

Eph M Linn

Adventer Parts

ALVORD AND ALVORD
ATTORNEYS AT LAW
918 SIXTEENTH STREET, N.W.
SUITE 200
WASHINGTON, D.C.
20006-2973
(202) 393-2266
FAX (202) 393-2156

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

15826-E
DEC 20 1995 1:15 PM
INTERSTATE COMMERCE COMMISSION
OF COUNSEL
URBAN A. LESTER

December 28, 1995

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 a Amendment No. 2 to Security Agreement (Chattel Mortgage), dated as of December 28, 1995, a secondary document as defined in the Commission's Rules for the Recordation of Documents under 49 C.F.R. Section 1177.

The enclosed document relates to the Security Agreement which was duly filed with the Commission under Recordation Number 15826.

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: Transamerica Business Credit Corporation
13760 Noel Road, Suite 1100
Dallas, Texas 75240

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

Three hundred and ten (310) ACFX railcars set forth in Schedule II

NOV 20 1995 10:17 AM
NOV 20 1995 12:37 PM

Mr. Vernon A. Williams
December 28, 1995
Page 2

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

Robert W. Alvord

RWA/bg
Enclosures

DEC 20 1995 - 4 00 PM

AMENDMENT NO. 2 TO SECURITY AGREEMENT, (CHATTEL MORTGAGE) AND TERM LOAN AMENDMENT AGREEMENT NO. 2 (this "Amendment No. 2") dated as of December 28, 1995 between ACF INDUSTRIES, INCORPORATED, a New Jersey corporation (the "Debtor"), and TRANSAMERICA BUSINESS CREDIT CORPORATION, a Delaware Corporation (the "Secured Party").

RECITALS

WHEREAS, Debtor and The CIT Group/Equipment Financing, Inc. ("CIT") entered into that certain Term Loan Agreement dated as of September 15, 1988 (the "Original Term Loan Agreement"), as amended by that certain Term Loan Amendment Agreement dated as of December 22, 1994 (the "First Amendment to Term Loan Agreement"); and

WHEREAS, Debtor and The CIT Group/Equipment Financing, Inc. ("CIT") entered into that certain Security Agreement (Chattel Mortgage) dated as of September 15, 1988 (the "Original Security Agreement"), as amended by that certain Amendment No.1 To Security Agreement (Chattel Mortgage) dated as of December 22, 1994 (the "First Amendment to Security Agreement"); and

WHEREAS, CIT made secured loans and extended certain financial accommodations to Debtor pursuant to the Original Term Loan Agreement, the First Amendment to Term Loan Agreement, the Original Security Agreement, the First Amendment to Security Agreement and certain other notes, financing statements, agreements and/or documents executed and/or delivered in connection therewith; and

WHEREAS, counterparts of the Original Security Agreement and the First Amendment to Security Agreement were filed and recorded with the Interstate Commerce Commission pursuant to Title 49 of the United States Code and assigned recordation numbers 15826 and 15826-B on, respectively, September 16, 1988 and December 23, 1994; and

WHEREAS, counterparts of the Original Security Agreement and the First Amendment to Security Agreement were deposited in the office of the Registrar General of Canada on, respectively, September 19, 1988 and December 23, 1994, in accordance with section 90 of the Railway Act (Canada); and

WHEREAS, pursuant to the terms and conditions of that certain Assignment And Assumption Agreement dated as of October 25, 1995 by and between CIT and Secured Party (the "Assignment Agreement"), CIT transferred and assigned to Secured Party all of CIT's entire right, title and interest in and to the Original Term Loan Agreement, the First Amendment to Term Loan Agreement, the Original Security Agreement, the First Amendment to Security Agreement, the other "Loan Documents" (as defined in the Assignment Agreement) and the "Loans" (as defined in the Assignment Agreement); and

DJK

u'

