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July 24, 2002

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

RECORDATION NO. 24047 FILED
JUL 24 '02 10:31 AM
SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) copies of a Security Agreement – Chattel Mortgage, dated as of July 24, 2002, a primary document as defined in the Board's Rules for the Recordation of Documents.

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: Lombard US
Equipment Finance Corporation
222 South Riverside Plaza
Chicago, IL 60606

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

141 railcars within the series SHPX 204477 - SHPX 221445

Mr. Vernon A. Williams
July 24, 2002
Page Two

A short summary of the document to appear in the index follows:

Security Agreement – Chattel Mortgage

Also enclosed is a check in the amount of \$30.00 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/anr
Enclosures

RECORDATION NO. 24047 FILED

Exhibit C to the
Loan Agreement

JUL 24 '02 10-31 AM

SURFACE TRANSPORTATION BOARD

SECURITY AGREEMENT - CHATTEL MORTGAGE
BETWEEN
ACF INDUSTRIES, INCORPORATED,
BORROWER
AND
LOMBARD US EQUIPMENT FINANCE CORPORATION,
LENDER

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SECURITY AGREEMENT - CHATTEL MORTGAGE

SECURITY AGREEMENT - CHATTEL MORTGAGE dated as of July 24, 2002 between ACF INDUSTRIES, INCORPORATED, a New Jersey corporation (together with its successors and assigns, "Borrower"), and LOMBARD US EQUIPMENT FINANCE CORPORATION, a New York corporation (together with its successors and assigns, "Lender").

RECITALS

A. Pursuant to Section 2.1 of the Loan Agreement (as defined below) and subject to the conditions therein set forth, the Lender has agreed to make the Loan (as defined in the Loan Agreement) to the Borrower evidenced by the Note (as defined in the Loan Agreement) executed by the Borrower in favor of the Lender or its registered assigns.

B. The principal of and interest on the Loan and all additional amounts and other sums at any time due and owing from or required to be paid by the Borrower under the terms of the Loan Agreement, the Note, this Security Agreement and the other Loan Documents (as defined in the Loan Agreement) are hereinafter sometimes referred to as "indebtedness hereby secured."

ARTICLE I

DEFINITIONS

Section 1.1 Definitions. Terms defined in the preamble hereof shall have their respective meanings when used herein. Capitalized terms used but not defined herein shall have the meanings assigned to them in the Loan Agreement. The following terms shall have the following meanings for the purposes of this Security Agreement:

"AAR" means the Association of American Railroads.

"AAR Value" means, with respect to any railcar included in the Equipment or any proposed Replacement Unit, the settlement value of such railcar as determined in accordance with Rule 107 -- Damaged and/or Destroyed Cars (or any successor rule) of the AAR as published in the most recent edition of the Field Manual of the A.A.R. Interchange Rules (or a successor publication).

"Casualty Date" has the meaning specified in Section 5.2(a).

"Casualty Loss" has the meaning specified in Section 5.2(a).

"Casualty Payments" has the meaning specified in Section 5.2(a).

"Casualty Total Date" has the meaning specified in Section 5.2(a).

"Collateral" has the meaning specified in Article II.

"Equipment" has the meaning specified in Section 2.2.

"Equipment Casualty Loss" has the meaning specified in Section 5.2(a).

"Equipment Leases" has the meaning specified in Section 2.3.

"Equipment Lessees" means the lessees under the Equipment Leases.

"Equipment Lease Proceeds" has the meaning specified in Section 2.3.

"Expired Date" has the meaning specified in Section 5.2(a).

"Expired Lease" has the meaning specified in Section 5.2(a).

"Items of Equipment" has the meaning specified in Section 2.2.

"Lien" has the meaning specified in Section 3.3.

"Loan Agreement" means the Term Loan Agreement of even date herewith by and between the Borrower and the Lender, as the same may be amended, supplemented or otherwise modified from time to time.

"Nonconforming Lease" has the meaning specified in Section 5.2(d).

"Notice of Assignment" means the Notice of Assignment, substantially in the form of Exhibit E to the Loan Agreement.

"Permitted Lien" has the meaning specified in Section 3.3.

"Prepayment Price" means, with respect to all Items of Equipment subject to a Casualty Loss or a Nonconforming Lease, an amount equal to the sum of (a) the product of (i) the aggregate manufactured cost of all such Items of Equipment (or if any such Item of Equipment is a Replacement Unit, the manufactured cost of the original Item of Equipment) as shown on Schedule A to the Loan Agreement in effect on the Closing Date divided by the aggregate manufactured cost of all Equipment as shown on Schedule A to the Loan Agreement in effect on the Closing Date and (ii) the outstanding principal amount of the Loan, and (b) accrued and unpaid interest on the amount in (a) and (c) the Make Whole Amount.

"Replacement Lease" means a lease entered into by the Borrower in an arms-length transaction that imposes no additional material obligations on the Borrower than those imposed by the Expired Lease or the Equipment Lease to which the original Item of Equipment being replaced was subject (such lease being the "Original Lease"), as the case may be, and is for a remaining term that expires after the Maturity Date and with a lessee that the Lender reasonably determines is comparable in creditworthiness to the lessee under the Expired Lease or the Original Lease, as applicable, and which is otherwise in form and substance reasonably acceptable to the Lender.

"Replacement Unit" means a replacement unit of Rolling Stock that is of similar age and configuration as the original Item of Equipment being replaced and otherwise reasonably acceptable to the Lender.

"Reporting Date" has the meaning specified in Section 5.2(d).

"Rolling Stock" means standard gauge railroad rolling stock, other than passenger equipment or work equipment, used or intended for use in connection with interstate commerce; excluding however, railroad rolling stock scrapped or intended to be scrapped.

"Security Agreement" means this Security Agreement-Chattel Mortgage together with all Exhibits and Schedules attached hereto, as the same may be amended, supplemented or modified, from time to time.

"UCC" means the Uniform Commercial Code in effect in the State of New Jersey, unless otherwise specified, as amended from time to time.

Section 1.2 Other Interpretive Provisions. (a) Except as otherwise specified herein, all references herein (i) to any Person shall be deemed to include such Person's successors and assigns and (ii) to any applicable law defined or referred to herein shall be deemed references to such applicable law or any successor applicable law as the same may have been or may be amended or supplemented from time to time.

(b) When used in this Security Agreement, the words "herein," "hereof" and "hereunder" and words of similar import shall refer to this Security Agreement as a whole and not to any provision of this Security Agreement unless otherwise specified, and the words "Article," "Section," "Schedule" and "Exhibit" shall refer to Articles of and Sections of, and Schedules and Exhibits to, this Security Agreement unless otherwise specified.

(c) Whenever the context so requires, the neuter gender includes the masculine or feminine, the masculine gender includes the feminine, and the singular number includes the plural, and vice versa.

(d) Any item or list of items set forth following the word "including," "include" or "includes" is set forth only for the purpose of indicating that, regardless of whatever other items are in the category in which such item or items are "included," such item or items are in such category, and shall not be construed as indicating that the items in the category in which such item or items are "included" are limited to such items or to items similar to such items.

(e) Captions to Articles and Sections and subsections of, and Schedules and Exhibits to, this Security Agreement are included for convenience of reference only and shall not constitute a part of this Security Agreement for any other purpose or in any way affect the meaning or construction of any provision of this Security Agreement.

