

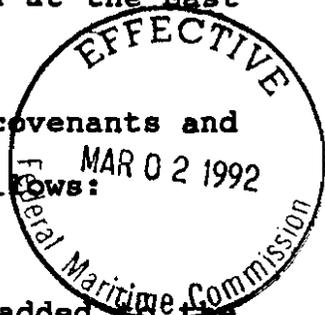
FIRST AMENDMENT TO OPERATING AGREEMENT

WHEREAS, the Board of Trustees of the Galveston Wharves (hereinafter "GW"), a separate utility of the City of Galveston (hereinafter "CITY"), and Container Terminal of Galveston, Inc., a Texas corporation (hereinafter "CTG"), the Terminal Operator entered into an Operating Agreement for the Galveston Wharves East End Container Terminal on February 11, 1986, and

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WHEREAS, GW and CTG desire to amend said Agreement to address the purchase to two container lift trucks to be used at the East End Container Terminal (hereinafter "EECT");

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, the parties agree as follows:



I.

It is agreed that a new Section 4.9 shall be added to the Operating Agreement:

"Section 4.9. GW and CTG desire to purchase two Taylor TEC - 950L, 3 High Container Lift Trucks from Briggs-Weaver, Inc. to be used for the operation of the EECT. Both units will be purchased under a Lease Purchase Agreement with Briggs-Weaver, Inc. Under the contemplated Agreement, GW will agree to pay to Briggs-Weaver, Inc. the sum of \$11,153.30 for 60 months. CTG agrees to pay one-half of said monthly cost or \$5,576.65 to GW beginning on the 1st of March, 1992 and continuing on the same day of each and every month for 60 months; any payment which is 30 days or more delinquent shall accrue interest from the 30th day of delinquency at the then GW

Circular Tariff 4D interest rate for past due accounts; provided CTG shall not be in default under the Operating Agreement and continues to operate the EECT, then GW will, within 10 days after the last of said 60 payments, transfer title and ownership to one of the machines referred to above to CTG. GW has the sole discretion as to which machine shall be transferred to CTG."

## II.

It is agreed that this Amendment to Operating Agreement and any further amendments or modifications thereto shall be submitted to the Federal Maritime Commission, under Section 5 of the Shipping Act of 1984. The effective date of this Agreement shall be the date that the Commission, by notice, specifies as the effective date pursuant to Section 6 of the Shipping Act of 1984. If the Commission by order disapproves any amendment or modification to this Agreement, then this Agreement shall continue in full force and effect as though unmodified and unamended. Any such amendment and modification shall be null and void and of no force and effect, and no part of this Agreement or any amendment to this Agreement shall be carried out directly or indirectly prior to the approval by order of the Commission of this Agreement or any amendment to this Agreement or the notification by the Commission to GW in writing to the effect that the Agreement or any amendment or modification to this Agreement does not require it to be filed with the Commission. Upon execution of this Agreement, GW shall

promptly file it with the Commission for appropriate Commission action.

III.

Except as amended herein, the Operating Agreement dated February 11, 1986 shall remain in full force and effect.

SIGNED this 27 day of February, 1992.

Container Terminal of Galveston, Inc.

By: [Signature]

Its: President

Board of Trustees of the Galveston Wharves

By: D. J. Marchand

Its: GENERAL MGR/PORT DIRECTOR

ATTEST:

[Signature]