Whereas, a counterpart of the Assignment Agreement was filed and recorded with the Interstate Commerce Commission pursuant to Title 49 of the United States Code and assigned recordation number 15826-D on October 26, 1995; and

WHEREAS, a counterpart of the Assignment was deposited in the office of the Registrar General of Canada on October 30, 1995, in accordance with section 90 of the Railway Act (Canada); and

WHEREAS, Debtor has requested that Secured Party make additional loans and other financial accommodations to Debtor, including without limitation, a loan in an amount not to exceed \$10,000,000 (the "1995 Loan") pursuant to that certain Term Loan Agreement dated as of the date hereof by and between Secured Party and Debtor (the "1995 Term Loan Agreement"), that certain Security Agreement dated as of the date hereof by and between Secured Party and Debtor (the "1995 Security Agreement"), that certain Promissory Note dated as of the date hereof from Debtor to Secured Party evidencing the 1995 Loan (the "1995 Note") (collectively, the 1995 Term Loan Agreement, the 1995 Security Agreement, the 1995 Note and any other instruments, financing statements, agreements and/or documents executed and/or delivered in connection therewith, being the "1995 Loan Documents"); and

WHEREAS, Secured Party has agreed to make the 1995 Loan and enter into the 1995 Loan Documents subject to, among other things, the execution and delivery of this Amendment No. 2; and

WHEREAS, the Assignment Agreement purported to: (i) not transfer to Secured Party any interest in the "Secondary Collateral" (as defined in the First Amendment to Security Agreement), and (ii) to nullify certain provisions of the First Amendment to Term Loan Agreement with respect to default by the Borrower under other credit or loan agreements with the Secured Party; and

WHEREAS, the Debtor and Secured Party desire, among other things, to the extent and manner set forth in this Amendment No. 2, to provide: (i) Secured Party with an interest in Secondary Collateral, and (ii) for cross-default provisions; and

NOW, THEREFORE, in consideration of the premises and of the mutual covenants 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. DEFINED TERMS. The Original Term Loan Agreement, as amended or modified by the First Amendment to Term Loan Agreement and Assignment Agreement shall be referred to herein as the "1988 Term Loan Agreement" and the Original Security Agreement, as amended or modified by the First Amendment to

Security Agreement and Assignment Agreement shall be referred to herein as the "1988 Security Agreement" (collectively, the 1988 Term Loan Agreement, the 1988 Security Agreement and any notes, other instruments, financing statements, agreements and/or documents executed and/or delivered in connection therewith, being the "1988 Loan Documents"). Unless otherwise specified herein, capitalized terms used in this Amendment No. 2 shall have the same meaning applied to them in the 1988 Security Agreement.

SECTION 2. AMENDMENTS TO THE 1988 SECURITY AGREEMENT.
From and after the Closing Date (as such term is defined in the 1995 Term Loan Agreement):

(a) The preamble to the 1988 Security Agreement is hereby amended by deleting from the fourth line thereof the following:

"(the "Secured Party")".

(b) Subsection 1.1 of the 1988 Security Agreement is hereby amended by adding and replacing the following definitions therein in alphabetical order:

"Secondary Collateral": collectively, all "Collateral" (as such term is defined from time to time in any security agreement (other than this Security Agreement)) now existing or hereinafter arising to which Debtor and Secured Party are parties, including, without limitation, certain railcars described on Schedule II hereto together with all accessories, equipment, parts and appurtenances appertaining or attached to such railcars, whether now owned or at any time hereafter acquired by the Debtor, and all substitutions, renewals or replacements of, and additions, improvements, accessions and accumulations to, any and all of said railcars, together with all rents, issues, income, profits and avails therefrom or any lease or disposition with respect thereto and any and all Proceeds thereof."

"Secured Party": From the initial date hereof through October 26, 1995 - The CIT Group/Equipment Financing, Inc. a New York corporation; thereafter - Transamerica Business Credit Corporation (pursuant to that certain Assignment And Assumption Agreement dated as of October 25, 1995 by and between The CIT Group/Equipment Financing, Inc. and Transamerica Business Credit Corporation and applicable law)."