ARTICLE II

SECURITY

Section 2.1 Grant of Security. The Borrower, in consideration of the premises and of the sum of Ten Dollars received by the Borrower from the Lender and other good and valuable consideration, receipt and sufficiency whereof is hereby acknowledged, and in order to secure the due payment of the principal of and interest on the Note according to its tenor and effect, and to secure the payment of all other indebtedness and liabilities of the Borrower to the Lender, the performance and observance by the Borrower of all its obligations contained in or arising out of the Loan Agreement, this Security Agreement, the Note and the other Loan Documents and the payment and performance of all obligations and covenants contained in the Related Agreements (sometimes referred to herein collectively as the "Obligations"), does hereby assign, mortgage, pledge, hypothecate, transfer and set over to the Lender and grant the Lender a first priority lien on and security interest in all of the Borrower's right, title and interest in and to the properties, rights, interests and privileges described in Sections 2.2, 2.3 and 2.4 (all of which properties are hereinafter collectively referred to as the "Collateral").

Section 2.2 Equipment Collateral. The Collateral includes certain railcars which railcars are more fully described in Schedule A hereto (collectively, the "Equipment" or "Items of Equipment" and individually, an "Item of Equipment") together with all accessories, equipment, parts, additions, improvements, accessions, attachments, repairs and appurtenances appertaining or attached to such Equipment, whether now owned or hereafter acquired by Borrower, and all substitutions, replacements accumulations or proceeds of any and all of said Equipment, together with all the records, rents, mileage credits earned, issues, income, profits, avails and other proceeds (including insurance proceeds) therefrom.

Section 2.3 Rental Collateral. The Collateral also includes, all right, title, interest, claims and demands of the Borrower in, to and under each and every lease, including, without limitation, the leases set forth on Schedule A hereto, and any Replacement Lease, (whether or not such lease is in writing or is for a term certain, including, without limitation, per diem leases) now or hereafter entered into relating to the Equipment but to and only to the extent relating to the Equipment (each such portion of such lease being an "Equipment Lease"), including any extensions of the term of every Equipment Lease, all of Borrower's rights under any Equipment Lease to make determinations, to exercise any election (including, but not limited to, election of remedies) or option or to give or receive any notice, consent, waiver or approval together with full power and authority with respect to any Equipment Lease to demand, receive, enforce, collect or give receipt for any of the foregoing rights or any property which is the subject of any of the Equipment Leases, to enforce or execute any checks, or other instruments or orders, to file any claims and to take any action which (in the opinion of the Lender) may be necessary or advisable in connection with any of the foregoing insofar, but only insofar as such rights relate to the Equipment which is subject to such Equipment Leases, all records related to the Equipment Leases and all payments due and to become due under any Equipment Lease, whether as contractual obligations, damages, casualty payments, insurance proceeds or otherwise to the

extent such payments are derived from the Equipment, together with all proceeds thereof (collectively, the "Equipment Lease Proceeds").

(b) It is expressly agreed that anything herein contained to the contrary notwithstanding, the Borrower shall remain liable under the Equipment Leases to perform all of the obligations assumed by it thereunder, all in accordance with and pursuant to the terms and provisions thereof, and neither the Lender nor the Transferees shall have any obligation or liability under the Equipment Leases by reason of or arising out of the assignment hereunder, nor shall the Lender nor the Transferees be required or obligated in any manner to perform or fulfill any obligations of the Borrower under or pursuant to the Equipment Leases or, except as herein expressly provided, to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it, or present or file any claim, or take any action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

(c) The Lender shall be entitled to collect and receive the Equipment Lease Proceeds only upon the occurrence of and during the continuance of an Event of Default.

Section 2.4 Related Collateral. Collateral also includes all products and proceeds of any of the property described in Section 2.2 or 2.3, including, without limitation, (i) claims against third parties for loss or damage to or destruction of any of the property described in Section 2.2 or 2.3, (ii) cash, negotiable instruments and other instruments for the payment of money, chattel paper, security agreement or other documents, all accounts, chattel paper and general intangibles arising out of the sale, transfer or other disposition of any of the property described in Section 2.2 or 2.3, and (iii) all of Borrower's rights to receive return of any premiums for or proceeds of any insurance, indemnity, warranty or guaranty with respect to any of the property described in Section 2.2 or 2.3.

ARTICLE III

COVENANTS AND WARRANTIES OF BORROWER.

The Borrower covenants, warrants and agrees with Lender that until the Obligations are paid in full that:

Section 3.1 Maintenance of Equipment. The Borrower shall maintain and keep, or cause to be maintained and kept, at its or the Equipment Lessees' own cost and expense, each Item of Equipment in good order, condition and repair in compliance with all AAR mechanical regulations, all requirements of applicable insurance policies and industrial commercial acceptance standards for revenue interchange loading, unless and until it becomes worn out, unsuitable for use, lost or destroyed; provided that any such Item of Equipment so worn out, unsuitable for use, lost or destroyed shall be replaced with a Replacement Unit which is subject to a Replacement Lease in accordance with the provisions of Section 5.2. The Borrower shall make, or cause to be made, all necessary and proper repairs, renewals and replacements to the Equipment and shall maintain in full force and effect all rights, franchises, permits, licenses, trademarks, tradenames, approvals and authorizations necessary to carry on its business as presently or proposed to be conducted where the failure to so maintain the same would have a

Material Adverse Effect. The Borrower will not make, and will not allow or consent to, any material alterations, modifications or additions to the Equipment which cannot be removed without materially damaging the functional capabilities or economic value of the Equipment unless the Lender has provided its prior written consent.

Section 3.2 Insurance.

(a) The Borrower shall maintain, or cause to be maintained at its own expense, with responsible insurance companies acceptable to the Lender, property, liability and other insurance, on such of its properties, in such amounts, against such risks and in such form as is customarily maintained by similar businesses, in each case as are acceptable to Lender and, in any event, with respect to liability insurance, in an amount not less than \$100 million, which insurance shall at all times include coverage for all liabilities covered under, and shall not include, any exclusions other than those set forth in the Borrower's policies of insurance as in effect on the Closing Date. The Lender hereby agrees and acknowledges that the companies currently insuring the Borrower's properties are and will be acceptable and that the insurance coverage currently maintained by the Borrower or any substantially similar coverage is and will be acceptable to the Lender.

(b) For purposes of this Section 3.2, liability insurance may include a program of self-insurance for up to Five Million Dollars (\$5,000,000.) of liability exposures; provided that under any such program of self-insurance the Borrower shall maintain, or cause to be maintained, adequate reserves on its books in accordance with GAAP, if applicable, to cover all risks not otherwise insured by an insurance company, and the Borrower shall, within thirty (30) days after the end of each of its fiscal quarters, deliver to the Lender a certificate of a Responsible Officer setting forth evidence of the maintenance of such sufficient reserves as required herein and any other financial statements or records as the Lender may require or request with respect to such program of self-insurance.

(c) The Borrower shall cause the Lender to be named as an additional insured under all liability policies and loss payee under all policies of insurance relating to any Collateral maintained pursuant to the provisions of this Section 3.2 and shall deliver to the Lender (i) on the Closing Date, evidence in form and substance satisfactory to the Lender of such insurance policies, and (ii) thereafter, thirty (30) days prior written notice before any cancellation, expiration, cessation, reduction in amount or change in coverage thereof shall become effective. All insurance policies required by this Section shall contain a provision that the insurer shall not cancel or revise coverage thereunder without giving written notice to the insured parties at least 30 days before the cancellation or revision becomes effective. No insurance shall be subject to any co-insurance clause. Such insurance shall not be affected by any unintentional act or negligence or representation or warranty on the part of Borrower or other owner of the policy or the property described in such policy.

(d) So long as no Event of Default or Default has occurred, the Lender shall (i) make all of the proceeds of property insurance received by the Lender with respect to the Collateral available to the Borrower or its designee to repair the Collateral, which repair shall be made in accordance with this Security Agreement (and the Borrower shall be entitled to keep any

balance of such proceeds after completing such repair) or (ii) pay over to the Borrower all of the proceeds of property insurance received by the Lender with respect to the Collateral immediately following provision of Replacement Units in accordance with the terms hereof.

