

Counterparts - Urban Lester

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OF COUNSEL
URBAN A. LESTER

RECORDATION NO. 20206-A FILED 1425

JAN - 2 1997 - 3 05 PM

January 2, 1997

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

RECEIVED
SURFACE TRANSPORTATION
BOARD
JAN 2 3 01 PM '97

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are three (3) copies of a Transfer Agreement, dated as of December 17, 1996, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Security Agreement which was previously filed with the Board under Recordation Number 20206.

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

Assignor: The Industrial Bank of Japan, Limited
New York Branch
245 Park Avenue
New York, New York 10167

Assignee: Wilmington Trust Company, Trustee
of Equipment Trust 1996-A
1100 North Market Street
Wilmington, Delaware 19890

A description of the railroad equipment covered by the enclosed document is:

all railcars identified in the Security Agreement previously filed herein

Mr Vernon A Williams
January 2, 1997
Page 2

Also enclosed is a check in the amount of \$22 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,

A handwritten signature in black ink, appearing to read "R. Alvord", with a long horizontal flourish extending to the right.

Robert W Alvord

RWA/bg
Enclosures

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20420-0001

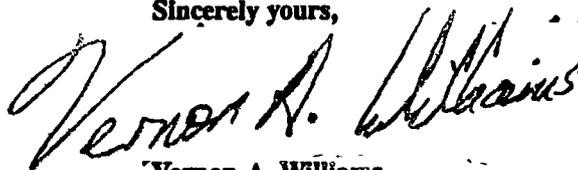
1/ 2/97

Robert W. Alvard
Alvard And Alvard
918 Sixteenth Street, NW., Ste. 200
Washington, DC., 20006-2973

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 1/2/97 at 3:05PM, and assigned recordation number(s). 20206-A.

Sincerely yours,

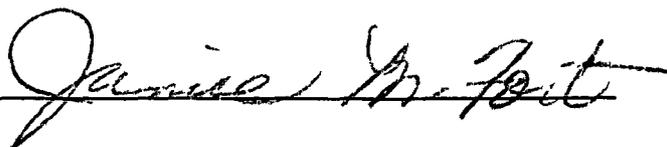


Vernon A. Williams
Secretary

Enclosure(s)

\$ 22.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



JAN -2 1997 -3 05 PM

EXECUTION COPY

TRANSFER AGREEMENT

THIS TRANSFER AGREEMENT is made and entered into as of the 17th day of December, 1996 between The Industrial Bank of Japan, Limited, New York Branch (the "Depositor") and Equipment Trust 1996-A (the "Assignee").

RECITALS:

WHEREAS, on the Effective Date (as defined below), the Depositor has an outstanding loan to the Borrower in the principal amount of Forty-Seven Million Six Hundred Nineteen Thousand Four Hundred Twenty-Seven and 68/100 Dollars (\$47,619,427.68) (such loan, to the extent outstanding on the Effective Date, being referred to as the "Loan"), subject to the terms of the Loan Agreement; and

WHEREAS, the Depositor has previously transferred the rights to receive certain payments under the Loan Agreement and the Note (such previously transferred rights being referred to herein as the "Excluded Rights") to IBJS Commercial Corporation; and

WHEREAS, the Depositor now proposes to sell, assign and transfer to the Assignee, and the Assignee proposes to accept and assume from the Depositor the rights, benefits and obligations of the Depositor under the Loan Agreement, the Note, and the Security Agreement on the terms and subject to the conditions of this Transfer Agreement and the Excluded Rights (such rights, benefits and obligations as are transferred hereby being herein referred to as the "Assigned Property");

NOW, THEREFORE, in consideration of the foregoing and the mutual agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

Section 1. Definitions.

1.1 "Loan Agreement" means the Term Loan Agreement dated as of July 31, 1996 between ACF Industries, Incorporated, as borrower, and The Industrial Bank of Japan, Limited, New York Branch, as lender.

1.2 "Declaration of Trust" means the Declaration of Trust dated as of September 30, 1996 for Equipment Trust 1996-A, between the Depositor and Wilmington Trust Company, as trustee.

1.3 "Security Agreement" means the Security Agreement - Chattel Mortgage dated as of July 31, 1996 between the Borrower

and the Depositor as filed with the Surface Transportation Board, Recordation Number 20206 and as filed by the Registrar General of Canada.

1.4 Capitalized terms used and not defined herein shall have the respective meanings given to such terms in the Loan Agreement.

Section 2. Assignment.

2.1 On the terms set forth herein and subject to the satisfaction of the conditions to effectiveness set forth in Section 4 hereof, effective as of January 2, 1997 (the "Effective Date"): (a) the Depositor sells, assigns and transfers to the Assignee all of the right, title and interest of the Depositor in and to the Assigned Property existing on and arising from and after the Effective Date, and (b) the Assignee accepts such sale, assignment and transfer and hereby assumes all of the obligations of the Depositor under the Assigned Property from and after the Effective Date subject to the terms of the Declaration of Trust.