(c) Subsection 2.1 of the 1988 Security Agreement is hereby amended in its entirety to read as follows:

"2.1 Grant of Security. As collateral security for (a) the prompt and complete payment when due (whether at the stated maturity, by prepayment, by acceleration or otherwise) of the unpaid principal of, premium, if any, and interest on, the 1988 Note and the Additional Note, (b) the due and punctual payment and performance by the Debtor of all of its obligations and liabilities arising under, out of or in connection with the Loan Documents, the Additional Loan Documents and any other instruments, documents or agreements executed or delivered in connection therewith or herewith, whether on account of principal, interest, fees, indemnities, costs, expenses (including, without limitation, all fees and disbursements of counsel to the Secured Party) or otherwise, (c) the prompt and complete payment when due (whether at the stated maturity, by prepayment, by acceleration or otherwise) of the unpaid principal of, premium, if any, and interest on, each other promissory note of the Debtor held from time to time by the Secured Party and (d) the due and punctual payment and performance by the Debtor of all of its obligations and liabilities arising under, out of or in connection with any other loan document or credit agreement to which the Secured Party is or shall become a party and any other document executed and delivered in connection therewith, whether on account of principal, interest, fees, indemnities, costs, expenses (including, without limitation, all fees and disbursements of counsel to the Secured Party) or otherwise and including, without limitation, those obligations described in the definition of "Obligations" set forth in that certain Security Agreement between the Debtor and the Secured Party dated as of December 28, 1995, as the same may be amended from time to time (all of the foregoing, collectively, the "Obligations"), the Debtor does hereby transfer, convey, warrant, mortgage, deliver, pledge, assign and grant to the Secured Party a lien on and continuing security interest in all and singular of the Debtor's rights, title and interest in and to the properties, rights, interests and privileges, now or hereafter existing, set forth in subsections 2.2, 2.3, 2.4 and 2.5 hereof and any and all Proceeds thereof (all such properties and Proceeds thereof, collectively, the "Collateral")."

(d) Section 2.5 is hereby amended in its entirety to read as follows:

"2.5 Secondary Collateral. Collateral shall also include all Secondary Collateral when and to the extent in existence from time to time."

BJK
7.

(e) Section 8.5 is hereby amended in its entirety to read as follows:

"8.5. Release and Termination. At the sole expense of the Debtor, the Secured Party shall release the lien and security interest created pursuant to this Security Agreement by proper instrument or instruments (i) as to the Collateral, upon payment in full or other satisfaction of the Obligations described in clauses (a) and (b) of Section 2.1 hereof, whereupon this Security Agreement shall terminate and (ii) as to the Secondary Collateral, upon the release by Secured Party of the lien of any security agreement to which Debtor and Secured Party are parties under which the Debtor has granted to Debtor a first lien in such Secondary Collateral; provided, that the Secured Party shall not be obligated to release pursuant to clause (ii) above any portion of the lien and security interest created pursuant to this Security Agreement at any time while an Event of Default shall have occurred and be continuing."

(f) A new Schedule II is hereby added to the 1988 Security Agreement in the form annexed hereto.

SECTION 3. AMENDMENTS TO THE 1988 TERM LOAN AGREEMENT. From and after the Closing Date (as such term is defined in the 1995 Term Loan Agreement):

(a) The preamble to the 1988 Term Loan Agreement is hereby amended by deleting from the fourth line thereof the following:

"(the "Lender")".

(b) Subsection 1.01 of the 1988 Term Loan Agreement is hereby amended by adding the following definition therein in alphabetical order:

"Lender": From the initial date hereof through October 26, 1995 - The CIT Group/Equipment Financing, Inc. a New York corporation; thereafter - Transamerica Business Credit Corporation (pursuant to that certain Assignment And Assumption Agreement dated as of October 25, 1995 by and between The CIT Group/Equipment Financing, Inc. and Transamerica Business Credit Corporation and applicable law)."

