

ALVORD AND ALVORD
ATTORNEYS AT LAW
918 SIXTEENTH STREET, N.W.
SUITE 200
WASHINGTON, D.C.

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

20006-2973

(202) 393-2266

FAX (202) 393-2156

OF COUNSEL
URBAN A. LESTER

March 26, 1999

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

RECORDATION NO. **21335**

21335-C, D, E, F, G
FILED

MAR 26 '99

8-55 AM

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies each of Supplement No. 1 to Security Agreement-Chattel Mortgage, two separate Bills of Sale and Assignment and Assumption Agreements, all dated as of March 26, 1999.

The enclosed documents relate to the Security Agreement-Chattel Mortgage duly filed with the Board under Recordation Number 21335.

The names and addresses of the parties to the enclosed documents are:

Supplement No. 1 to
Security Agreement

Debtor: Shippers First LLC
980 Kelly Johnson Drive
Las Vegas, Nevada 89119

Secured Party: The Industrial Bank of Japan Trust Company
1251 Avenue of the Americas
New York, New York 10020

A description of the railroad equipment being DELETED from the Security Agreement is: 315 railcars set forth in Schedule A-1 attached to Supplement No. 1.

A description of the railroad equipment being ADDED to the Security Agreement is: 1308 railcars set forth in Schedule A-2 attached to Supplement No. 1.

Mr. Vernon A. Williams
March 26, 1999
Page 2

With respect to the 1308 railcars being ADDED to the Security Agreement, the parties are as follows:

Bill of Sale

Transferor: ACF Industries, Incorporated
620 North Second Street
St. Charles, MO 63301

Transferee: Shippers First LLC
980 Kelly Johnson Drive
Las Vegas, NV 89119

Assignment and Assumption Agreement

Assignor: ACF Industries, Incorporated
620 North Second Street
St. Charles, MO 63301

Assignee: Shippers First LLC
980 Kelly Johnson Drive
Las Vegas, NV 89119

With respect to the 315 railcars being DELETED from the Security Agreement, the parties are as follows:

Bill of Sale

Transferee: ACF Industries, Incorporated
620 North Second Street
St. Charles, MO 63301

Transferor: Shippers First LLC
980 Kelly Johnson Drive
Las Vegas, NV 89119

Mr. Vernon A. Williams
March 26, 1999
Page 3

Assignment and Assumption Agreement

Assignee: ACF Industries, Incorporated
620 North Second Street
St. Charles, MO 63301

Assignor: Shippers First LLC
980 Kelly Johnson Drive
Las Vegas, NV 89119

Also enclosed is a check in the amount of \$130.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of each of the enclosed documents to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/bg
Enclosures

MAR 26 '99

8-55 AM

ASSIGNMENT AND ASSUMPTION AGREEMENT, dated as of March 26, 1999, between SHIPPERS FIRST LLC, a Delaware limited liability company (the "Transferor"), and ACF INDUSTRIES, INCORPORATED, a New Jersey corporation (the "Transferee"). Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to them in the Asset Transfer Agreement (as defined below).

WHEREAS: the Transferee and the Transferor have entered into an Asset Transfer Agreement dated as of the date hereof (the "Asset Transfer Agreement"), in connection with the sale of, among other things, the special purpose covered hopper and tank railcars described on Schedule 1 (the "Equipment"), subject to the Leases (as defined below), from the Transferor to the Transferee for consideration in the amount and on the terms and conditions provided in the Asset Transfer Agreement; and

WHEREAS: the parties now desire to carry out the intent and purpose of the Asset Transfer Agreement by, among other things, the parties' execution and delivery of this instrument evidencing the assignment by the Transferor of all of its rights, title and interest in and to the Leases to the extent they relate to the Equipment to the Transferee and the assumption by the Transferee of all of the Transferor's obligations under the Leases to the same extent.

NOW, THEREFORE, in consideration of the premises and of other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

1. For purposes of this Agreement, "Leases" means all current leases of any one or more railcars included in the Equipment and all other contracts for use of any one or more railcars included in the Equipment more specifically described on Schedule 1, including, without limitation, all extensions, renewals, supplements and modifications of any of the foregoing. If any of the Leases (including, without limitation, any master lease) shall include both Equipment and railcars not part of the Equipment, then such Leases shall be subject to this Agreement only to the extent they cover Equipment; and for purposes of this Agreement, the term Lease shall mean a lease (including without limitation, the provisions of any master lease) only insofar as such lease applies to Equipment subject to this Agreement.

