 21601-2718

11350 RANDOM HILLS ROAD
FAIRFAX, VA 22030-7429

30 WEST PATRICK STREET
FREDERICK, MD 21701-6903

22 WEST JEFFERSON STREET
ROCKVILLE, MD 20850-4286

600 WASHINGTON AVENUE
TOWSON, MD 21204-3965

1450 G STREET, N.W.
WASHINGTON, D.C. 20005-2001

JOHN A. STALFORT
410-385-3424

January 7, 1997

via FEDERAL EXPRESS

Surface Transportation Board
12th and Constitution Avenue, N.W.
Washington, D.C. 20423
Attention: Mrs. Janice Fort
Recordation

RECORDED 20469

JAN 8 1997 11:50 AM

RECORDED 20469-A

JAN 8 1997 11:50 AM

JAN 8 11 45 AM '97

RECEIVED
SURFACE TRANSPORTATION
BOARD

Re: Our File No. 258-1691

Dear Mrs. Fort:

Enclosed for recordation as a primary document pursuant to the provisions of 49 U.S.C. §11301(a) are one original and one notarized copy of the following document:

Railroad Car Lease Agreement entered into November 1, 1996 by and between ITG, Inc. (106 North Main, Victoria, Texas 77902) and The First National Bank of Maryland (25 South Charles Street, Baltimore, Maryland 21202).

Also enclosed for recordation as a secondary document to this Railroad Car Lease Agreement pursuant to the provisions of 49 U.S.C. §11301(a) are one original and one notarized copy of the following document:

Assignment of Lessor's Interest in Leases and Guaranty dated as of January 3, 1997 by ITG, Inc. (106 North Main, Victoria, Texas 77902) in favor of The First National Bank of Maryland (25 South Charles Street, Baltimore, Maryland 21202) which relates to the above-referenced Railroad Car Lease Agreement.

Also enclosed are two checks in the amount of \$22.00 each to cover the costs of recording these documents.

Once these documents have been recorded, please return the same to the undersigned at the above address.

Thank you for your prompt attention to this matter. If you have any questions, please do not hesitate to call me at (410) 385-3425.

Sincerely,

A handwritten signature in black ink that reads "Michele E. Sperato". The signature is written in a cursive style with a large initial "M".

Michele E. Sperato
Assistant to John A. Stalfort

Enclosures

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20423-0001

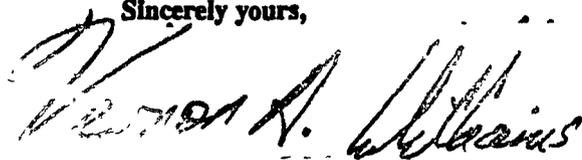
1/8/97

John A. Stalfort, Esquire
Miles & Stockbridge
10 Light Street
Baltimore, Maryland 21202-1487

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 1/8/97 at 11:50AM, and assigned recordation number(s). 20469, 20469-A and 20470.

Sincerely yours,



Vernon A. Williams
Secretary

Enclosure(s)

\$6.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature

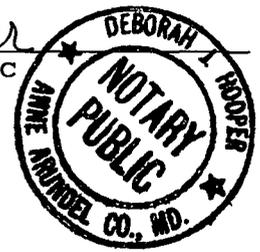


STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY that the attached Railroad Car Lease Agreement is a true and complete copy of said Railroad Car Lease Agreement.

WITNESS my hand and seal this 7th day of January, 1997.

Deborah J. Hooper
Notary Public



My Commission Expires: 7/27/98

JAN 28 1997 11:50 AM

RAILROAD CAR LEASE AGREEMENT

This agreement, No. ITG-2382, made and entered into November 1, 1996, by and between ITG, INC., a Texas Corporation with its principal office and place of business in Victoria, Texas (herein called "LESSOR") and the NEW HAMPSHIRE NORTHCOAST CORP., (herein called "LESSEE"), a New Hampshire Corporation with its principal office and place of business in Ossipee, New Hampshire.

WITNESSETH:

Description
of Leased
Cars:

1. Lessor agrees to furnish to Lessee, and Lessee agrees to rent from Lessor, the railroad cars shown on Rider No. 01, attached hereto and made a part of hereof, and such additional agreed Riders as may be added to hereto from time to time by mutual agreement of the parties and signed by each of 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 on the Norfolk Southern Railroad System, Macon, Georgia consigned per Lessee's instructions, 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 freight prepaid to Lessor at a point so designated by Lessor not exceeding the mileage distance from the point where initial delivery was originally taken (Macon, Georgia). Mileage in excess of this distance is for the account of the Lessor.

(c) At the request of the Lessor, the Lessee agrees to provide the Lessor up to 120 days free storage upon expiration of the initial lease term or extensions thereof.

(d) Lessor will cause all cars to be delivered to Lessee in current A.A.R. Interchange condition, clean of commodity, and ready for Lessee's intended service. The cars covered hereby shall be returned to Lessor in a similar and clean of commodity condition except for ordinary wear and tear. 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 which shall not be unreasonably withheld.