Section 3.3 Preservation of Collateral.

(a) The Borrower will warrant and defend the title to the Collateral against all claims and demands of all Persons except Persons claiming by, through or under the Lender, or the Transferees and other than Permitted Liens. The Borrower will not assign, sell, lease, transfer or otherwise dispose of, nor will the Borrower suffer or permit any of the same to occur with respect to the Collateral except as provided in Section 5.2(b). The Borrower will not create, assume or suffer to exist any Lien on the Collateral other than Permitted Liens (as hereinafter defined) and the Borrower shall pay or discharge, at its own cost and expense, any and all claims, liens or charges other than Permitted Liens. As used herein, "Lien" shall mean any mortgage, pledge, security interest, assignment, hypothecation, deposit arrangement, encumbrance, lien or charge of any kind. As used herein, "Permitted Liens" shall mean:

(i) the Liens created by and pursuant to this Security Agreement and by the rights of the Equipment Lessees pursuant to the Equipment Leases or Replacement Leases;

(ii) the Liens arising from taxes, assessments or governmental charges or levies either not yet assessed or, if assessed not yet due or contested in good faith by appropriate proceedings (and for which adequate reserves have been made in the Borrower's books in accordance with GAAP consistently applied or when required in order to pursue such proceedings, an adequate bond has been obtained) so long as such proceedings do not involve any danger of sale, forfeiture or loss, of Equipment;

(iii) mechanics', materialmen's, suppliers', warehousemen's, workmen's, repairmen's, employees', or other like Liens arising by operation of law in the ordinary course of business for amounts which are either not yet due or are not yet overdue or are being contested in good faith by appropriate proceedings (and for which adequate reserves have been made in the Borrower's books in accordance with GAAP consistently applied or when required in order to pursue such proceedings, an adequate bond has been obtained) so long as such proceedings do not involve any danger of sale, forfeiture or loss, of Equipment; and

(iv) the Liens arising after the Closing Date out of judgments or awards against the Borrower which are being contested in good faith by appropriate proceedings (and for the payment of which an adequate bond has been obtained) and with respect to which there shall have been secured a stay of execution pending such appeal or proceedings for review, so long as such proceedings, in the judgment of the Lender, do not involve any danger of sale, forfeiture or loss, of Equipment (and for which adequate reserves have been made in the Borrower's books in accordance with GAAP consistently applied).

(b) The Borrower shall advise the Lender promptly, in reasonable detail, of any Lien or claim made or asserted against any of the Collateral and of any event affecting the Lender's security interest in the Collateral.

Section 3.4 Further Assurances. The Borrower will, at its own expense, do, execute, acknowledge and deliver all and every further acts, deeds, conveyances, transfers and assurances necessary for the perfection and maintenance of the perfection of the security interests in the Collateral, whether now owned or hereafter acquired, with the United States Surface Transportation Board, pursuant to the UCC, and with the Registrar General of Canada, pursuant to the Canada Transportation Act, and as the Lender may reasonably consider necessary or desirable.

Section 3.5 Recordation and Filing.

(a) The Borrower will (i) cause this Security Agreement and any supplements hereto at all times to be executed, recorded and filed, at no expense to the Lender, with the United States Surface Transportation Board and with the Registrar General of Canada, and all financing and continuation statements to be filed with the Secretary of State of the State of New Jersey, and cause such documents and all similar notices required by applicable law to be filed in such other jurisdictions and with such other Federal, state, provincial or local government or agency thereof where the Lender reasonably deems it necessary or desirable to perfect, protect, or preserve its lien on the Collateral, in order to fully preserve and protect the rights of the Lender hereunder; and (ii) at its own expense, furnish to the Lender promptly after the execution and delivery of any supplement to this Security Agreement, opinions of each of in-house counsel to ACF Holding, the Borrower and their affiliates, of Alvord & Alvord, special Surface Transportation Board counsel to the Borrower, and of Aird & Berlis, special Canadian counsel to the Borrower, of Stryker Tams & Dill, special New Jersey counsel to the Borrower, which opinions shall be in form and substance reasonably satisfactory to the Lender.

(b) The Borrower hereby authorizes the Lender to execute and file all such documents (including, without limitation, the filing of this Security Agreement and any supplements thereto, and any Uniform Commercial Code Financing Statements or amendments thereto) which the Lender may deem necessary to perfect, protect, or preserve the liens and security interests created hereunder and the Borrower grants to the Lender a power of attorney to sign on behalf of the Borrower, execute and file any such documents. The Borrower hereby waives any right that the Borrower may have to file with the applicable filing officer, and agrees that it will not file or authorize the filing of, any financing statement, amendment, termination or other record pertaining to the Collateral and/or the Lender's interest therein, except as authorized by the Lender in writing.

Section 3.6 Power of Attorney. The Borrower does hereby irrevocably constitute and appoint the Lender and its successors and assigns, upon the occurrence and during the continuance of an Event of Default, its true and lawful attorney with full power of substitution for it and in its name, place and stead, to ask, demand, collect, receive, receipt for and sue for any and all Equipment Lease Proceeds with full power to settle, adjust or compromise any claim thereunder as fully as the Borrower could itself do, and to endorse the name of the Borrower on all instruments or commercial paper given in payment or in part payment thereof, and in its

discretion to file any claim or take any other action or proceedings, either in its own name or in the name of the Borrower or otherwise, which the Lender may deem necessary in its reasonable discretion to perfect, protect and preserve the right, title and interest of the Lender in and to such Equipment Lease Proceeds and the security intended to be afforded hereby.

(b) The parties acknowledge that the powers conferred on the Lender hereunder are solely to protect its interest in the Collateral and that anything herein contained to the contrary notwithstanding, neither the Lender nor its successors or assigns shall have any duty, obligation or liability by reason of or arising out of this Security Agreement to make any inquiry as to the nature or sufficiency of, to present or file any claim with respect to, or to take any action to collect or enforce the payment of, any amounts to which it may be entitled at any time by virtue of this Security Agreement.

Section 3.7 Chief Executive Office. The chief executive office of the Borrower is located at 620 North Second Street, St. Charles, Missouri 63301 and all the records related to the Equipment and to the Equipment Leases are kept in said office. The Borrower shall give the Lender thirty (30) days advance written notice of any change of such office address.

Section 3.8 Acquisition of Interest in the Equipment. The Borrower has acquired its interest in the Equipment for its own account and with its general corporate assets and no funds used to acquire any Item of Equipment have been furnished directly or indirectly out of the assets of or in connection with any employee benefit plan (or its related trust) or any separate account in which any employee benefit plan has any interest. As used in this paragraph, the terms "employee benefit plan" and "separate account" shall have the respective meanings assigned to them in ERISA.

Section 3.9 Actions Under the Equipment Leases.

(a) The Borrower shall not enter into any agreement amending or supplementing any Equipment Lease in any material respect, execute any waiver or modification of, or consent to the non-compliance with, any material provision of any Equipment Lease, settle or compromise any material claim against any Equipment Lessee arising under any Equipment Lease, or submit or consent to the submission of any dispute difference or other matter arising under or in respect of any Equipment Lease to arbitration thereunder, in each instance, without the prior written consent of the Lender; provided, however, the Borrower shall not, without the prior written consent of the Lender, enter into any agreement amending or supplementing the Equipment Lease or execute any waiver or modification of, or consent to the non-compliance with, any provision of any Equipment Lease that allows any of the following: (i) the reduction of rent payable thereunder, (ii) the reduction of the term thereof, (iii) a change in the Equipment Lessee thereunder other than a successor in interest to such Equipment Lessee in compliance with such Equipment Lease (provided that if the consent of the Borrower under such Equipment Lease is required for such assignment or change, the Borrower shall obtain a prior written consent of the Lender to such assignment or change), or (iv) the substitution or deletion of any Item of Equipment from the terms thereof.