2. Effective as of the date hereof, the Transferor hereby sells, transfers, assigns, conveys, grants and sets over to the Transferee, its successors and assigns forever, all of the Transferor's rights, title and interest as of such date in and to the Leases, as fully and entirely as the same would have been held and enjoyed by the Transferor as if this assignment had not been made.

3. Effective as of the date hereof, the Transferee accepts, assumes, takes over and succeeds to all of the Transferor's rights, title and interest as of such date in and to the Leases, and the Transferee hereby covenants and agrees to discharge, perform and comply with, and to be bound by, all the terms, conditions, provisions, obligations, covenants and duties of the Transferor under the Leases (but only to the extent it relates to the period from and after the date hereof), as if the Transferee were an original party thereto.

4. The Transferor hereby covenants and agrees that, at any time and from time to time after the date hereof, at the request and expense of the Transferee, the Transferor will promptly and duly execute and deliver, or cause to be executed and delivered, to the Transferee all such further instruments and take all such further action as may be reasonably requested by the Transferee to more effectively sell, transfer, assign, convey, grant and set over the Leases to the Transferee.

5. The Transferee hereby covenants and agrees that, at the request and expense of the Transferor, it will hereafter execute any further assumptions or instruments of transfer or conveyance as may be reasonably requested by the Transferor to assume the Leases or to release the Transferor and its affiliates from their obligations under or on account of the Leases so long as such release will not prejudice the Transferee's rights, title and interest in and to the Leases.

6. This instrument shall be binding upon the Transferee and the Transferor, their respective successors and assigns, for the use and purposes set forth and referred to herein, effective as of the date hereof.

7. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Assumption Agreement to be executed in one or more counterparts by their duly authorized officers as of the date first above written.

SHIPPERS FIRST LLC

By: ACF Industries, Incorporated

By: 

Name: Umesh Choksi

Title: Treasurer

ACF INDUSTRIES, INCORPORATED

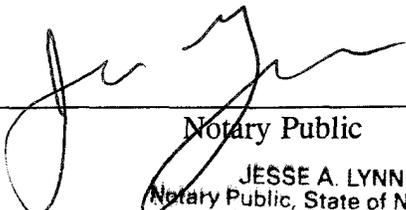
By: 

Name: Umesh Choksi

Title: Treasurer

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

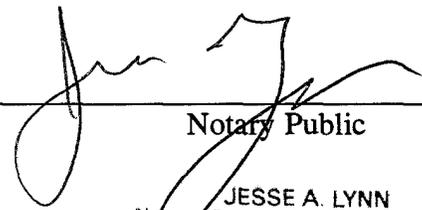
On this 21st day of March, 1999, before me, personally appeared Umesh Choksi to me personally known, who being by me duly sworn, says that he resides at Chesterfield, Missouri and is Treasurer of ACF Industries, Incorporated, that said instrument was signed on the date hereof on behalf of said corporation by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Notary Public
JESSE A. LYNN
Notary Public, State of New York
No. 43-5011412
Qualified in New York County
Commission Expires April 19, 1999

STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

On this 21st day of March, 1999, before me, personally appeared Umesh Choksi to me personally known, who being by me duly sworn, says that he resides at Chesterfield, Missouri and is Treasurer of ACF Industries, Incorporated, the managing member of Shippers First LLC, that said instrument was signed on the date hereof on behalf of said limited liability company by authority of its managing member; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said limited liability company.



Notary Public
JESSE A. LYNN
Notary Public, State of New York
No. 43-5011412
Qualified in New York County
Commission Expires April 19, 1999

SCHEDULE 1

DESCRIPTION OF EQUIPMENT

Each of the special purpose covered hopper and tank railcars with the reporting marks and road numbers and Association of American Railroads designation numbers set forth on Annex X hereto.

DESCRIPTION OF LEASES

Each of the user leases or lease schedules or riders with the contract rider number and the named lessee set forth in Schedule A to the Loan Agreement insofar as they relate to the covered hopper and tank railcars with the car numbers set forth on Annex X hereto.

