the RIGHT BANK for Texas, N.A.

RECORDATION NO. 25011 FILED

JUN 28 '04 12-43 PM

SURFACE TRANSPORTATION BOARD

June 14, 2004

via Overnight Delivery

Secretary
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Re: The Right Bank for Texas, N.A./Albert S. Reed and Janice R. Reed

Dear Secretary:

On behalf of The Right Bank for Texas, N.A., I hereby submit for filing and recording an executed original of a primary document, not previously recorded, entitled Railroad Car Mortgage, Security Agreement, Assignment of Interest in Leases and Financing Statement {"Mortgage"} dated June 14, 2004

The parties to the Mortgage are:

The Right Bank for Texas, N.A., as Mortgagee
13100 Northwest Freeway, Suite 100
Houston, Harris County, Texas 77040

Albert S. Reed and Janice R. Reed
2506 Gilbert Circle
Arlington, Texas 76010

A short summary of the Mortgage is as follows:

Railroad Car Mortgage, Security Agreement, Assignment of Interest in Leases and Financing Statement dated June 14, 2004 between The Right Bank for Texas, N.A., as Mortgagee, and Albert S. Reed and Janice R. Reed, collectively referred to herein as Mortgagor, covering four (4) railroad cars.

P.O. Box 550289 Houston, TX 77255-0289
Tel: 713.462.9600 Fax 713.996.8839

The said Mortgage, among other things, acts to grant a security interest by the Mortgagor to the Mortgagee in the four (4) GLNX railroad cars described below and the leases thereof:

23,500 gallon railroad tank car, GLNX 83010
23,500 gallon railroad tank car, GLNX 83011
23,500 gallon railroad tank car, GLNX 86349
23,500 gallon railroad tank car, GLNX 86350

Enclosed is a check in the amount of $35.— in payment of the filing fee. The file-stamped copy of the Mortgage should be returned to the undersigned at 13100 Northwest Freeway, Suite 100, Houston, Texas 77040.

Thank you for your assistance and please do not hesitate to contact me at (832) 615-6872 should you have any questions or need additional information.

THE RIGHT BANK FOR TEXAS, N.A.

By: _____
Name: Mitchell S. Schulman
Title: Executive Vice President

Enclosure
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RECORDATION NO. 25011 FILED

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SURFACE TRANSPORTATION BOARD

RAILROAD CAR MORTGAGE, SECURITY AGREEMENT ASSIGNMENT OF INTEREST IN LEASES AND FINANCING STATEMENT

MORTGAGOR: Albert S. Reed and Janice R. Reed
2506 Gilbert Circle, Arlington, Tarrant County, Texas 76010

MORTGAGEE: The Right Bank for Texas, N.A.
13100 Northwest Freeway, Suite 100, Houston, Harris County, Texas 77040

COLLATERAL: Railcars: 23,500 gallon railroad tank car, GLNX 83010
23,500 gallon railroad tank car, GLNX 83011
23,500 gallon railroad tank car, GLNX 86349
23,500 gallon railroad tank car, GLNX 86350

and

any leases of the Railcars and assignment of any Management Agreement with GLNX Corporation, 10077 Grogan's Mill Road, Suite 450, The Woodlands, Texas 77380.

RAILROAD CAR MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF INTEREST IN LEASES AND FINANCING STATEMENT

Date: June 14, 2004

THIS RAILROAD CAR MORTGAGE, SECURITY AGREEMENT, ASSIGNMENT OF INTEREST IN LEASES AND FINANCING STATEMENT ("Agreement") made and entered into by and between The Right Bank for Texas, N.A. ("Secured Party"), whose address is 13100 Northwest Freeway, Suite 100, Houston, Harris County, and Albert S. Reed and Janice R. Reed ("Debtor"), whose address is 2506 Gilbert Circle, Arlington, Tarrant County, Texas 76010, as follows:

1. **Indebtedness.** The Security Interest (defined below) is herein created to secure all obligations and indebtedness to Secured Party, direct or indirect, related or unrelated, now existing or hereafter arising, of whatsoever kind or character, whenever or however created or incurred of Debtor including, but not limited to, that certain term note in the original principal amount of $200,000.00, together with all renewals, extensions and rearrangements thereof and any sums advanced pursuant to the provisions hereof (the "Indebtedness").