2.2 Each of the parties hereto hereby confirms that in consideration of such sale, transfer and assignment and with effect from the Effective Date, the Depositor is hereby released from all obligations under the Assigned Property.

2.3 Such sale, assignment and transfer shall be without recourse, representation or guaranty except as expressly provided herein.

2.4 The Assignee hereby expressly assumes, effective as of the Effective Date, for the benefit of the Borrower, all of the Depositor's obligations under the Assigned Property.

Section 3. Payments.

3.1 As consideration for the sale, assignment and transfer contemplated by Section 2 hereof, the Assignee shall, not later than 3:00 p.m. New York time on the Effective Date, pay the Depositor an amount equal to the amount set forth on Schedule I attached hereto.

3.2 All payments to the Depositor hereunder shall be made in Dollars and in immediately available funds, without setoff, deduction or counterclaim, to the following account of the Depositor: The Industrial Bank of Japan, Limited, New York Branch, FED WIRE ABA #026008345, Reference: ACF Industries.

Section 4. Conditions to Effectiveness.

The effectiveness of the sale, assignment and transfer contemplated hereby is subject to the satisfaction of each of the following conditions:

4.1 the due execution and delivery of this Transfer Agreement by the Depositor, the Assignee and the Borrower;

4.2 the receipt by the Depositor of the payment required to be made by the Assignee under Section 3.1 hereof;

4.3 the receipt by the Assignee of the Loan Agreement;

4.4 the receipt by the Assignee of the Note referred to in the Loan Agreement; and

4.5 the receipt by the Assignee of the Security Agreement referred to in the Loan Agreement.

Section 5. Representations and Warranties of the Depositor.

The Depositor represents and warrants to the Assignee and the Borrower that (a) it has full power and authority, and has taken all action necessary to execute and deliver this Transfer Agreement and any and all other documents required to be executed or delivered by it in connection with this Transfer Agreement and to fulfill its obligations under, and to consummate the transactions contemplated by, this Transfer Agreement, and no governmental authorization or other authorizations are required to be obtained by it in connection therewith, (b) immediately prior to the assignment contemplated hereby, it owns all right, title and interest in and to the Note (other than the Excluded Rights) and, pursuant to this Transfer Agreement, has transferred all such right, title and interest (other than the Excluded Rights) free and clear of all Liens, and (c) this Transfer Agreement constitutes its legal, valid and binding obligation enforceable against it in accordance with its terms.

Section 6. Covenants of the Depositor.

6.1 Promptly after the LIBOR Rate has been determined for each Interest Period, the Depositor shall provide notice of such rate to the Borrower, the Assignee and the Administrative Agent.

6.2 In no event will the denominations of the Certificates, in the aggregate, and the Certificate Interest Rates be such that the Certificate Service Requirement of all Certificates exceeds the aggregate Note Service Requirement of the Promissory Note held by the Trust.

6.3 The Depositor shall not direct the Assignee to issue Certificates to more than 99 Persons.

Section 7. Further Assurances.

The Depositor and the Assignee hereby agree to execute and deliver such other instruments, and take such other actions,

as either party may reasonably request in connection with the transactions contemplated by this Transfer Agreement.

Section 8. Governing Law; Jurisdiction; Service of Process; Venue; Waiver of Jury Trial; Etc.

This Transfer Agreement shall be governed by and construed in accordance with the law of the State of New York. Any legal action or proceeding arising out of or relating to this Transfer Agreement or the transactions contemplated hereby, and any action and proceeding to execute or otherwise enforce any judgment obtained in connection herewith, may be instituted in the Supreme Court of the State of New York, County of New York or in the U.S. District Court for the Southern District of New York, and by execution and delivery of this Transfer Agreement each of the parties hereby irrevocably and unconditionally submits generally (but non-exclusively) to the jurisdiction of each such court. Each of the parties hereby irrevocably consents to the service of any and all process in any such action or proceeding by the mailing of copies of such process to such party at its address specified in Section 9 hereof or to such other Person as may be appointed pursuant to the Loan Agreement. Each of the parties hereby agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. The Assignee irrevocably waives, to the fullest extent permitted by law, any objection which the Assignee may now or hereafter have to the laying of the venue of any such proceeding in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. Each of the parties hereby irrevocably waives, to the fullest extent permitted by law, any and all right to trial by jury in any legal proceeding arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 9. Notices.

All communications between the parties hereto (including, without limitation, any modifications of, or any waivers or consents under, this Transfer Agreement) and notices in connection with this Transfer Agreement shall be in writing, hand-delivered or sent by ordinary mail, telex or facsimile transmitter, addressed as follows: (a) if to the Assignee at its address set forth in the Declaration of Trust, and (b) if to the Borrower or the Depositor, at its address set forth in the Loan Agreement. All such communications and notices shall be effective upon receipt.

Section 10. Binding Effect; Amendments.