(c) Subsection 6.01(m) of the 1988 Term Loan Agreement is hereby amended in its entirety to read as follows:

"6.01(m) There shall occur any (i) "Event of Default" as such term is defined in that Term Loan Agreement between the Debtor and the Secured Party dated

RLK
7.

11

Agreement between the Debtor and the Secured Party dated as of December 28, 1995, as the same may be amended from time to time, or (ii) default by Borrower under any other loan or credit agreement or other agreement or instrument to which the Lender and Borrower are parties."

SECTION 4. AMENDMENTS TO 1988 LOAN DOCUMENTS.
Notwithstanding anything in the 1988 Loan Documents to the contrary:

A. THE BORROWER HEREBY IRREVOCABLY AND UNCONDITIONALLY:

(1) SUBMITS FOR ITSELF AND ITS PROPERTY IN ANY LEGAL ACTION OR PROCEEDING RELATING TO THE 1988 LOAN DOCUMENTS, OR FOR RECOGNITION AND ENFORCEMENT OF ANY JUDGMENT IN RESPECT THEREOF, TO THE NON-EXCLUSIVE GENERAL JURISDICTION OF THE STATE OF ILLINOIS, THE COURTS OF THE UNITED STATES OF AMERICA FOR THE NORTHERN DISTRICT OF ILLINOIS, AND APPELLATE COURTS FROM ANY THEREOF;

(2) CONSENTS THAT ANY SUCH ACTION OR PROCEEDING MAY BE BROUGHT IN SUCH COURTS, AND WAIVES ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE VENUE OF ANY SUCH ACTION OR PROCEEDING IN ANY SUCH COURT OR THAT SUCH ACTION OR PROCEEDING WAS BROUGHT IN AN INCONVENIENT COURT AND AGREES NOT TO PLEAD OR CLAIM THE SAME;

(3) AGREES THAT SERVICE OF PROCESS IN ANY SUCH ACTION OR PROCEEDING MAY BE EFFECTED BY MAILING A COPY THEREOF BY REGISTERED OR CERTIFIED MAIL (OR ANY SUBSTANTIALLY SIMILAR FORM OF MAIL), POSTAGE PREPAID, TO THE BORROWER AT ITS ADDRESS SET FORTH IN SECTION 8.02 OF THE 1995 TERM LOAN AGREEMENT OR AT SUCH OTHER ADDRESS OF WHICH THE LENDER HAS BEEN NOTIFIED IN WRITING;

(4) AGREES THAT NOTHING HEREIN SHALL AFFECT THE RIGHT TO EFFECT SERVICE OF PROCESS IN ANY OTHER MANNER PERMITTED BY LAW OR SHALL LIMIT THE RIGHT TO SUE IN ANY OTHER JURISDICTION; AND

(5) WAIVES TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING REFERRED TO IN PARAGRAPHS (1) THROUGH (4) HEREOF.

AND

B. EACH OF THE BORROWER AND LENDER HEREBY AGREES THAT THE 1988 LOAN DOCUMENTS SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF ILLINOIS; PROVIDED that the parties hereto shall be entitled to all rights conferred by Section 11303, Title 49 of the United States Code and such additional rights arising out of the filing, registration,

UK
recording or deposit of this Amendment No. 2 or any Supplement hereto pursuant thereto or other applicable law.

SECTION 5. MISCELLANEOUS.

A. Except as specifically amended hereby, each of the 1988 Loan Documents shall remain in full force and effect and is hereby ratified and confirmed.

B. Debtor agrees to pay on demand all fees, costs and expenses incurred by Secured Party in connection with the preparation, execution and delivery of this Amendment No. 2.

C. This Amendment No. 2 shall be binding upon and inure to the benefit of the Debtor and the Secured Party and their respective successors and assigns.