(b) The Borrower shall comply, and use its reasonable efforts to cause each of the Equipment Lessees to comply, in all material respects, with all acts, rules, regulations and

orders of any legislative, administrative or judicial body or official applicable to the Collateral or any part thereof, or to the operation of the Borrower's business (including all laws of the jurisdictions in which operations involving the Equipment may extend the interchange rules of the Association of American Railroads and all rules of the United States Surface Transportation Board) and the Registrar General of Canada; provided, however, that the Borrower may contest any acts, rules, regulations, orders and directions of such bodies or officials in any reasonable manner which will not, in the sole opinion of the Lender materially adversely affect the Lender's rights or the priority of its security interest in the Collateral.

Section 3.10 Reports. On or before the Reporting Date, commencing with the calendar year 2002 to furnish to the Lender an accurate statement (a) setting forth as of the date of such report the amount, description and numbers of all Items of Equipment then covered by an Equipment Lease, the amount, description and numbers of all Items of Equipment that have suffered a Casualty Loss during the preceding calendar year or, in the case of the first such statement, since the date of this Security Agreement (specifying the dates of such Casualty Loss) or to the knowledge of the Borrower are then undergoing repairs (other than running repairs) or are then withdrawn from use pending repairs (other than running repairs) and such other information regarding the condition and state of repair of the Items of Equipment as the Lender may reasonably request and (b) stating that, in the case of all Items of Equipment repainted or repaired during the period covered by such statement, the numbers and the marking required by Section 3.11 and the Equipment Leases have been preserved or replaced. The Borrower shall keep proper books and records with respect to the Equipment and each Equipment Lease and the other Collateral covered thereby. The Lender or any of its in-house representatives (and following the occurrence of an Event of Default, any representative of Lender, including without limitation, the Lender's outside auditors) shall have the right (but not any obligation) by its agents to inspect the Borrower's records with respect to the Items of Equipment (and the right to make extracts from and to receive from the Borrower true copies of such records relating to the Collateral other than the Equipment Leases except as otherwise provided herein), to visit all of its offices where such records are located during office hours, to discuss its financial matters with its officers and independent public accountant (and the Borrower hereby authorizes such independent accountant to discuss the Borrower's financial matters with the Lender or its representatives whether or not any representative of the Borrower is present) and to examine (and, at the expense of the Borrower, copy extracts from) books or other corporate records (including computer records) at such reasonable times as the Lender may request during the continuance of this Security Agreement. If the Lender exercises its rights under this Section following the occurrence of an Event of Default, the Borrower shall pay any fees of such independent accountant incurred in connection therewith.

Section 3.11 Marking of Equipment.

(a) Borrower will cause each Item of Equipment to be kept numbered with the identifying number set forth in Schedule A hereto, and at the request of the Lender if the Lender determines that it is necessary in order to perfect, protect or preserve its first security interest in the Collateral, the Borrower shall keep and maintain plainly, distinctly, permanently and conspicuously marked on each side of each Item of Equipment, in letters not less than one inch in height, the words, "Ownership subject to a Security Agreement filed with the United States Surface Transportation Board". The Borrower shall not change, or permit to be changed, the

identifying number of any Item of Equipment except in accordance with a statement of new identifying numbers to be substituted therefor after the Lender has been notified in writing and which statement shall be filed, recorded or deposited in all public offices where this Security Agreement shall have been filed, recorded or deposited. The Borrower shall forthwith furnish to the Lender an opinion of such counsel and in form and substance satisfactory to the Lender to the effect that such statement has been so filed, recorded and deposited, such filing, recordation and deposit will protect the Lender's first Lien or security interests in such Items of Equipment and no further filing, recording, deposit or giving of notice with or to any other Federal, state or local government or agency thereof is necessary to perfect, protect, or preserve the security interest of the Lender in such Items.

(b) Except as above provided, the Borrower will not allow the name of any Person (other than the Borrower) to be placed on the Item of Equipment as a designation that might be interpreted as a claim of ownership; provided, however, that the Borrower may permit the Equipment to be lettered with the names, trademarks, initials or other insignia customarily used by the user of such Equipment or its affiliates.

Section 3.12 Use of Equipment. The Equipment will be used by a lessee, a sublessee or user incorporated in the United States of America (or any State thereof or the District of Columbia) or Canada (or any Province thereof) only upon lines of railroad owned or operated by a railroad company or companies incorporated in the United States of America (or any State thereof or the District of Columbia) or Canada (or any Province thereof) or over lines upon which such railroad company or companies have trackage rights or rights for operation of their trains, and upon connecting with other carriers in the usual interchange of traffic in the continental United States and Canada, only upon and subject to all the terms and conditions of Equipment Leases.

Section 3.13 Replacement Units and Replacement Leases. The representations and warranties of the Borrower with respect to the Equipment and the Equipment Leases which are set forth in Section 4.1(o) of the Loan Agreement shall be true and correct with respect to each Replacement Unit and each Replacement Lease as of the date such Replacement Unit or Replacement Lease becomes subject to this Security Agreement. The Borrower represents and warrants that the remaining term of each Replacement Lease expires after the Maturity Date.

ARTICLE IV

SPECIAL PROVISIONS CONCERNING LEASES

Section 4.1 Borrower's Rights Under Equipment Leases. Anything to the contrary notwithstanding, until the occurrence and continuance of an Event of Default, the Borrower may exercise all of the Borrower's rights, powers, privileges and remedies under the Equipment Leases, including, without limitation, the right to receive any and all monies due or to become due under the Equipment Leases, and to retain all copies (original or duplicates) of Equipment Leases.

Section 4.2 Equipment Lease Location and Legend. The Borrower shall keep the original Equipment Leases (assuming due delivery by the Equipment Lessee party thereto of an

executed original to the Borrower) at its chief executive offices and shall mark all Equipment Leases with the following language:

The rights and interests of ACF Industries, Incorporated under this lease and all amendments, and riders hereto relating to certain railcars listed herein, and in such railcars, have been assigned to one or more financial institutions or banks listed on the page or pages at the end of this lease and are subject to a first priority perfected security interest in favor of such financial institutions or banks. To the extent that this lease constitutes chattel paper, no security interest in this lease may be created or perfected through the transfer or possession of this counterpart.

The Lender shall have the right from time to time to audit the lease records of the Borrower as to the status of the Equipment and Equipment Leases. If the Lender exercises its rights under this Section following the occurrence of an Event of Default, the Borrower shall pay any fees of such independent accountant incurred in connection therewith.

ARTICLE V

COLLATERAL

Section 5.1 Possession of Collateral. So long as no Event of Default has occurred and is continuing, the Borrower and each Equipment Lessee party to an Equipment Lease shall be permitted to remain in full possession, enjoyment and control of the Collateral, including without limitation the Equipment Leases and to manage, operate and use the Collateral and each part thereof with the rights and franchises pertaining to the Collateral; provided always that the possession, enjoyment, control and use of the Equipment shall at all times be subject to the observance and performance of this Security Agreement and the other Loan Documents.

Section 5.2 Casualty Loss; Insurance Proceeds; Cash Collateral Account.