Rptg Mark	Car Number	AAR Desg	Rptg Mark	Car Number	AAR Desg	Rptg Mark	Car Number	AAR Desg
ACFX	36544	C214	ACFX	51639	C614	ACFX	53817	C214
ACFX	36581	C214	ACFX	51674	C614	ACFX	54170	C214
ACFX	37078	C214	ACFX	51675	C614	ACFX	54236	C214
ACFX	37292	C214	ACFX	51683	C614	ACFX	54282	C214
ACFX	37535	C214	ACFX	51705	C614	ACFX	54287	C214
ACFX	40958	C214	ACFX	51723	C614	ACFX	54341	C214
ACFX	41000	C214	ACFX	51724	C614	ACFX	54438	C214
ACFX	45523	C614	ACFX	51727	C614	ACFX	54446	C214
ACFX	45526	C614	ACFX	51728	C614	ACFX	54452	C214
ACFX	45532	C614	ACFX	51729	C614	ACFX	54460	C214
ACFX	45536	C614	ACFX	51734	C614	ACFX	54462	C214
ACFX	45539	C614	ACFX	51736	C614	ACFX	54484	C214
ACFX	45550	C614	ACFX	51746	C614	ACFX	54485	C214
ACFX	45557	C614	ACFX	51758	C614	ACFX	54540	C214
ACFX	45562	C614	ACFX	51807	C614	ACFX	54577	C214
ACFX	45565	C614	ACFX	51823	C614	ACFX	54682	C214
ACFX	45569	C614	ACFX	51824	C614	ACFX	54718	C614
ACFX	45756	C614	ACFX	51825	C614	ACFX	55619	C214
ACFX	45757	C614	ACFX	51826	C614	ACFX	55646	C214
ACFX	45760	C614	ACFX	51827	C614	ACFX	55658	C214
ACFX	51470	C614	ACFX	51828	C614	ACFX	55731	C214
ACFX	51484	C614	ACFX	51830	C614	ACFX	55779	C214
ACFX	51496	C614	ACFX	51831	C614	ACFX	55891	C214
ACFX	51505	C614	ACFX	51834	C614	ACFX	55894	C214
ACFX	51520	C614	ACFX	52000	C214	ACFX	55920	C214
ACFX	51535	C614	ACFX	52018	C214	ACFX	55954	C214
ACFX	51601	C614	ACFX	52019	C214	ACFX	55993	C214
ACFX	51602	C614	ACFX	52021	C214	ACFX	56000	C214
ACFX	51603	C614	ACFX	52096	C214	ACFX	56006	C214
ACFX	51604	C614	ACFX	52122	C214	ACFX	56009	C214
ACFX	51607	C614	ACFX	52137	C214	ACFX	56020	C214
ACFX	51609	C614	ACFX	52138	C214	ACFX	56021	C214
ACFX	51610	C614	ACFX	52141	C214	ACFX	56024	C214
ACFX	51611	C614	ACFX	52151	C214	ACFX	56028	C214
ACFX	51612	C614	ACFX	52155	C214	ACFX	56030	C214
ACFX	51613	C614	ACFX	52164	C214	ACFX	56031	C214
ACFX	51614	C614	ACFX	52169	C214	ACFX	56032	C214
ACFX	51615	C614	ACFX	52170	C214	ACFX	56041	C214
ACFX	51616	C614	ACFX	52194	C214	ACFX	56045	C214
ACFX	51617	C614	ACFX	52259	C214	ACFX	56047	C214
ACFX	51618	C614	ACFX	52261	C214	ACFX	56049	C214
ACFX	51620	C614	ACFX	52379	C214	ACFX	56052	C214
ACFX	51621	C614	ACFX	52497	C214	ACFX	56053	C214
ACFX	51622	C614	ACFX	52512	C214	ACFX	56054	C214
ACFX	51623	C614	ACFX	52626	C214	ACFX	56056	C214
ACFX	51624	C614	ACFX	52921	C214	ACFX	56057	C214
ACFX	51625	C614	ACFX	52974	C214	ACFX	56059	C214
ACFX	51627	C614	ACFX	53448	C214	ACFX	56060	C214
ACFX	51636	C614	ACFX	53700	C214	ACFX	56061	C214
ACFX	51638	C614	ACFX	53728	C214	ACFX	56062	C214