2. **Agreement and Collateral.** For value received, Debtor hereby grants to Secured Party a security interest ("Security Interest") in the following described railroad cars and certain leases relating thereto, together with the additional property described in paragraph 3F hereof ("Collateral"), to-wit:

(i) Railcars: 23,500 gallon railroad tank car, GLNX 83010
23,500 gallon railroad tank car, GLNX 83011
23,500 gallon railroad tank car, GLNX 86349
23,500 gallon railroad tank car, GLNX 86350

(ii) all leases of the Railcars; and

(iii) The rights of the Debtor under certain management agreements now, or hereinafter, applicable to all or any portion of the above-described railroad cars, including, but not limited to, any management agreement (herein collectively the "Management Agreements") between GLNX CORPORATION, having its offices at 10077 Grogan's Mill Road, Suite 450, The Woodlands, Texas 77380 and one or more of the Debtors pertaining to management and maintenance of the above-described railroad cars, and all amendments to such agreements or any new agreements pertaining to such railroad cars.

3. **Debtor's Warranties, Covenants and Further Agreements.**

A. **Title.** Except for the Security Interest, Debtor owns or on acquisition will own, the Collateral free from any lien, security interest, encumbrance or claim (except liens for current taxes not due) and Debtor will, at Debtor's cost, keep the Collateral free from any other lien, security interest, encumbrance or claim, and defend the Security Interest and Debtor's rights in the Collateral against all claims and demands of all persons at any time claiming the same or any interest therein. Debtor is the duly registered owner of the Collateral pursuant to a proper registration under the Revised Interstate Commerce Act, as amended, and Debtor qualifies in all respects as a citizen of the United States as defined in said Act. Debtor has the power and authority to execute and deliver this Agreement. The execution, delivery, and performance of this Agreement by Debtor do not and will not violate any law or any rule, regulation or order of any governmental authority. This Agreement and any instrument or document which is, or shall be, included in the Collateral is, and shall be, genuine and legally enforceable and free from any setoff, counterclaim, or defense.

B. **Recorded Instruments.** No conveyance, financing statement or other instrument affecting Debtor's title to the Collateral or any part thereof is on file in any public office. At Secured Party's request Debtor will execute all financing statements and other instruments and take all other actions deemed necessary by Secured Party to perfect the Security Interest and Debtor will pay all costs thereof. A carbon, photographic or other reproduction of this Agreement or of any financing statement covering the Collateral shall be sufficient as a financing statement and may be filed as a financing statement. The address of Debtor designated at the beginning of this Agreement is Debtor's place of business if Debtor has only one place of business; Debtor's chief executive office

if Debtor has more than one place of business; or Debtor's residence if Debtor has no place of business.

C. **Assignment.** Other than as provided for in the Management Agreements, Debtor will not sell, lease, rent, charter, or otherwise dispose of all or part of the Collateral. Secured Party may assign or transfer all or part of its rights in, and obligations, if any, under the Indebtedness, the Collateral and this Agreement.

D. **Insurance.** Debtor shall be responsible for any loss of or damage to the Collateral. Debtor shall at its own expense insure the Collateral against property damage and carry insurance against public liability in such amounts and with such insurers as are acceptable to Secured Party. Debtor shall name Secured Party or cause Secured Party to be named as an additional insured under all policies of liability insurance and as the loss payee under all policies of casualty insurance. Secured Party is hereby authorized in its own name and in the name of Debtor to collect, adjust, and settle any claims under any policies of casualty insurance and to endorse any checks, drafts, or instruments in connection therewith. Secured Party may apply any proceeds from casualty insurance to the Indebtedness in such manner as Secured Party may elect. All policies of insurance shall provide for written notice to Secured Party at least THIRTY (30) days prior to cancellation. If Debtor fails to obtain or maintain any insurance required hereunder or fails to provide evidence of such insurance in form and content satisfactory to Secured Party, Secured Party, at its option and in addition to its other remedies, may obtain substitute insurance, or may obtain insurance that covers only the Secured Party's interest in the Collateral. Secured Party may add to the Indebtedness the premium advanced by Secured Party for any such insurance, and may charge interest on the amount of such premium at the maximum rate permitted by applicable law.