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

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 United States.

Rent:

3. Lessee agrees to pay Lessor one month in advance the monthly rental as stated in the applicable Rider for each particular group of cars. Rental will commence on the first day of the first full month the cars are in service. The first and last monthly rentals 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 all cars are delivered to the Lessee and terminate no earlier than thirty-six (36) months thereafter unless this contract is extended or renewed in writing by mutual agreement, or a new contract is executed.

**Repair and
Maintenance:**

5. After delivery of cars to Lessee, Lessee agrees to maintain the cars in accordance with the mechanical requirements specified in the Field Manual published by the ASSOCIATION OF AMERICAN RAILROADS (or subsequent governing printed document), and, as between Lessee and Lessor, 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 or arrange to have made 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 wreck damage requiring repairs to any of the cars. However, except for repairs arising out of Lessor's failure to deliver cars in the condition specified in 2(d), 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 may 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. 02** 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.

Indemnity:

6. Lessee will indemnify Lessor against any loss, damage, claim, expense (including attorney's fees and expenses of litigation) (collectively "Loss") or injury imposed on, incurred by, or asserted against Lessor arising directly or indirectly out of Lessee's, its consignees'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 (a) any loss, liability, claim, damage or expense arising from latent defects or, (b) any loss, liability, claim, damage or expense for which a railroad or railroads have assumed full responsibility and have satisfied such responsibility. Lessor will indemnify Lessee against

any LOSS or injury imposed on, incurred by, or asserted against Lessee arising directly or indirectly out of Lessor's failure to deliver cars in the condition as quoted in 2(d). All indemnities contained in the Agreement shall survive the termination hereof for a period of sixty days and should survive thereafter with respect to all matters as to which an indemnifying party is notified during the sixty day period.

Neither party will be required to indemnify the other for the other's negligence or willful misconduct.

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 minimum 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 the cars to the full amount of the value of the car according to Rider No. 02. Lessee will effect physical loss insurance coverage prior to the receipt of the cars for service.

All such insurance shall name Lessor or any other lien holder designated by Lessor as additional 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.

Additional Charges by Railroad:

8. All freight or demurrage or other charges made by a Railroad on account of the cars during the term of this lease pursuant to Paragraph 2(a&b) hereof, shall be paid by Lessee.

Right of Entry:

9. Lessor shall be permitted 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 reasonable car inspections. Lessor will provide Lessee 48 hours advance notice for a 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 past taxes.

Lessor is responsible for paying taxes on income generated from the lease of the cars.

Liens:

11. Lessee shall not cause or allow any encumbrances or liens to attach to the cars or otherwise permit a cloud on Lessor's title thereto.

**Marking
of Cars:**

12. Lessee shall keep the 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, provided that at least seven business days notice is given to Lessee in accordance with Paragraph 18 of the lease, take possession of the car(s) 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. In the event of legal action

by Lessor to recover possession of equipment or otherwise enforce this Agreement or to collect monies due hereunder, the losing party shall pay the prevailing party 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 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 the cars and provide written notice of Lessee's acceptance of the cars. Said acceptance by the Lessee shall be conclusive evidence (i) of the fit and suitable condition of each car for the purpose of transporting aggregate products then and thereafter loaded therein, and (ii) that they are the cars described in the Riders. 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(d) hereof; and (ii) that they are the cars described in the Riders.

**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 telefaxed, or sent by registered or certified mail, return receipt requested. The effective date of the notice shall be the date of the telefax transmittal receipt, 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.

All telefaxed correspondence must request confirmation from the receiving party confirming legible receipt within one working day in order to qualify as "being delivered".

Disclaimer of Warranties:

19. Lessor, being neither the manufacturer of the units nor the manufacturer's agent, hereby expressly disclaims and makes to Lessee no warranty or representation, expressed or implied, or merchantability of fitness for any particular purpose or otherwise, including, but not limited to: the fitness for use; the design or the condition of the units; the quality or capacity of the units; the workmanship in the units; or that the units will satisfy the requirements of

any law, rule specification or contract pertaining thereto, it being agreed that all such risks, as between Lessor and Lessee, are to be borne by the Lessee. Lessor is not responsible or liable for any direct, indirect or consequential damage to, or losses resulting from the installation, operation of, use of the units or any unit. Lessor hereby acknowledges that any manufacturer's and/or seller's warranties are for the benefit of both Lessor and Lessee as their interests may appear. Lessee's acceptance of delivery of the units shall be conclusive evidence, as between Lessor and Lessee, that each unit is in all of the foregoing respects satisfactory to the Lessee, and the Lessee will not assert any claim of any nature whatsoever against Lessor based on all or any one of the foregoing matters.

Governing Law:

20. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the State of Texas. Any action between the parties must be brought in the state or federal courts located in Texas.

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; but only if such assignment pledge or transfer will not affect Lessee's rights hereunder.