(a) In the event and at such time as any Equipment Lease expires (the "Expiration Date") prior to the maturity of the Note (each, an "Expired Lease") or a Responsible Officer first has knowledge (a "Casualty Date") that any Item of Equipment, is destroyed, lost, stolen, irreparably damaged, or missing for a period in excess of thirty (30) days, taken by any governmental entity (including without limitation condemnation, confiscation, requisition, taking of title or use by any governmental entity) or otherwise becomes unusable in the business of the Borrower or the Equipment Lessee (such event or condition, a "Equipment Casualty Loss"), the Borrower shall promptly inform the Lender of the Equipment Casualty Loss or the expiration of the Expired Lease, as the case may be. If on any date (a "Casualty Total Date") that either (i) a Responsible Officer (as defined in the Loan Agreement) has knowledge that an Equipment Casualty Loss has occurred with respect to one or more Items of Equipment, or (ii) one hundred twenty (120) days after an Expiration Date if neither the Expired Lease has been renewed nor the Item of Equipment covered by such Expired Lease been made subject to a Replacement Lease (an "Expired Lease Loss"; an Expired Lease Loss and an Equipment Casualty Loss, are each a "Casualty Loss"), then, at the option of the Borrower, with respect to an Equipment Casualty Loss, within ten (10) Business Days after such Casualty Total Date, and with respect to an Expired Lease Loss, on the Casualty Total Date, either (i) the Borrower shall prepay the Loan by

paying the applicable Prepayment Price, or (ii) the Borrower shall (A) pledge to the Lender one or more Replacement Units of at least equal aggregate manufactured cost to the aggregate manufactured cost of the Equipment that is being replaced due to a Casualty Loss and the related Replacement Leases and (B) shall execute a supplement to this Security Agreement in the form of the supplement to this Security Agreement attached hereto as Exhibit C, adding such Replacement Units and the corresponding Replacement Leases to Schedule A hereto and deleting the Equipment and the corresponding Equipment Leases being replaced from Schedule A hereto and shall fulfill all requirements of Section 3.5(a). Upon the taking of the actions set forth in clauses (i) or (ii) above, (x) at the request of the Borrower, the Lender shall take such actions as may reasonably be requested by the Borrower in order to release such Items of Equipment which were subject to a Casualty Loss and the corresponding Equipment Leases from the Lien of this Security Agreement, including the delivery to the Borrower of releases in recordable form with the United States Surface Transportation Board and the Registrar General (Canada) in the form of the release attached hereto as Exhibit A if a portion of the Loan is prepaid (or in the form of the supplement to this Security Agreement attached hereto as Exhibit C, incorporating such release, if one or more Replacement Units and Replacement Leases are provided) and UCC partial releases, all at the expense of the Borrower, (y) the Borrower shall be entitled to retain, free of the Lender's Lien hereunder, any insurance proceeds, lessee payments, railroad payments or other casualty recoveries ("Casualty Payments") received by the Borrower to the extent they relate to the Items of Equipment subject to such Casualty Loss, and (z) the Lender shall pay over to the Borrower any and all Casualty Payments received by the Lender relating to such Items of Equipment. Unless the actions set forth in clauses (i) or (ii) above are completed, the Lender shall be entitled to retain all Casualty Payments in respect of Items of Equipment that have been the subject of a Casualty Loss; provided, however, that, so long as no Event of Default or Default has occurred, the Borrower shall be permitted to use such monies to acquire Replacement Units under this Security Agreement.

(b) In the event the Borrower elects to replace an Item of Equipment under an Equipment Lease with a Replacement Unit pursuant to this Section 5.2 or make an Item of Equipment subject to a Replacement Lease following an Expiration Date, such Replacement Unit and the Replacement Lease covering such Replacement Unit or such Replacement Lease, as applicable, shall become subject to the perfected Lien of this Security Agreement and the security interest of the Lender.

(c) Upon the occurrence of any Event of Default, all Casualty Payments shall be paid to the Lender and applied by the Lender, as specified in Section 6.3.

(d) On or before the 10th day after the end of each calendar quarter (each, a "Reporting Date"), the Borrower shall deliver to the Lender, in form and substance acceptable to the Lender, an aging report on the Equipment Leases, containing information showing the payment performance thereunder. If any payment under an Equipment Lease is delinquent for more than 120 days (each such Equipment Lease, a "Nonconforming Lease"), then the Borrower shall, on such Reporting Date, either (i) prepay the Loan by paying the applicable Prepayment Price, or (ii) (A) pledge to the Lender one or more Replacement Units of at least equal aggregate manufactured cost to the aggregate manufactured cost of the Equipment that is being replaced due to a Nonconforming Lease and the related Replacement Leases and (B) shall execute a supplement to this Security Agreement in the form of the supplement to this Security Agreement

attached hereto as Exhibit C, adding such Replacement Units and the corresponding Replacement Leases to Schedule A hereto and deleting the Equipment and the corresponding Nonconforming Lease from Schedule A hereto and shall fulfill all requirements of Section 3.5(a). Upon the taking of the actions set forth in clauses (i) or (ii) above, (x) at the request of the Borrower, the Lender shall take such actions as may reasonably be requested by the Borrower in order to release the Nonconforming Leases and the corresponding Items of Equipment from the Lien of this Security Agreement, including the delivery to the Borrower of releases in recordable form with the United States Surface Transportation Board and the Registrar General (Canada) in the form of the release attached hereto as Exhibit A if a portion of the Loan is prepaid (or in the form of the supplement to this Security Agreement attached hereto as Exhibit C, incorporating such release, if one or more Replacement Units and Replacement Leases are provided) and UCC partial releases, all at the expense of the Borrower.

ARTICLE VI

SECURED PARTY'S RIGHTS

Section 6.1 Secured Party's Rights. The Borrower agrees that when any Event of Default as defined in the Loan Agreement has occurred and is continuing, the Lender shall have the rights, options and remedies of a secured party, and the Borrower shall have the rights and duties of a borrower, under the rules of United States Surface Transportation Board and the Registrar General of Canada, under the Canada Transportation Act and under the UCC (regardless of whether such UCC or a law similar thereto has been enacted in a jurisdiction wherein the rights or remedies are asserted) or otherwise available at law or in equity, including, without limitation, the following rights and remedies:

(a) The Lender shall have all the rights of a secured party under the rules of United States Surface Transportation Board and the Registrar General of Canada, under the Canada Transportation Act and under the UCC or otherwise available at law or in equity to enforce the security interests contained herein.

(b) The Lender personally or by agents or attorneys, shall have the right (subject to compliance with any applicable mandatory legal requirements) to take immediate possession of the Collateral, or any portion thereof, and for that purpose may pursue the same wherever it may be found, and may enter any of the premises of the Borrower, with or without notice, demand, process of law or legal procedure, if this can be done without breach of the peace, and search for, take possession of, remove, keep and store the Collateral, or use and operate or lease the Collateral until sold, and the Borrower shall deliver, or cause to be delivered, possession of the Equipment to the Lender or its agents where the same may be found or at such place or places as the Lender may reasonably require. Notwithstanding anything hereunder to the contrary, so long as no Event of Default has occurred and is continuing unremedied, the original Equipment Leases delivered to the Borrower shall remain at the chief executive offices of the Borrower; provided, however, that in the event an Event of Default has occurred and is continuing, the Borrower shall provide to the Lender the original Equipment Leases or, in case

originals are not available because one or more lenders have an interest in leases reflected in the same document as such Equipment Leases, duplicate certified copies of the Equipment Leases, including all schedules thereto with respect to the Equipment , and, in all cases, all relevant information that the Lender may request regarding all other leases and all other lenders, and if requested by all lenders with a security interest in any lease reflected in the same document as such Equipment Lease, deliver the original of such Equipment Leases to a trustee designated by the Lender and all the other lenders and absent such request by all such lenders, no original of the Equipment Lease shall be delivered to any Person.