E. **Maintenance.** Debtor will maintain and keep the Collateral in good condition and repair and will maintain, service, repair, overhaul, and test the Collateral so as to keep the Collateral in good operating condition in conformity with any applicable mandatory manufacturer's operating manual, instructions or service bulletins and the Collateral shall be maintained in good standing at all times under all applicable federal and state law. Debtor agrees that the Collateral will not be maintained, used, or operated in violation of any policy of insurance or any law or any rule, regulation, or order of any governmental authority having jurisdiction. Debtor will maintain all records, logs, and other materials required by applicable state and federal law and regulation to be maintained in respect of the Collateral, and Secured Party or its agents shall have the right to inspect the Collateral and examine, audit, and copy all records, logs, and other material relating to the Collateral. Debtor will not enter into any maintenance interchange or pooling arrangement affecting the Security Interest in the Collateral, or any part thereof. At any time Debtor shall furnish reports, data and financial statements, including audits by independent public accountants, in respect of the Collateral and Debtor's business and financial condition, as Secured Party may require. Debtor will pay promptly when due all taxes and assessments on the Collateral or for its use and operation and all costs, expenses and insurance premiums necessary to preserve, protect, maintain and collect the Collateral. Secured Party may, at its option, discharge such costs, expenses, and premiums for the repair, maintenance, and preservation of the Collateral, and all sums so expended shall be part of the Indebtedness and shall bear interest at the maximum rate permitted by applicable law.

F. **Additional Property.** The Collateral includes (i) all products and proceeds of, accessions to, and substitutions and replacements for, the property described in Paragraph 2 above and all leases, subleases, rental agreements, charter agreements, and other agreements relating to the property described in Paragraph 2 above, including, but not limited to, Debtor's right to receive any and all rents, lease payments, fees or other amounts under such leases, subleases or agreements, and (ii) all books, logs, records, registrations, schedules, and warranties that relate to the Collateral. Secured Party shall have the right to set off and apply against the Indebtedness or any part thereof at any time, without notice to Debtor, any and all deposits or other sums at any time credited by or due from Secured Party to Debtor, whether in a special account or other account or represented by a certificate of deposit (whether or not matured), which deposits and other sums shall at all times constitute additional security for the Indebtedness. Debtor will immediately deliver all additional property to Secured Party upon receipt by Debtor, with proper instruments of transfer and assignment, if possession by Secured Party is necessary to perfect Secured Party's Security Interest or if otherwise required pursuant to this Agreement. The Collateral shall not include, in the case of consumer goods, any after-acquired property other than accessions and property acquired within TEN (10) days after Secured Party has given value to Debtor.

G. **Change of Location.** Debtor agrees that the Collateral will not be operated or located outside the FORTY-EIGHT (48) states constituting the continental United States.

H. **Condition.** The Collateral is currently in good working order. Debtor will at all times keep the Collateral duly registered with the Surface Transportation Board and all other federal and state authorities having jurisdiction, and will not allow such registration at any time to expire, or to be suspended, revoked, cancelled or terminated.

I. **Notice of Changes.** Debtor will immediately notify Secured Party of any change occurring in or to the Collateral, of any change in Debtor's principal place of business, chief executive office, or residence, or of any change in any fact or circumstance warranted or represented by Debtor to Secured Party, or if any event of default under this Agreement occurs.

J. **Indemnity.** Debtor hereby agrees to indemnity and hold Secured Party harmless from and against any and all present and future claims, actions, liabilities, and damages arising in connection with this Agreement, the Indebtedness, or the Collateral, and all costs and expenses (including attorneys' fees) incurred by Secured Party in respect thereof.

4. **Rights of Secured Party.** Debtor hereby appoints Secured Party as Debtor's attorney-in-fact to do any act which Debtor is obligated by this Agreement to do, to exercise all rights of Debtor in the Collateral, and to do all things deemed necessary by Secured Party to perfect the Security Interest and preserve, collect, enforce and protect the Collateral and any insurance proceeds thereof, all at Debtor's cost and without any obligation on Secured Party so to act, including, but not limited to, transferring title into the name of Secured Party, or its nominee, or receipting for, settling, or otherwise realizing upon the Collateral. Secured Party may, in its discretion, require Debtor to give possession or control of the Collateral to Secured Party; take control of the Collateral or proceeds thereof and use cash proceeds to reduce any part of the Indebtedness; require additional Collateral; notify the post office authorities to change the address for delivery of mail to Debtor to an address designated by Secured Party and to receive, open, and

