

1985.3-A

ALVORD AND ALVORD
ATTORNEYS AT LAW
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WASHINGTON, D.C.
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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

July 29, 1996

Mr. Vernon A. Williams
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are three (3) copies of an Amendment No. 1 to Security Agreement-Chattel Mortgage, dated as of July 29, 1996, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Security Agreement-Chattel Mortgage previously filed with the Commission under Recordation Number 19852.

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: IBJS Commercial Corporation
One State Street
New York, New York 10004

A description of the 23 railcars being DELETED from the Security Agreement is set forth on Schedule I attached to the Amendment No. 1 and a description of the 25 railcars being ADDED to the Security Agreement is set forth on Schedule II attached thereto.

Countersigned - Edward M. Lester

Mr. Vernon A. Williams
July 29, 1996
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Also enclosed is a check in the amount of \$21.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

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

Very truly yours,

A handwritten signature in cursive script, appearing to read "Robert W. Alvord".

Robert W. Alvord

RWA/bg
Enclosures

19852 A

**AMENDMENT NO. 1
TO
SECURITY AGREEMENT-CHATTEL MORTGAGE**

AMENDMENT NO. 1 to the SECURITY AGREEMENT-CHATTEL MORTGAGE dated as of December 29, 1995 (the "Security Agreement"), by and between ACF INDUSTRIES, INCORPORATED, a New Jersey corporation (the "Debtor"), and IBJS COMMERCIAL CORPORATION, a New York corporation (the "Lender").

WHEREAS, the Security Agreement was filed with the Interstate Commerce Commission on December 29, 1995, Recordation Number 19852 and with the office of the Registrar General of Canada on December 29, 1995, Recordation Number 1328; and

WHEREAS, the parties desire to amend the Security Agreement as herein set forth;

NOW THEREFORE, the parties intending to be legally bound agree as follows:

1. This Amendment is executed and delivered in order to: (i) release from the Lender's Lien created under the Security Agreement certain of the Collateral which the Debtor has assigned and granted a security interest in to the Lender, and (ii) more particularly identify certain of the Collateral which the Debtor has assigned and granted, or does hereby assign and grant, a security interest in and to the Lender, and to confirm the assignment under, and security interest created by, the Security Agreement with respect to such Collateral. Any term defined in the Security Agreement (or in the Loan Agreement referred to therein) and used herein shall have the meaning as defined therein.

2. The Collateral is hereby amended by deleting therefrom, and the Lender hereby releases, and terminates its Lien on and security interest in, and all of its right, title and interest, in and to, the following properties described in paragraphs 2(a) and 2(b) hereof and all Proceeds thereof:

(a) all those certain railroad tank cars and covered hopper cars described on Schedule I hereto (collectively, the "Released Equipment"), together with all accessories, equipment, parts and appurtenances appertaining or attached to any such Equipment, whether now owned or at any time hereafter acquired by the Debtor, and all substitutions

for, replacements of, and additions, improvements and accumulations to, any and all of said Released Equipment, together with all rents, issues, income, profits and avails therefrom and any and all mileage credits relating thereto and any and all proceeds thereof.

(b) All right, title and interest of the Debtor in and to each and every lease (whether or not such lease is in writing or is for a term certain, including, without limitation, per diem leases), now or hereafter existing, relating to, but only to the extent relating to, the Released Equipment described in paragraph 2(a) hereof, including, without limitation, the leases specified on Schedule I hereto (each such lease, including all amendments, riders supplements, other modifications and schedules thereto, a "Released Lease"), and including, without limitation, the immediate and continuing right to collect and receive any and all payments due or to become due under any Released Lease, whether as contractual obligations, damages or otherwise (to the extent such payments are derived from the Released Equipment) and all Equipment Lease Proceeds of any thereof.

3. The Debtor has transferred, conveyed, warranted, mortgaged, delivered, pledged, assigned and granted to the Lender, its successors and assigns, and does hereby transfer, convey, warrant, mortgage, deliver, pledge, assign and grant to the Lender a security interest in, in each case pursuant to the Security Agreement and as collateral security for payment and performance of the Obligations, all and singular of the Debtor's rights, title and interest in and to the following Collateral described in paragraphs 3(a) and 3(b) hereof and all proceeds thereof:

(a) All those certain railroad tank cars and covered hopper cars described on Schedule II hereto and made a part hereof (individually, an Item of Equipment, and collectively constituting Equipment, for purposes of the Security Agreement), together with all accessories, equipment, parts and appurtenances appertaining or attached to any such Equipment, whether now owned or at any time hereafter acquired by the Debtor, and all substitutions, replacements of, and additions, improvements and accumulations to, any and all of said Equipment, together with all rents, issues, income, profits and avails therefrom and any and all mileage credits relating thereto and any and all proceeds thereof.

(b) All right, title and interest of the Debtor in and to each and every Lease (whether or not such lease is in writing or is for a term certain, including, without limitation, per diem leases), now or hereafter existing,

relating to, but only to the extent relating to, the Equipment described in paragraph 3(a) hereof, including, without limitation, the leases specified on Schedule II hereto (each such lease, including all amendments, supplements and schedules thereto, constituting an Assigned Lease for purposes of the Security Agreement), and including, without limitation, the immediate and continuing right to collect and receive any and all payments due or to become due under any Assigned Lease, whether as contractual obligations, damages or otherwise (to the extent such payments are derived from the Equipment) and all proceeds of any thereof (such payments constituting Equipment Lease Proceeds for purposes of the Security Agreement), and otherwise in accordance with the provisions of the Security Agreement.