(c) Any Collateral repossessed by the Lender under or pursuant to this Section 6.1 may be sold, leased or otherwise disposed of under one or more contracts or as an entirety, and without the necessity of gathering at the place of sale the property to be sold, and in general in such manner, at such time or times, at such place or places and on such terms as the Lender may, in compliance with any mandatory requirements of applicable law, determine to be commercially reasonable. Any of the Collateral may be sold, leased or otherwise disposed of, in the condition in which the same existed when taken by the Lender or after any overhaul or repair which the Lender shall determine to be commercially reasonable. Any such disposition which shall be a private sale or other private proceedings permitted by such requirements shall be made upon not less than 10 days' prior written notice to Borrower. Any such disposition which shall be a public sale permitted by such requirements shall be made upon not less than 10 days' prior written notice to Borrower. To the extent permitted by any such requirement of law, the Lender may itself bid for and become the purchaser of the Collateral or any item thereof, offered for sale in accordance with this Section without accountability to Borrower (except to the extent of surplus money received as provided in Section 6.3). In the payment of the purchase price therefor, the Lender shall be entitled to have credit on account of the purchase price thereof of amounts owing to the Lender on account of the indebtedness hereby secured and the Lender may deliver the claims for interest on or principal of the Loan or other indebtedness hereby secured in lieu of cash up to the amount which would, upon distribution of the net proceeds of such sale, be payable thereon. If, under mandatory requirements of applicable law, the Lender shall be required to make disposition of the Collateral within a period of time which does not permit the giving of notice to Borrower as hereinabove specified, the Lender need give Borrower only such notice of disposition as shall be reasonably practicable in view of such mandatory requirements of applicable law.

(d) The Lender may proceed to protect and enforce this Security Agreement and the other Loan Documents by suit or suits or proceedings in equity, at law or in bankruptcy, and whether for the specific performance of any covenant or agreement herein contained or in execution or aid of any power herein granted, or for foreclosure hereunder, or for the appointment of a receiver or receivers for the Collateral or any part thereof, for the recovery of judgment for the indebtedness hereby secured or for the enforcement of any other legal or equitable remedy available under applicable law.

(e) The Lender may exercise any one or more of the remedies available under the Loan Agreement or any other Loan Document.

(f) The Lender may deliver to the Equipment Lessees the Notice of Assignment and collect, receive and apply all rents, income, proceeds or other amounts and

benefits from the Collateral, whether or not Lender takes possession of the Collateral or any part thereof.

(g) The Lender may act as, and the Borrower hereby constitutes and appoints Lender, Borrower's true, lawful and irrevocable attorney-in-fact (which appointment is coupled with an interest) to demand, receive and enforce payments and to give receipts, releases, satisfaction for and to sue for moneys payable to the Borrower under or with respect to any of the Collateral, and actions taken pursuant to this appointment may be taken either in the name of the Borrower or in the name of the Lender with the same force and effect as if this appointment had not been made.

Section 6.2 Effect of Sale. Any sale, whether under any power of sale hereby given or by virtue of judicial proceedings, shall operate to divest all right, title, interest, claim and demand whatsoever, either at law or in equity, of the Borrower in and to the property sold and shall be a perpetual bar, both at law and in equity, against the Borrower, its successors and assigns, and against any and all persons claiming the property sold, or any part thereof under, by or through the Borrower, its successors or assigns.

Section 6.3 Application of Sale Proceeds. The proceeds of any sale of the Collateral, or any part thereof, and the proceeds of any remedy hereunder shall be paid to and applied as follows:

(a) First, to the payment of all costs and expenses including those of foreclosure or suit, if any, and of such sale, and of all proper expenses, liability and advances, including legal expenses and reasonable attorneys' fees, incurred or made hereunder, under the Note, or under the Loan Agreement or the other Loan Documents, by the Lender;

(b) Second, to the payment of the amounts then owing or unpaid in respect of the Note and any other amounts owed to the Lender in accordance with the provisions of the Loan Documents; and

(c) Third, to the payment of the surplus, if any, to the Borrower, its successors and assigns, or to whosoever may be lawfully entitled to receive the same.

Section 6.4 Discontinuance of Remedies. In case the Lender shall have proceeded to enforce any right under this Security Agreement by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely, then, and in every such case, the Borrower and the Lender shall be restored to their former respective positions and rights hereunder with respect to the property subject to the security interest created under this Security Agreement.

Section 6.5 Cumulative Remedies. No delay or omission of the Lender to exercise any right or power arising from any default on the part of the Borrower, shall exhaust or impair any such right or power or prevent its exercise during the continuance of such default. No waiver by the Lender of any such default, whether such waiver be full or partial, shall extend to or be taken to affect any subsequent default, or to impair the rights resulting there from except as may be otherwise provided herein. The Lender may exercise any one or more or all of the remedies hereunder and no remedy is intended to be exclusive of any other remedy but each and

every remedy shall be cumulative and in addition to any and every other remedy given hereunder or otherwise existing now or hereafter at law or in equity; nor shall the giving, taking or enforcement of any other or additional security, collateral or guaranty for the payment of the indebtedness secured under this Security Agreement operate to prejudice, waive or affect the security of this Security Agreement or any rights, powers or remedies hereunder, nor shall the Lender be required to first look to, enforce or exhaust such other or additional security, collateral or guaranties.

Section 6.6 Indemnity. The Borrower agrees to indemnify, protect, defend and hold harmless the Lender, its Affiliates and its and their respective assigns, directors, officers, employees, agents and representatives (each an "Indemnified Party") from and against all losses, damages, injuries, liabilities, claims, suits, obligations, penalties, actions, proceedings, judgments, awards, amounts paid in settlement, debts, diminutions in value, fines, penalties, charges, fees, costs, expenses (including reasonable attorneys' fees and expenses and the reasonable expenses of investigation by engineers, environmental consultants and similar technical personnel), interest and demands of any kind or nature whatsoever (all the foregoing are the "indemnified liabilities") that in any way relate to or arise out of, in connection with, or as the result of, any of the Loan Documents, the transactions contemplated thereby or the Collateral, including, without limitation, (a) any personal injury, wrongful death or property damage arising from the operation, use, condition, possession, storage or repossession of any of the Collateral, (b) any claim relating to any laws, rules or regulations, including, without limitation, environmental control, noise and pollution laws, rules or regulations, (c) the entering into or performance of this Security Agreement, the Note, the Loan Agreement or the other Loan Documents, the enforcement of any rights thereunder or the retention by the Lender of a security interest in the Collateral, (d) the selection, manufacture, construction, acquisition, acceptance, delivery, rejection, installation, ownership, lease, maintenance, condition, storage or repossession of any of the Collateral, (e) any patent or copyright infringement, (f) the conduct of the Borrower, ACF Holding or their respective officers, employees, agents, contractors, lessees, licensees or invitee, (g) any misrepresentation or inaccuracy in any representation or warranty of the Borrower or ACF Holding in any Loan Document and (h) any administrative process or proceeding or judicial or other similar proceeding (including, without limitation, any alternative dispute resolution process and any bankruptcy proceeding) in any way connected with any matter addressed in any of the Loan Documents; provided, however, that the Borrower shall have no obligation to so indemnify any Indemnified Party for any indemnified liabilities arising solely from its willful misconduct or gross negligence. The foregoing indemnity shall survive the termination of this Security Agreement and the Loan Agreement and payment in full of the Obligations.