dispose of mail addressed to Debtor; exercise such rights as Debtor might exercise relative to the Collateral, including, without limitation, the leasing, chartering, renting or other utilization thereof; give notices to account debtors and other parties liable under the Collateral to make payment directly to Secured Party; renew, extend, or otherwise change the terms and conditions of any of the Collateral or the Indebtedness; compromise, prosecute, or defend any action, claim, or proceeding concerning the Collateral; endorse any checks, draft, documents, or instruments arising in connection with or pertaining to the Collateral; reject as unsatisfactory any property hereafter offered by Debtor as Collateral; designate, from time to time, a certain percentage of the Collateral as the loan value and require Debtor to maintain the Indebtedness at or below such figure. Secured Party shall not be liable for any act or omission on the part of Secured Party, its officers, agents or employees, except willful misconduct. Secured Party shall not be responsible for any depreciation in the value of the Collateral or for preservation of rights against prior parties. Additionally, and without regard to whether an Event of Default then exists, the Secured Party may, from time to time, and at any time, notify GLNX Corporation, and direct them to make all future payments due under the Management Agreements directly to the Secured Party for immediate application to the Indebtedness. The foregoing rights and powers of Secured Party may be exercised before or after default and shall be in addition to, and not a limitation upon, any rights and powers of Secured Party given herein or by law, custom, or otherwise.

5. **Events of Default.** Debtor shall be in default hereunder upon the happening of any of the following events or conditions: (a) any default in the timely payment or performance of the Indebtedness or any part thereof; (b) any failure or refusal of Debtor or any Obligated Party (hereinafter defined) to perform or observe any obligation, covenant, or agreement made or owed by it to Secured Party; (c) any warranty, representation, or statement made or furnished to Secured Party by or on behalf of Debtor or any Obligated Party proves to have been false in any material respect when made or furnished; (d) any loss, theft, substantial damage, sale, unlawful use, unauthorized transfer, or other deterioration or impairment of the Collateral or any part thereof; (e) the death, incapacity, dissolution, liquidation, merger, consolidation, termination of existence, insolvency, or business failure of Debtor or any Obligated Party, or the appointment of a receiver, trustee, or other legal representative for Debtor or any Obligated Party or any of their respective property, or Debtor or any Obligated Party shall make an assignment for the benefit of its creditors, or proceedings under any bankruptcy or insolvency law shall be commenced by or against Debtor or any Obligated Party; (f) any event which permits the acceleration of the maturity of indebtedness of Debtor or any Obligated Party to others under any indenture, agreement, or undertaking; (g) the making of any levy, attachment, execution, or other process against Debtor or any Obligated Party or any of the Collateral; (h) Secured Party at any time deems itself insecure or believes that the prospect of payment or performance of the Indebtedness or any portion thereof is impaired; (i) any judgment shall have been rendered against Debtor or any Obligated Party which remains unpaid for THIRTY (30) days or (j) any default under the Loan Agreement.

For purposes of this Agreement, the term "Obligated Party" means any guarantor, surety, endorser, or other party (other than Debtor) directly or indirectly obligated, primarily or secondarily, for the Indebtedness or any portion thereof.

6. **Remedies of Secured Party upon Default.** When an event of default occurs, and at any time thereafter, Secured Party may declare all or any part of the Indebtedness immediately

due and payable and may proceed to enforce payment of the same and to exercise any and all of the rights and remedies provided by the Texas Uniform Commercial Code ("Code"), as well as all other rights and remedies possessed by Secured Party under this Agreement, at law, in equity, or otherwise. Secured Party may also require Debtor at Debtor's cost to assemble the Collateral and all log books and records relating thereto and make them available to Secured Party at any place to be designated by Secured Party which is reasonably convenient to both parties. For purposes of the notice requirements of the Code, Secured Party and Debtor agree that notice given at least FIVE (5) days prior to the related action hereunder is reasonable. Secured Party shall have authority to enter upon any premises upon which the Collateral may be situated, and remove the same therefrom. Expenses of retaking, holding, maintaining, insuring, preparing for sale or lease, selling, leasing, or the like, shall include, without limitation, Secured Party's reasonable attorneys' fees and legal expenses and all such expenses shall be recovered by Secured Party before applying the proceeds from the disposition of the Collateral toward the Indebtedness. Secured Party may use its discretion in applying the proceeds of any disposition of the Collateral. All rights and remedies of Secured Party hereunder are cumulative and may be exercised singly or concurrently. The exercise of any right or remedy will not be a waiver of any other.