D. THIS AMENDMENT NO. 2 AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, AND CONSTRUED AND INTERPRETED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF ILLINOIS; PROVIDED that the parties hereto shall be entitled to all rights conferred by Section 11303, Title 49 of the United States Code and such additional rights arising out of the filing, registration, recording or deposit of this Amendment No. 2 or any Supplement hereto pursuant thereto or other applicable law.

E. This Amendment No. 2 may be executed in any number of counterparts, each executed counterpart constituting an original, but all of such counterparts all together shall be deemed to constitute one and the same instrument.

F. The headings of the sections of this Amendment No. 2 are for purposes of convenience only and shall not be construed to affect the meaning or construction of any of the provisions hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 2 to be executed and delivered by their proper and duly authorized officers as of the date first above written.

ACF INDUSTRIES, INCORPORATED

By: *Harish Chid*

Title: *Treasurer*

TRANSAMERICA BUSINESS CREDIT CORPORATION

By: _____

Title: _____

IN WITNESS WHEREOF, the parties hereto have caused this Amendment No. 2 to be executed and delivered by their proper and duly authorized officers as of the date first above written.

ACF INDUSTRIES, INCORPORATED

By: _____

Title: _____

TRANSAMERICA BUSINESS CREDIT CORPORATION

By: Donald J. Kocher

Title: SENIOR VICE PRESIDENT

STATE OF Missouri)
 :
 COUNTY OF St. Charles) SS.:

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

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

Nancy Collins
Notary Public

STATE OF ILLINOIS)
)
 COUNTY OF COOK) SS.:

On this ___ day of _____, before me, personally appeared _____ to me personally known, who being by me duly sworn, says that he resides at _____ and is _____ of Transamerica Business Credit Corporation; that said instrument was signed on behalf of said corporation by authority of its Board of Directors on _____; and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

STATE OF Ohio)
) SS
COUNTY OF Hamilton)

On this 21st day of December, 1995, before me, personally appeared Donald J. Koghan to me personally known, who being by me duly sworn, says that he resides at Cincinnati Ohio and is a Senior Vice President of Transamerica Business Credit Corporation; that the foregoing 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.

(SEAL)

Helen Schneider
Notary Public



HELEN SCHNEIDER
Notary Public, State of Ohio
My Commission Expires Oct. 12, 2000

12/27/95 14:38 ACF TREASURY → GORDON ALTMAN

NO.580 P002

SCHEDULE II

<u>CAR NUMBERS</u>	<u>NUMBER OF CARS</u>	<u>AAR DESIG.</u>
41135 - 41184	50	C214
41800 - 41809	10	"
64882	68	"
64885 - 64886		
64903 - 64904		
64907		
64909		
64920		
64928		
64931		
64943		
64945		
64947		
64950 - 64951		
64953		
64958		
64960 - 65010		
65551 - 65555	25	"
65558 - 65559		
65561		
65563 - 65564		
65566 - 65567		
65569 - 65579		
65581		
65584		
51720 - 51732	14	C614
51734		
51648 - 51662	15	"
51673 - 51687	15	"
51691 - 51694	4	"
51696 - 51700	5	"
51701 - 51715	15	"
51716 - 51719	4	"

<u>CAR NUMBERS</u>	<u>NUMBER OF CARS</u>	<u>AAR DESIG.</u>
72638 - 72660 72676 - 72677 72698	26	T053
71807 71809 71811	3	T073
72578 - 72591	14	T104
72598 - 72622 72661 - 72675 72678 - 72697	60	"
72623 - 72637	15	"
72385 - 72389 72392 72398 72403 72411 - 72434 72436 - 72444 72463 - 72491	70	T105 T106
72163 - 72166 72258 - 72259 72263 72269 72270 - 72277 72279 - 72280 72445 - 72448	22	T108
77367 - 77368 77370 77375 - 77416	45	T564
TOTAL	480	