Section 6.7 Costs and Expenses. Any and all fees, costs and expenses, of whatever kind or nature, including the reasonable attorneys' fees and legal expenses incurred by the Lender, in connection with the filing or recording of this Security Agreement, financing statements and other documents (including all taxes in connection with the filing and recording of such documents) in public offices, the payment or discharge of any taxes relating to the Collateral or imposed upon the Borrower, insurance premiums, encumbrances or otherwise protecting, maintaining or preserving the Collateral, or the enforcing, foreclosing, retaking, holding, storing, processing, selling or otherwise realizing upon the Collateral and the Lender's security interest therein, whether through judicial proceedings or otherwise, or in defending or

prosecuting any actions or proceedings arising out of or related to the transaction to which this Security Agreement relates, shall be borne and paid by the Borrower on demand by the Lender and until so paid shall be added to the principal amount of the Loan and shall bear interest at the Default Rate prescribed in the Loan Agreement.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Successors and Assigns. Whenever any of the parties hereto is referred to, such reference shall be deemed to include the successors and assigns of such party; and all the covenants, promises and agreements in this Security Agreement contained by or on behalf of the Borrower or by or on behalf of the Lender shall bind and inure to the benefit of the successors and assigns of such parties whether so expressed or not; provided, however that except in compliance with Section 5.1(h) of the Loan Agreement or through an assignment or transfer to an Affiliate of its rights or obligations under this Security Agreement or any Loan Document, the Borrower may not assign or transfer its rights or obligations hereunder without the prior written consent of the Lender. The Lender may assign, in whole or in part, its rights under this Security Agreement. In addition, the Lender may grant participations in this Security Agreement and the other Loan Documents but the granting of such participations shall not release the Lender from any of its obligations hereunder nor entitle any participant to exercise any of the rights granted to the Lender hereunder or any other Loan Document.

Section 7.2 Entire Agreement. This Security Agreement, together with the Loan Agreement and the other Loan Documents, constitute the entire understanding between the parties with respect to the subject matter hereof. All prior agreements, understandings, representations, warranties and negotiations, if any, are superceded by this Security Agreement and the other Loan Documents, and this Security Agreement and the other Loan Documents constitute the entire agreement between the Borrower and the Lender relating to the subject matter hereof. This Security Agreement cannot be changed or terminated orally.

Section 7.3 Partial Invalidity. The unenforceability or invalidity of any provision or provisions of this Security Agreement shall not render any other provision or provisions herein contained unenforceable or invalid.

Section 7.4 Notices. All notices and communications provided for herein shall be given to such parties, at such addresses and in such manner as is provided in the Loan Agreement.

Section 7.5 Termination. This Security Agreement and the security interest granted hereby shall terminate when the Obligations have been fully and indefeasibly paid or discharged, at which time the Lender shall, at the Borrower's expense, authorize the Borrower to file, execute and deliver to the Borrower at its expense all Uniform Commercial Code termination statements and such similar documents or proper instrument or instruments which the Borrower shall reasonably request to evidence such termination and the release of Collateral including, without limitation, (i) releases in recordable form under the rules of United States Surface Transportation Board and the Canada Transportation Act in the form of the release attached hereto as Exhibit A

and (ii) the omnibus release and termination in the form of the release attached hereto as Exhibit B.

Section 7.6 GOVERNING LAW. THIS SECURITY AGREEMENT SHALL BE DEEMED TO HAVE BEEN MADE UNDER, CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK (OTHER THAN THE CONFLICT OF LAW PRINCIPLES THEREOF); PROVIDED, HOWEVER, THAT THE PARTIES SHALL BE ENTITLED TO ALL RIGHTS CONFERRED BY THE APPLICABLE FEDERAL LAW AND SUCH ADDITIONAL RIGHTS, ARISING OUT OF THE FILING, RECORDING OR DEPOSIT HEREOF, IF ANY.

Section 7.7 Submission to Jurisdiction. The Borrower and the Lender each hereby irrevocably submits to the nonexclusive jurisdiction of the Supreme Court of the State of New York, New York County, of the United States of America, and to the jurisdiction of the United States District Court for the Southern District of New York, for the purposes of any suit, action or other proceeding arising out of this Security Agreement or the subject matter hereof brought by any party or its successors or assigns, and each of the undersigned hereby irrevocably agrees that all claims in respect of such action or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by law, in such Federal court; provided however, any suit seeking enforcement against any Collateral or other property may be brought, at Lender's option, in the courts of any jurisdiction where such Collateral may be found. Each of the undersigned hereby agrees not to assert, by way of motions as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not personally subject to the jurisdiction of the above-named courts, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Security Agreement or the subject matter hereof may not be enforced in or by such courts. The Borrower hereby generally appoints as its attorney-in-fact, to receive service of process in all such action, suit or proceeding, Icahn & Co., Inc., 1 Wall Street Court, New York, New York 10005 (the "Agent for Service of Process"). The Borrower irrevocably consents to the service of process by registered mail, postage prepaid, or by personal service within or without the state of New York. The Borrower agrees that (without prejudice to any other lawful method of service) service of process upon such attorney-in-fact shall constitute valid service upon the Borrower or its successors or assigns. The Borrower also agrees to give the Lender thirty (30) days' advance written notice regarding any change related to the Agent for Service of Process, and so long as any amount remains outstanding and unpaid hereunder, under any Note or the Security Agreement, to maintain an agent in New York County for the receipt of process as aforesaid. To the extent that the Borrower has or hereafter may acquire any immunity from jurisdiction of any court from any legal process (whether through service or notice, attachment prior to judgment, attachment in aid of execution or otherwise) with respect to itself or its property, the Borrower hereby irrevocably waives such immunity in respect of its obligations under this Security Agreement and the other Loan Documents.

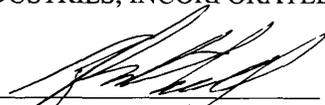
Section 7.8 Counterparts. This Security Agreement may be executed, acknowledged and delivered in any number of counterparts, each of such counterparts constituting an original but all together constituting only one Security Agreement; provided, however, that only the original marked "Original: 1 of 8" on the execution page thereof shall constitute chattel paper under the UCC.

Section 7.9 Waiver of Jury Trial. BY ITS SIGNATURE BELOW WRITTEN EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS SECURITY AGREEMENT, THE OTHER LOAN DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY. THIS WAIVER IS IRREVOCABLE, MEANING THAT IT MAY NOT BE MODIFIED EITHER ORALLY OR IN WRITING, AND THIS WAIVER SHALL APPLY TO ANY SUBSEQUENT AMENDMENTS, RENEWALS, SUPPLEMENTS OR MODIFICATIONS TO THIS SECURITY AGREEMENT, ANY LOAN DOCUMENT, OR TO ANY OTHER DOCUMENT OR AGREEMENT RELATING TO THE TRANSACTIONS CONTEMPLATED BY THIS SECURITY AGREEMENT OR ANY RELATED TRANSACTION. IN THE EVENT OF LITIGATION, THIS SECURITY AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO A TRIAL BY THE COURT.

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IN WITNESS WHEREOF, the parties hereto have executed this Security Agreement as of the day and year first above written.

ACF INDUSTRIES, INCORPORATED

By: 
Name: Robert J. Mitchell
Title: Senior Vice President-Finance

Lombard US Equipment Finance Corporation

By: _____
Name:
Title:

Original: 5 of 8

[Signature Page to Security Agreement between ACF Industries, Incorporated and Lombard US Equipment Finance Corporation]

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

On this 19th day of July, 2002, before me, personally appeared Robert J. Mitchell to me personally known, who being by me duly sworn, says that he resides at Nassau County, New York and is the Senior Vice President of finance 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

DOLORES TOOMEY
Notary Public, State of New York
No. 41-4771811
Qualified in Queens County
Commission Expires May 31, 2006

IN WITNESS WHEREOF, the parties hereto have executed this Security Agreement as of the day and year first above written.