7. General.

A. Waiver by Secured Party. No waiver by Secured Party of any right hereunder or of any default by Debtor shall be binding upon Secured Party unless in writing. Failure or delay by Secured Party to exercise any right hereunder or waiver of any default of Debtor shall not operate as a waiver of any other right, of further exercise of such rights, or of any further default.

B. Parties Bound. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, receivers, trustees and assigns where permitted by this Agreement. If this Agreement is signed by more than one Debtor, each Debtor shall be jointly and severally liable for all representations, warranties, and agreements hereunder, and all provisions hereof regarding the Indebtedness or the Collateral shall apply to any Indebtedness or Collateral of any or all of them. This Agreement shall constitute a continuing agreement applying to all future as well as existing transactions, such future transactions being contemplated by Debtor and Secured Party. If all Indebtedness shall at any time be paid in full, this Agreement shall nonetheless remain in full force and effect with respect to any Indebtedness thereafter incurred.

C. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and the applicable laws of the United States of America and is performable in the county where the principal office of Secured Party is located. Except as otherwise provided herein, all terms used herein which are defined in the Code shall have the meanings therein stated.

D. Notice. Notice shall be given or sent when mailed postage prepaid to Debtor's address given above or to Debtor's most recent address as shown by notice of change on file with Secured Party.

E. Modification. This Agreement shall not be amended in any way except by a written agreement signed by the parties hereto.

F. Severability. The unenforceability of any provision of this Agreement shall not affect the enforceability or validity of any other provision hereof.

G. Construction. If there is any conflict between the provisions hereof and the provisions of the Indebtedness, the latter shall control. The captions herein are for convenience of reference only and not for definition or interpretation.

H. Waiver by Debtor. Debtor hereby waives presentment demand, notice of intent to demand, notice of dishonor, protest, notice of acceleration, notice of intent to accelerate, and notice of protest, and all other notices with respect to collection, or acceleration of maturity, of the Collateral and the Indebtedness.

I. Additional Terms. All annexes and schedules attached hereto, if any, are hereby made a part hereof.

J. ENTIRE AGREEMENT. THIS AGREEMENT AND ALL OTHER INSTRUMENTS, DOCUMENTS AND AGREEMENTS EXECUTED AND DELIVERED IN CONNECTION WITH THIS AGREEMENT EMBODY THE FINAL, ENTIRE AGREEMENT AMONG THE PARTIES HERETO AND SUPERSEDE ANY AND ALL PRIOR COMMITMENTS, AGREEMENTS, REPRESENTATIONS AND UNDERSTANDINGS, WHETHER WRITTEN OR ORAL, RELATING TO THIS AMENDMENT, AND MAY NOT BE CONTRADICTED OR VARIED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OR DISCUSSIONS OF THE PARTIES HERETO. THERE ARE NO ORAL AGREEMENTS AMONG THE PARTIES HERETO.

K. Counterparts. This Agreement can be in any number of counterparts each of which shall be deemed an original for purposes of enforcing the same and production of any original other than the original to be produced need not be required.

DEBTOR:

Albert S. Reed

Janice R. Reed

(execute in blue ink only)

STATE OF TEXAS §
§
COUNTY OF Harris §

On this 22nd day of June, 2004, before me personally appeared Albert S. Reed, to me personally known, who being by me duly sworn, says that his execution of the foregoing instrument was his free act and deed.

CASSANDRA WINFIELD
Notary Public, State of Texas
My Commission Expires
October 11, 2006

Notary Public, the State of Texas

STATE OF TEXAS §
§
COUNTY OF Harris §

On this 22nd day of June, 2004, before me personally appeared Janice R. Reed, to me personally known, who being by me duly sworn, says that her execution of the foregoing instrument was her free act and deed.

CASSANDRA WINFIELD
Notary Public, State of Texas
My Commission Expires
October 11, 2006

Notary Public, the State of Texas

LENDER

The Right Bank for Texas, N.A.

By: _____
Name: Mitchell Schulman
Title: Executive Vice President

STATE OF TEXAS §
§
COUNTY OF HARRIS §

On this 23 day of June, 2004, before me personally appeared Mitchell Schulman, to me personally known, who being by me duly sworn, says that he is a Executive Vice President of The Right Bank for Texas, N.A., that the seal affixed to the foregoing instrument is the corporate seal of said corporation, (or if no seal is affixed then no seal has been adopted by the corporation), and that said instrument was signed and sealed on behalf of said corporation by authority of its board of directors and he acknowledged that execution of the foregoing instrument was the free act and deed of said corporation.