Rptg Mark	Car Number	AAR Desg	Rptg Mark	Car Number	AAR Desg	Rptg Mark	Car Number	AAR Desg
ACFX	56063	C214	ACFX	84210	T105	ACFX	98154	C214
ACFX	56312	C214	ACFX	84399	T105	ACFX	98155	C214
ACFX	56316	C214	ACFX	87649	T105	ACFX	98156	C214
ACFX	56433	C214	ACFX	87830	T106	ACFX	98158	C214
ACFX	56961	C214	ACFX	88412	T104	ACFX	98159	C214
ACFX	57875	C214	ACFX	89208	T105	ACFX	98267	C214
ACFX	57957	C214	ACFX	89210	T105	ACFX	98270	C514
ACFX	58004	C214	ACFX	89215	T105	ACFX	98277	C214
ACFX	58013	C214	ACFX	89217	T105	ACFX	98284	C214
ACFX	58083	C214	ACFX	89218	T105	ACFX	98286	C214
ACFX	58101	C214	ACFX	89219	T105	ACFX	98300	C214
ACFX	58107	C214	ACFX	89222	T105	ACFX	98301	C214
ACFX	58120	C214	ACFX	89225	T105	ACFX	98302	C214
ACFX	58136	C214	ACFX	89227	T105	ACFX	98305	C214
ACFX	58171	C214	ACFX	89228	T105	ACFX	98316	C214
ACFX	58653	C214	ACFX	89231	T105	ACFX	98317	C214
ACFX	59012	C614	ACFX	89237	T105	ACFX	98321	C214
ACFX	59017	C614	ACFX	89240	T105	ACFX	98322	C214
ACFX	59515	C214	ACFX	89241	T105	ACFX	98338	C214
ACFX	59555	C214	ACFX	89243	T105	ACFX	98343	C214
ACFX	59650	C614	ACFX	89244	T105	ACFX	98459	C214
ACFX	59658	C614	ACFX	89245	T105	ACFX	98732	C214
ACFX	59738	C614	ACFX	89246	T105	ACFX	98734	C214
ACFX	59846	C614	ACFX	89799	T104	ACFX	98737	C214
ACFX	59849	C614	ACFX	96170	C214	ACFX	98739	C214
ACFX	59852	C614	ACFX	96216	C214	ACFX	98743	C214
ACFX	59853	C614	ACFX	96234	C214	ACFX	98745	C214
ACFX	59859	C614	ACFX	96241	C214	ACFX	98751	C214
ACFX	59860	C614	ACFX	96247	C214	ACFX	98754	C214
ACFX	59865	C614	ACFX	96256	C214	ACFX	98758	C214
ACFX	64712	C214	ACFX	96257	C214	ACFX	98760	C214
ACFX	64714	C214	ACFX	96258	C214	ACFX	98780	C214
ACFX	64716	C214	ACFX	96263	C214	ACFX	98781	C214
ACFX	64718	C214	ACFX	97010	C214	ACFX	98783	C214
ACFX	64719	C214	ACFX	97014	C214	ACFX	98788	C214
ACFX	64723	C214	ACFX	97030	C214	ACFX	98789	C214
ACFX	64724	C214	ACFX	97038	C214	ACFX	98790	C214
ACFX	64725	C214	ACFX	97901	C214	ACFX	98791	C214
ACFX	64728	C214	ACFX	98127	C214	ACFX	98794	C214
ACFX	64729	C214	ACFX	98128	C214	ACFX	98797	C214
ACFX	64737	C214	ACFX	98131	C214	ACFX	98798	C214
ACFX	64749	C214	ACFX	98135	C214	ACFX	98799	C214
ACFX	64752	C214	ACFX	98137	C214	ACFX	98804	C214
ACFX	64763	C214	ACFX	98138	C214	ACFX	98805	C214
ACFX	69670	C214	ACFX	98139	C214	ACFX	98808	C214
ACFX	77805	T104	ACFX	98140	C214	ACFX	98809	C214
ACFX	79558	T105	ACFX	98147	C214	ACFX	98814	C214
ACFX	82660	T105	ACFX	98148	C214	ACFX	99547	C214
ACFX	82690	T105	ACFX	98149	C214	ACFX	99702	C214
ACFX	83652	T105	ACFX	98152	C214	ACFX	99922	C214

Rptg Mark	Car Number	AAR Desg	Rptg Mark	Car Number	AAR Desg	Rptg Mark	Car Number	AAR Desg
ACFX	99926	C214						
ACFX	99934	C214						
ACFX	99940	C214						
ACFX	99943	C214						
ACFX	99945	C214						
ACFX	99946	C214						
ACFX	99951	C214						
ACFX	99955	C214						
ACFX	99960	C214						
ACFX	99964	C214						
ACFX	99968	C214						
ACFX	99974	C214						
ACFX	99976	C214						
ACFX	99982	C214						
ACFX	200607	T107						
	315	Cars						