This Transfer Agreement shall be binding upon and inure to the benefit of the parties hereby and their respective successors and assigns. No party hereto (other than the Assignee) may assign or transfer any of its rights or obligations

under this Transfer Agreement without the prior consent of the other parties hereto, and any purported assignment, absent such consent, shall be void. No provisions of this Transfer Agreement may be amended, waived or otherwise modified except by an instrument in writing signed by each party hereto.

Section 11. Interpretation.

The headings of the various sections hereof are for convenience of reference only and shall not affect the meaning or construction of any provision hereof.

Section 12. Limitation on Liability.

It is expressly understood and agreed by the parties hereto that (a) this Transfer Agreement is executed and delivered by Wilmington Trust Company, not individually or personally but solely as trustee (the "Trustee") of Equipment Trust 1996-A (the "Trust"), in the exercise of the powers and authority conferred and vested in it, (b) each of the representations, undertakings and agreements herein made on the part of the Trust or the Trustee is made and intended not as personal representations, undertakings and agreements by Wilmington Trust Company but is made and intended for the purpose of binding only the Trust, (c) nothing herein contained shall be construed as creating any liability on Wilmington Trust Company, individually or personally, to perform any covenant either expressed or implied contained herein, all such liability, if any, being expressly waived by the Depositor and by any Person claiming by, through or under the Depositor and (d) under no circumstances shall Wilmington Trust Company be personally liable for the payment of any indebtedness or expenses of the Trust or be liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken by the Trust under this Transfer Agreement or the other Trustee Documents.

Section 13. Counterparts.

This Transfer Agreement may be executed in any number of counterparts, each of which shall be identical and all of which, when taken together, will constitute one and the same instrument, and each party may execute this Transfer Agreement by signing any such counterpart.

IN WITNESS WHEREOF each of the parties hereto has caused this Transfer Agreement to be duly executed and delivered as of the day and year first above written.

THE INDUSTRIAL BANK OF JAPAN, LIMITED,
NEW YORK BRANCH

By: 
Name: John Veltri
Title: Senior Vice President

EQUIPMENT TRUST 1996-A
By: Wilmington Trust Company,
Not in its individual
capacity (except as provided in
Section 7.3 of the Declaration)
but solely as trustee
of Equipment Trust 1996-A

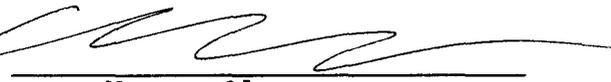
By: _____
Name: Norma Closs
Title: Vice President

IN WITNESS WHEREOF each of the parties hereto has caused this Transfer Agreement to be duly executed and delivered as of the day and year first above written.

THE INDUSTRIAL BANK OF JAPAN, LIMITED,
NEW YORK BRANCH

By: _____
Name: John Veltri
Title: Senior Vice President

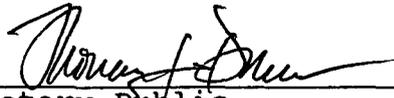
EQUIPMENT TRUST 1996-A
By: Wilmington Trust Company,
Not in its individual
capacity (except as provided in
Section 7.3 of the Declaration)
but solely as trustee
of Equipment Trust 1996-A

By: 
Name: Norma Closs
Title: Vice President

STATE OF NEW YORK
COUNTY OF NEW YORK

)
) ss.:
)

On this *23rd* day of December, 1996 before me, personally appeared John Veltri to me personally known, who being by me duly sworn, says that he is Senior Vice President of The Industrial Bank of Japan, Limited, New York Branch that the foregoing instrument was signed on the date hereof on behalf of The Industrial Bank of Japan, Limited, New York Branch by authority of its Board of Directors; and he acknowledged that the execution of the foregoing instrument was the free act and deed of The Industrial Bank of Japan, Limited, New York Branch.



Notary Public

My commission expires:

THOMAS J DREVES
Notary Public, State of New York
No 02DR5015291
Qualified in New York County
Commission Expires July 19, 1997

STATE OF DELAWARE

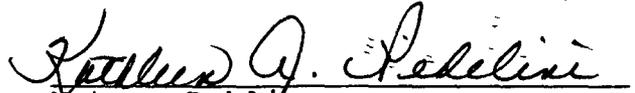
)

) ss.:

COUNTY OF NEW CASTLE

)

On this 16th day of December, 1996 before me, personally appeared Norma Closs to me personally known, who being by me duly sworn, says that she is Vice President of Wilmington Trust Company, that the foregoing instrument was signed on the date hereof on behalf of Wilmington Trust Company on behalf of Equipment Trust 1996-A by authority of its Board of Directors; and she acknowledged that the execution of the foregoing instrument was the free act and deed of Wilmington Trust Company on behalf of Equipment Trust 1996-A.


Notary Public

My commission expires:

KATHLEEN A. PEDELINI
NOTARY PUBLIC
My Commission expires October 31, 1998

**Schedule I to
Transfer Agreement**

In accordance with Section 3.1 of the Transfer Agreement, Assignee shall pay to the Depositor an amount equal to \$47,619,427.68.