_____
Notary Public, the State of Texas

HOLLY L. MURSCH
Notary Public, State of Texas
My Commission Expires
JULY 28, 2006

MANAGEMENT AGREEMENT

THIS AGREEMENT between GLNX Corporation, a Texas corporation, having its aprincipal place of business in The Woodlands, Texas ("GLNX"), and Albert S. and Janice R. Reed of Arlington, Texas ("Owner"),

W I T N E S S T H:

WHEREAS, the Owner owns the railway equipment listed on the attached Exhibit A (the "Equipment") and wants GLNX to manage the Equipment; and

WHEREAS, GLNX is willing to manage the Equipment under the terms of this Agreement;

NOW, THEREFORE, GLNX and the Owner agree as follows:

ARTICLE I

Appointment and Delivery of Equipment

1. By executing this Agreement, the Owner appoints GLNX to manage and supervise the Equipment. GLNX accepts the appointment and agrees to perform the duties imposed on it by this Agreement. In performing those duties, GLNX may act either in the name of the Owner, or in its own name but for the account of the Owner.

2. Unless this Agreement or applicable law specifically states otherwise, GLNX's authority to manage the Equipment is exclusive. GLNX shall have the sole responsibility for, and sole control of, the leasing, operation, maintenance and repair, and general management of the Equipment.

3. The Equipment shall be deemed to be delivered to, and accepted by, GLNX upon execution of this Agreement by GLNX.

ARTICLE II

GLNX's Responsibilities

1. GLNX will use its best efforts to keep the Equipment leased to third parties throughout the term of this Agreement under written lease agreements ("Lease Agreements") which GLNX will execute in its name, but which will be for the account of the Owner.

2. GLNX will collect all rentals and other revenues earned by the Equipment and which are not for the benefit of lessees of the Equipment (collectively, the "Lease Fees"), and will attempt to otherwise enforce all Lease Agreements. GLNX will not, however, be

required to file suit to collect Lease Fees or to otherwise enforce a Lease Agreement, although GLNX may do so at its option as provided in Article V.

3. GLNX will perform for the Owner the obligations and duties of the lessor under all Lease Agreements. If for any reason, however, any Equipment becomes subject to a Lease Agreement not executed by GLNX, then GLNX will not be responsible for compliance with that Lease Agreement unless GLNX has specifically approved in writing all terms and conditions of that Lease Agreement.

4. GLNX will make all registrations and other filings required to be made with respect to the Equipment with the Surface Transportation Board, the Association of American Railroads, the Department of Transportation or any other governmental or industry authority.

5. GLNX will file all ad valorem tax returns required to be filed with respect to the Equipment and will pay all ad valorem taxes ("Ad Valorem Taxes") shown as due on such returns. The economic burden of such taxes shall be borne by the Owner as provided in Section 2 of Article III.

6. For the Owner's account, GLNX will contract or otherwise arrange for all repairs to and maintenance of the Equipment which GLNX considers necessary or appropriate.

7. For the Owner's account, GLNX will maintain public liability and property damage insurance on the Equipment in such amounts and against such risks as are normally maintained by GLNX on all other railway equipment which GLNX manages or owns. Annually, GLNX will furnish the Owner with certificates evidencing the effectiveness of such insurance. Such certificates will also be furnished to the Owner within a reasonable period following the date of any policy change or renewal.

8. GLNX will maintain books and records sufficient to properly account for all Lease Fees and Expenses (as that term is defined in Section 1 of Article III) related to the Equipment.

9. As soon as reasonably practicable following each calendar quarter, GLNX will provide the Owner with a report ("Quarterly Report") reflecting the Lease Fees and the Expenses for the preceding calendar quarter.

10. If Lease Fees for any calendar quarter exceed the sum of Expenses for that quarter plus all other amounts which GLNX is entitled to withhold or retain under this Agreement, GLNX will pay the excess to the Owner on a quarterly basis. Payment of the excess shall accompany the Quarterly Report for that quarter.

11. On behalf of the Owner, GLNX will reasonably pursue warranty and other claims against manufacturers, users, railroads and others with respect to the Equipment. GLNX will not, however, be required to file suit against such persons, although it may do so at its option as provided in Article V.

