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OF COUNSEL
URBAN A. LESTER

19508-A

Counterparts - Joseph M. Lewis

June 14, 1996

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

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of an Amendment No. 1, dated as of June 14, 1996, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Security Agreement-Trust Deed (Chattel Mortgage) which was previously filed with the Commission under Recordation 19508.

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

Debtor: ACF Industries, Incorporated
620 North Second Street
St. Charles, Missouri 63301

Secured Party: McDonnell Douglas Finance Corporation
4060 Lakewood Boulevard
Long Beach, California 90808

There is no new or additional equipment being added to the Security Agreement by Amendment No. 1. Instead, the obligations being secured by the equipment previously listed as collateral with the original Security Agreement are enlarged, by definition, to include all existing and future agreements between the parties relating to the financing of railroad equipment.

Also enclosed is a check in the amount of $21.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

Robert W. Alvord

RWA/bg
Enclosures

19508-A

Amendment No. 1 to Security Agreement - Trust Deed (Chattel Mortgage)

This Amendment, dated as of June 14, 1996, is entered into between ACF Industries, Incorporated (the "Debtor"), a New Jersey corporation, and McDonnell Douglas Finance Corporation (the "Secured Party"), a Delaware corporation.

Debtor and Secured Party entered into a Security Agreement - Trust Deed (Chattel Mortgage) dated as of June 29, 1995 (the "Original Security Agreement"). A counterpart of the Original Security Agreement was filed and recorded with the Interstate Commerce Commission (now known as the U.S. Surface Transportation Board) pursuant to 49 U.S. Code § 11303 on June 29, 1995 and assigned recordation number 19508. A counterpart of the Original Security Agreement was deposited in the office of the Registrar General of Canada on June 29, 1995 in accordance with section 90 of the Railway Act (Canada).

Pursuant to a Term Loan Agreement dated the date of this Amendment between Debtor and Secured Party, Secured Party (in its capacity as the lender thereunder) has agreed to make an additional loan to the Debtor.

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Defined Terms. Unless otherwise specified herein, capitalized terms used in this Amendment shall have the same meanings as in the Original Security Agreement.

2. Amendments to Original Security Agreement. From and after the date of this Amendment:

(a) Recital B in the Original Security Agreement is hereby amended by deleting "or" immediately before "any of the other Loan Documents" and by adding the following immediately after "any of the other Loan Documents": ", or any of the Other Agreements".

(b) The following definition is hereby added to § 1.01 of the Original Security Agreement.

"Other Agreements" shall mean any and all existing and future agreements, other than the Loan Documents, relating to the Secured Party's financing of railcars for the benefit of the Debtor, including but not limited to those of the same nature as the Loan Documents.

(c) § 2.01 of the Original Security Agreement is hereby amended in its entirety to read as follows:

> 2.01 Grant of Security. To secure the prompt and complete payment of the principal of and interest on the Secured Loan and of all other indebtedness hereby secured, and the prompt and complete performance and observance of all covenants and conditions contained in the Loan Documents and all Other Agreements, the Debtor does hereby grant, convey, assign and pledge to the Secured Party, its successors and assigns, a first-priority lien on and security interest in all of the Debtor's rights, title and interest in and to the properties, rights, interests and privileges described in Sections 2.01, 2.02, 2.03, 2.04 and 2.05 hereof (all of which properties are hereinafter collectively referred to as the "Collateral").

(d) § 7.04 of the Original Security Agreement is hereby amended by changing "indebtedness hereby secured" to "indebtedness hereby secured that arises under the Loan Documents" in the third line thereof.

3. MISCELLANEOUS.

(a) Except as specifically amended hereby, the Original Security Agreement shall remain in full force and effect and is hereby ratified and confirmed.

(b) This Amendment shall be governed by, and construed and interpreted in accordance with, the laws of the state of New York.

(b) This Amendment may be executed in any number of counterparts, each fully-executed set of which shall constitute an original.

IN WITNESS WHEREOF, Debtor and Secured Party have executed this Amendment No. 1 to Security Agreement - Trust Deed (Chattel Mortgage).

ACF INDUSTRIES, INCORPORATED

By: _____

Title: Treasurer

MCDONNELL DOUGLAS FINANCE CORPORATION

By: _____

Title: _____

IN WITNESS WHEREOF, Debtor and Secured Party have executed this Amendment No. 1 to Security Agreement - Trust Deed (Chattel Mortgage).

ACF INDUSTRIES, INCORPORATED

By: _____

Title: _____

MCDONNELL DOUGLAS FINANCE CORPORATION

By: _____

Title: Vice President, Aircraft Financing

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State of Missouri)
: ss.:
County of St. Charles)

On this 12 day of June, 1996, before me personally appeared Umesh Choksi, to me known, who, being by me duly sworn, says that [s]he is Treasurer of ACF Industries, Incorporated, and that the foregoing instrument was signed on behalf of such corporation by authority of its board of directors.

Nancy Collins
Notary Public

NANCY COLLINS
NOTARY PUBLIC – STATE OF MISSOURI
ST. CHARLES COUNTY
MY COMMISSION EXPIRES AUG. 2, 1996

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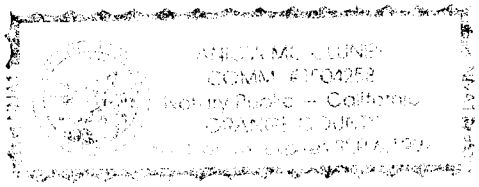
State of California)
) ss.:
County of Los Angeles)

On this 12th day of June 1996, before me, personally appeared Stephen J. Novak to me personally known, who being by me duly sworn, says that he resides at 4060 Lakewood Blvd., 6th Floor, Long Beach, California and is Vice President Aircraft Finance of McDonnell Douglas Finance Corporation, 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