4. All provisions of the Security Agreement are hereby incorporated in this Amendment and made a part hereof. Schedule I hereto shall be deemed a deletion from, and the properties described in paragraphs 2(a) and 2(b) hereof shall cease to be a part of, Schedule A to the Security Agreement. Schedule II hereto shall be deemed an addition to, and the properties described in paragraphs 3(a) and 3(b) hereof shall become part of, Schedule A to the Security Agreement. By their execution and delivery of this Amendment, the parties hereto hereby reaffirm all of the provisions of the Security Agreement.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Amendment in one or more counterparts as of this 31 day of July, 1996.

ACF INDUSTRIES, INCORPORATED

By: 

Name: Robert J. Mitchell

Title: Senior Vice President-
Finance

IBJS COMMERCIAL CORPORATION

By: 

Name:

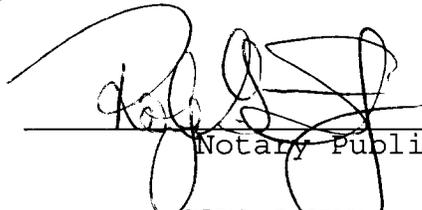
Title:

GERARD D. CANINE
VICE PRESIDENT - OPERATIONS

[Signature Page to Amendment No. 1 to IBJS Security Agreement]

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

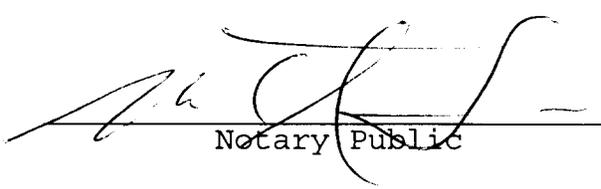
On this 29th day of July 1996, before me, personally appeared Robert J. Mitchell, to me known, who being by me duly sworn, says that he resides at Woodbury, New York and is Senior Vice President-Finance of ACF INDUSTRIES, INCORPORATED; that said instrument was signed on behalf of said corporation on the date hereof 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
ROBYN G. STEINBERG
Notary Public, State of New York
No. 01ST5026264
Qualified in New York County
Commission Expires April 18, ~~1997~~
1998

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

On this 29th day of July 1996, before me, personally appeared Gerard D. Canine to me known, who being by me duly sworn, says that he resides at North Bergen, NJ and is VP OPERATIONS of IBJS COMMERCIAL CORPORATION; that said instrument was signed on behalf of said corporation on the date hereof 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
MICHAEL S. LUKAJ
Notary Public, State of New York
No. 01LU5057501
Qualified in Richmond County
Certificate Filed in New York County
Commission Expires March 25, 1998

Lessee Code	Lessee	Contract	Rptg Mark	Car Number
56	BORDEN CHEMICAL INC A DELAW	64230029	ACFX	39650
56	BORDEN CHEMICAL INC A DELAW	64230029	ACFX	39655
56	BORDEN CHEMICAL INC A DELAW	64230029	ACFX	39656
56	BORDEN CHEMICAL INC A DELAW	64230029	ACFX	39657
56	BORDEN CHEMICAL INC A DELAW	64230029	ACFX	39658
56	BORDEN CHEMICAL INC A DELAW	64230029	ACFX	39662
56	BORDEN CHEMICAL INC A DELAW	64230029	ACFX	39664
56	BORDEN CHEMICAL INC A DELAW	64230029	ACFX	39665
56	BORDEN CHEMICAL INC A DELAW	64230029	ACFX	39666
56	BORDEN CHEMICAL INC A DELAW	64230029	ACFX	39667
56	BORDEN CHEMICAL INC A DELAW	64230029	ACFX	39668
56	BORDEN CHEMICAL INC A DELAW	64230029	ACFX	39670
56	BORDEN CHEMICAL INC A DELAW	64230029	ACFX	39671
56	BORDEN CHEMICAL INC A DELAW	64230029	ACFX	39675
56	BORDEN CHEMICAL INC A DELAW	64230029	ACFX	39678
56	BORDEN CHEMICAL INC A DELAW	64230029	ACFX	39679
56	BORDEN CHEMICAL INC A DELAW	99660125	ACFX	72213
56	BORDEN CHEMICAL INC A DELAW	99660125	ACFX	72214
56	BORDEN CHEMICAL INC A DELAW	99660125	ACFX	72216
56	BORDEN CHEMICAL INC A DELAW	99660125	ACFX	72217
56	BORDEN CHEMICAL INC A DELAW	99660125	ACFX	72218
56	BORDEN CHEMICAL INC A DELAW	99660125	ACFX	72219
56	BORDEN CHEMICAL INC A DELAW	99660125	ACFX	72220
56	BORDEN CHEMICAL INC A DELAW	99660125	ACFX	72221
56	BORDEN CHEMICAL INC A DELAW	99660125	ACFX	72222
56 Count				25
Grand Count				25

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56	BORDEN CHEMICAL INC A DELAW	99660125	ACFX	72219
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