12. GLNX will and is authorized to arrange, for the Owner's account, for the scrapping of any Equipment which GLNX considers to have become damaged beyond the point of being economically repairable and any Equipment which requires governmental or industry mandated modifications which GLNX considers cannot economically be made; but before doing so, GLNX shall notify the Owner of its recommendation to so do and shall allow the Owner the opportunity, at his expense, to make the repairs or modifications if he chooses. The foregoing provisions shall not apply to any item of damaged or destroyed Equipment where a railroad, under the Interchange Rules of the Association of American Railroads, is liable for payment of the depreciated value of such item of Equipment. In each such instance, GLNX will collect from the responsible railroad, for the account of the Owner, any amount which the railroad, under such rules, is obligated to pay.

13. GLNX will give the Owner and his designated representatives access, upon reasonable notice and during normal business hours, to GLNX's books and records pertaining to the Equipment.

ARTICLE III

Owner's Responsibilities

1. The Owner will be responsible for all costs and expenses (collectively, the "Expenses") incurred in connection with the ownership, maintenance, leasing and operation of the Equipment. The Expenses for which the Owner is responsible include (but are not necessarily limited to) Ad Valorem Taxes (which the Owner will pay as provided in Section 2 of this Article III), all contract and AAR repair charges, freight, storage, excess mileage equalization costs, all costs of design changes and other modifications required by governmental or industry regulations or by technological changes, inspection costs, cleaning costs, monthly insurance premiums in the amount of $18 per rail car included in the Equipment, and insurance deductibles, and the Management Fee provided for in Article IV.

2. The Owner agrees to pay to GLNX 2% of all Lease Fees as compensation to GLNX for its agreement to pay all Ad Valorem Taxes.

3. If for any period Expenses exceed Lease Fees, GLNX will so advise the Owner in writing, and the Owner must pay the deficiency to GLNX within ten days after the date of the notice. Notice of such a deficiency may be given in a Quarterly Report.

4. If at any time GLNX reasonably anticipates that Expenses for any future period will exceed Lease Fees for that future period, GLNX may withhold from previously earned Lease Fees, and retain, an amount equal to the expected deficiency. GLNX agrees to use reasonable judgment in retaining Lease Fees to provide for future anticipated deficiencies, and GLNX will attempt to minimize the effect of any such retention on cash distributions to the Owner.

5. Under no circumstances will GLNX be required to pay Expenses from its own funds or to make advances for the Owner's account for that purpose, regardless of the consequences of nonpayment of such Expenses.

6. The Owner agrees to fully cooperate with and assist GLNX in connection with GLNX's performance of its duties under this Agreement, to the extent GLNX may reasonably request that the Owner do so.

ARTICLE IV

Management Fee

For its management services under this Agreement, the Owner will pay GLNX a management fee (the "Management Fee") equal to ten percent of all Lease Fees collected on the Equipment. GLNX will deduct the Management Fee from its quarterly remittances to the Owner.

ARTICLE V

Legal Actions

If legal proceedings involving the Equipment are instituted by or against GLNX, GLNX will give the Owner written notice of that fact. The notice shall be given at least ten days prior to the institution of such legal proceedings by GLNX, and not more than ten days after GLNX is served with process in any such legal proceedings against GLNX. Unless the Owner immediately otherwise instructs GLNX in writing, GLNX at its option, may institute or defend, in its name or in the Owner's name or both, all legal actions or proceedings involving the Equipment. Examples of action or proceedings which GLNX may institute include actions or proceedings to:

(i) collect Lease Fees or otherwise enforce Lease Agreements;

(ii) oust or dispossess a lessee or other person in possession of Equipment;

(iii) lawfully terminate any Lease Agreement which a lessee has breached or under which a default has occurred; and

(iv) protest or litigate to a final decision in any court or other appropriate forum any violation, order, rule, regulation, suit or other claim involving or affecting the Equipment.

GLNX will keep the Owner reasonably advised of the progress of any such actions or proceedings. All such actions or proceedings shall be prosecuted or defended at the expense of the Owner. If any such litigation involves both Equipment of the Owner and equipment of other owners, expenses of the litigation shall be allocated among the Owner and the other owners based on the number of items of Equipment owned by them which are the subject of the litigation.

This Article V does not apply to any litigation or other proceedings in which the Owner and GLNX are adversaries.