**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. 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.

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: Conne P. Quinn
Its: Secretary

By: Richard S. [Signature]
Its: President

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

(Corporate Seal)

NEW HAMPSHIRE NORTHCOAST CORP.
(Lessee)

ATTEST:

By: James L. Kuser
Its: Secretary

By: Robert S. [Signature]
Its: Pres.

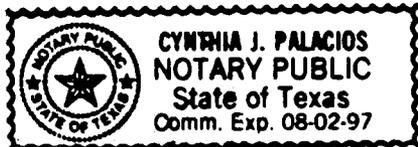
Address:
P. O. Box 429
Ossipee, New Hampshire 03864

STATE OF (TEXAS

CITY OF (VICTORIA

On this 15th day of October, 1996 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 J. Palacios
NOTARY PUBLIC, STATE OF TEXAS

My commission expires:

STATE OF (

COUNTY OF (

On this 31st day of OCTOBER, 1996,

before me personally appeared Robert S. Feunerty,

to me personally known, who being by me duly sworn, says that

he is President of New Hampshire Northeast Corp.

that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

Marianne S. Kulacz
NOTARY PUBLIC

My commission expires:

MARIANNE S. KULACZ, Notary Public
My Commission Expires September 16, 1998

Rider No. 01

To Master Agreement No. ITG-2382

It is hereby agreed that effective November 1, 1996, this Rider shall become a part of Master Car Agreement No. ITG-2382 between New Hampshire Northcoast Corp., and ITG, Inc., dated November 1, 1996, and the cars described herein shall be place in service subject to the terms set forth below:

CAR INITIAL NUMBERS: 9600 thru 9629
CAR SERIES MARKS: ITGX
CLASS OF CAR: HT/H350
NUMBER OF CARS: Thirty (30)
CAPACITY OF CARS: 100-Ton
COMMODITY LIMITATIONS: Aggregate
DELIVERY POINT: Norfolk Southern Railroad
Macon Gerogia
TERMS OF RENT: \$ Per Car Per Month
Payable monthly in advance as
provided for in Paragraphs 3 & 4
of Lease ITG-2382
TERM: For a minimum of Thirty-six (36)
months as defined in Paragraph
4 of Lease ITG-2382

(Corporate Seal)

I T G , INC.

ATTEST: Comie Perkins
By: Comie Perkins
Its: Secretary

By: Robert K. Leventy
Its: President

(Witnessed)

New Hampshire Northcoast Corp.

By: James L. Kincaid
Its: Secretary

By: Robert K. Leventy
Its: Pres.

RIDER NO. 02

To Master Agreement No. ITG-2382

It is hereby agreed that effective November 1, 1996, this Rider shall become a part of Master Car Agreement No. ITG-2382, between New Hampshire Northcoast Corp., and ITG, INC., dated November 1, 1996. In the event the car(s) is damaged or destroyed by New Hampshire Northcoast Corp., its agents, or material suppliers and the car(s) is beyond economical repair, the settlement value for such destroyed car(s) payable to ITG, INC., with New Hampshire Northcoast Inc., to retain the destroyed unit for their disposition is:

INSURANCE & CASUALTY SCHEDULE

ITGX 9600 thru 9629

<u>YEAR</u>	<u>VALUE</u>
1 thru 3	
4	
5 and thereafter	

(Corporate Seal)

I T G, INC.

ATTEST:

By: Connie Perkins
Its: Secretary

By: David Singh
Its: President

(Corporate Seal)

New Hampshire Northcoast Inc.

By: James L. Kline
Its: Secretary

By: Robert J. Lemay
Its: President

Rider No. 03

To Master Agreement No. ITG-2382

It is hereby agreed that effective November 1, 1996, Lessee shall have the option to extend this lease for multiple one-year (1 year) periods, by notifying Lessor in writing at least one hundred twenty (120) days prior to the original term or within one hundred twenty (120) days prior to the end of each one (1) year extension thereof. Any such extensions will be governed by all conditions of Lease ITG-2382 as dated November 1, 1996.

EXTENSION RENTALS

Multiple One Year (1 year) Extensions

per car per month

(Corporate Seal)

ATTEST:

I T G, INC.

By: Cornie Pichini
Its: Secretary

By: Donald S. [Signature]
Its: President

(Witnessed)

New Hampshire Northcoast Corp.

By: James L. Kene
Its: Secretary

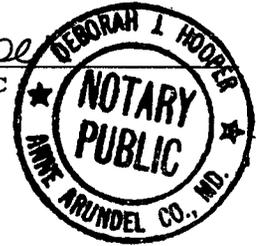
By: Robert S. Lumley
Its: Pres.

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

I HEREBY CERTIFY that the attached Assignment of Lessor's Interest in Leases and Guaranty is a true and complete copy of said Assignment of Lessor's Interest in Leases and Guaranty.

WITNESS my hand and seal this 7th day of January, 1997.

Deborah J. Hooper
Notary Public



My Commission Expires: 7/27/98