ARTICLE VI

Term and Termination

1. If this Agreement is not sooner terminated under one of the following Sections of this Article VI, it will terminate on the latest to occur of (i) tenth anniversary of its effective date or (ii) six months following written notice by either GLNX or the Owner to the other of an intent to terminate this Agreement.

2. If one party breaches its obligations under this Agreement, the nondefaulting party shall give the defaulting party written notice of the breach. If the breach or default is not cured or corrected within 30 days of the date of the notice of default, the nondefaulting party may terminate this Agreement at any time after the 30-day period. A termination of this Agreement under this Section 2 will be without prejudice to the rights on the terminating party. To terminate the Agreement under this Section 2, the Owner must have paid to GLNX all amounts the Owner owed GLNX under this Agreement, through the date of termination.

3. If upon any termination of this Agreement, whether under Section 1 or sooner under Section 2 of this Article VI, any of the Equipment is subject to a Lease Agreement which has not expired, then GLNX, at its option, shall be entitled to continue to manage and control the Equipment which is subject to the continuing Lease Agreement, and to continue to pay Expenses and retain its Management Fee with respect to that Equipment, until expiration of the term of the continuing Lease Agreement.

4. Upon termination of this Agreement as to any Equipment, all recording and UMLER car initials and numbers and other designations (collectively, the "Designations") appearing on or assigned to the Equipment and which belong to GLNX, will promptly be changed at the Owner's expense. GLNX, at its expense, will prepare the documentation it considers necessary to change the Designations and will reasonably assist the Owner in any required filing of the documentation. The Owner, if requested by GLNX, will sign the required documentation and will take all other steps which GLNX considers necessary to change the Designations.

ARTICLE VII

Indemnification

The Owner agrees to indemnify GLNX and hold it harmless from all claims, demands, causes of action, costs, damages, expenses, judgments and attorney's fees (collectively, "Losses") which any third party may assert against GLNX and which are based on or relate to the Equipment or its ownerships or operation. The only exception to the obligation of the Owner to so indemnify GLNX shall be in cases where it has been judicially determined that the cause of action giving rise to a Loss was based solely on the negligence of GLNX or resulted from an action of GLNX taken in violation of this Agreement. In that case, GLNX will indemnify the Owner and hold him harmless from all his Losses resulting from GLNX's negligence or violation of this Agreement.

ARTICLE VIII

Assignment

Neither the Owner nor GLNX may assign this Agreement without the written consent of the other. However, GLNX may assign this Agreement in connection with its merger with or into another corporation, or in connection with a sale of all or substantially all of the assets of GLNX.

ARTICLE IX

Miscellaneous

1. GLNX's relationship to the Owner shall be that of an independent contractor. The Owner agrees not to take any action which would alter the legal status of that relationship. The Owner will have no authority or right to enter any contracts or incur any obligations in the name and on behalf of GLNX, or to otherwise bind GLNX in any manner.

2. GLNX confirms that in entering into Lease Agreements with respect to the Equipment, and in performing the obligations of the lessor thereunder, it will act as an agent of the Owner.

3. Notices given under this Agreement shall be sufficient if personally delivered or if mailed, postage prepaid, addressed as follows:

If to GLNX:
GLNX Corporation
10077 Grogan's Mill Road, Suite 450
The Woodlands, Texas 77380

If to the Owner:
Albert S. and Janice R. Reed
2506 Gilbert Circle
Arlington, Texas 76010

With a copy to:
The Maddox Interests
3708 Audubon Street
Houston, Texas 77006

Either party may change its address for notice by giving notice to the other party.

4. This Agreement represents the entire agreement of its parties pertaining to the management and operation of the Equipment. This Agreement can be modified or amended only by a written instrument signed by both GLNX and the Owner.

5. Subject to the restrictions on its assignability, this Agreement shall be binding on, and inure to the benefit of, the respective successors, assigns, heirs, executors, and administrators of the parties of this Agreement.

6. This Agreement shall be governed by and construed under the laws of the state of Texas.

IN WITNESS WHEREOF, GLNX and the Owner have executed this Agreement effective as of July 17, 2003.

GLNX CORPORATION

By: _____
President

OWNER

By: _____

By: _____

EXHIBIT A

RAILWAY EQUIPMENT

CLASS	NOMINAL CAPACITY	CAR NUMBER
DOT111A100W3	23,500-gallon	GLNX 83010 GLNX 83011 GLNX 86349 GLNX 86350