ACF INDUSTRIES, INCORPORATED

By: _____
Name: Robert J. Mitchell
Title: Senior Vice President-Finance

Lombard US Equipment Finance Corporation

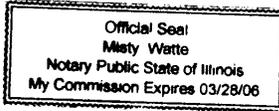
By: Michael G. Nawara
Name: Michael G. Nawara
Title: Sr. Vice President

Original: 5 of 8

[Signature Page to Security Agreement between ACF Industries, Incorporated
and Lombard US Equipment Finance Corporation]

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

On this 19th day of July, 2002, before me, personally appeared Michael G Nawara to me personally known, who being by me duly sworn, says that he resides at 3052 White Eagle Drive, Naperville, IL 60564 and is Senior Vice President of Lombard US Equipment 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.



Misty Wattle

SCHEDULE A

Lessee	Contract	Rptg Mark	Car Number
ADM TRANSPORTATION CO.	77310002	SHPX	204477
ADM TRANSPORTATION CO.	77310002	SHPX	204478
ADM TRANSPORTATION CO.	77310002	SHPX	204479
ADM TRANSPORTATION CO.	77310002	SHPX	204480
ADM TRANSPORTATION CO.	77310002	SHPX	204481
ADM TRANSPORTATION CO.	77310002	SHPX	204482
ADM TRANSPORTATION CO.	77310002	SHPX	204483
ADM TRANSPORTATION CO.	77310002	SHPX	204484
ADM TRANSPORTATION CO.	77310002	SHPX	204485
ADM TRANSPORTATION CO.	77310002	SHPX	204486
ADM TRANSPORTATION CO.	77310002	SHPX	204487
ADM TRANSPORTATION CO.	77310002	SHPX	204488
ADM TRANSPORTATION CO.	77310002	SHPX	204489
ADM TRANSPORTATION CO.	77310002	SHPX	204490
ADM TRANSPORTATION CO.	77310002	SHPX	204491
ADM TRANSPORTATION CO.	77310002	SHPX	204492
ADM TRANSPORTATION CO.	77310002	SHPX	204493
ADM TRANSPORTATION CO.	77310002	SHPX	204494
ADM TRANSPORTATION CO.	77310002	SHPX	204495
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221426
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221427
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221428
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221429
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221430
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221431
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221432
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221433
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221434
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221435
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221436
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221437
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221438
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221439
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221440
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221441
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221442
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221443
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221444
AKZO NOBEL CHEMICALS IN	45100070	SHPX	221445
AKZO NOBEL CHEMICALS IN	45100071	SHPX	204987
AKZO NOBEL CHEMICALS IN	45100071	SHPX	204988
AKZO NOBEL CHEMICALS IN	45100071	SHPX	204989
AKZO NOBEL CHEMICALS IN	45100071	SHPX	204990
AKZO NOBEL CHEMICALS IN	45100071	SHPX	204991
AKZO NOBEL CHEMICALS IN	45100071	SHPX	204992
AKZO NOBEL CHEMICALS IN	45100071	SHPX	204993
AKZO NOBEL CHEMICALS IN	45100071	SHPX	204994
AKZO NOBEL CHEMICALS IN	45100071	SHPX	204995
AKZO NOBEL CHEMICALS IN	45100071	SHPX	204996
AKZO NOBEL CHEMICALS IN	45100071	SHPX	204997

Lessee	Contract	Rptg Mark	Car Number
AKZO NOBEL CHEMICALS IN	45100071	SHPX	204998
AKZO NOBEL CHEMICALS IN	45100071	SHPX	204999
AKZO NOBEL CHEMICALS IN	45100071	SHPX	205000
AKZO NOBEL CHEMICALS IN	45100071	SHPX	205001
AKZO NOBEL CHEMICALS IN	45100071	SHPX	205002
AKZO NOBEL CHEMICALS IN	45100071	SHPX	205003
AKZO NOBEL CHEMICALS IN	45100071	SHPX	205004
CON AGRA INC	42070010	SHPX	204709
CON AGRA INC	42070010	SHPX	204710
CON AGRA INC	42070010	SHPX	204711
CON AGRA INC	42070010	SHPX	204712
CON AGRA INC	42070010	SHPX	204713
CON AGRA INC	42070010	SHPX	204714
CON AGRA INC	42070010	SHPX	204715
CON AGRA INC	42070010	SHPX	204716
CON AGRA INC	42070010	SHPX	204717
CON AGRA INC	42070010	SHPX	204718
CON AGRA INC	42070010	SHPX	204719
CON AGRA INC	42070010	SHPX	204720
CON AGRA INC	42070010	SHPX	204721
CON AGRA INC	42070010	SHPX	204722
CON AGRA INC	42070010	SHPX	204723
CON AGRA INC	42070011	SHPX	204724
CON AGRA INC	42070011	SHPX	204725
CON AGRA INC	42070011	SHPX	204726
CON AGRA INC	42070011	SHPX	204727
CON AGRA INC	42070011	SHPX	204728
CON AGRA INC	42070011	SHPX	204729
CON AGRA INC	42070011	SHPX	204730
CON AGRA INC	42070011	SHPX	204731
CON AGRA INC	42070011	SHPX	204732
CON AGRA INC	42070011	SHPX	204733
CON AGRA INC	42070011	SHPX	204734
CON AGRA INC	42070011	SHPX	204735
CON AGRA INC	42070011	SHPX	204736
CON AGRA INC	42070011	SHPX	204737
CON AGRA INC	42070011	SHPX	204738
CON AGRA INC	42070011	SHPX	204739
CON AGRA INC	42070011	SHPX	204740
CON AGRA INC	42070011	SHPX	204741
CON AGRA INC	42070011	SHPX	204742
CON AGRA INC	42070011	SHPX	204743
CON AGRA INC	42070011	SHPX	204744
CON AGRA INC	42070011	SHPX	204745
CON AGRA INC	42070011	SHPX	204746
CON AGRA INC	42070011	SHPX	204747
CON AGRA INC	42070011	SHPX	204748
LYONDELL CHEMICAL WORLD	77320002	SHPX	204075
LYONDELL CHEMICAL WORLD	77320002	SHPX	204080
PREM COR REFINING	7858	SHPX	205107

Lessee	Contract	Rptg Mark	Car Number
PREMCOR REFINING	7858	SHPX	205110
PREMCOR REFINING	7858	SHPX	205111
PREMCOR REFINING	7858	SHPX	205112
PREMCOR REFINING	7858	SHPX	205113
PREMCOR REFINING	7858	SHPX	205114
PREMCOR REFINING	7858	SHPX	205115
PREMCOR REFINING	7858	SHPX	205116
PREMCOR REFINING	7858	SHPX	205117
PREMCOR REFINING	7858	SHPX	205118
PREMCOR REFINING	7858	SHPX	205119
PREMCOR REFINING	7858	SHPX	205121
RHODIA INC.	71790006	SHPX	204666
RHODIA INC.	71790006	SHPX	204667
RHODIA INC.	71790006	SHPX	204668
RHODIA INC.	71790006	SHPX	204669
RHODIA INC.	71790006	SHPX	204670
RHODIA INC.	71790006	SHPX	204671
RHODIA INC.	71790006	SHPX	204672
RHODIA INC.	71790006	SHPX	204673
RHODIA INC.	71790006	SHPX	204674
RHODIA INC.	71790006	SHPX	204675
RHODIA INC.	71790006	SHPX	204676
RHODIA INC.	71790006	SHPX	204677
RHODIA INC.	71790006	SHPX	204678
RHODIA INC.	71790006	SHPX	204679
RHODIA INC.	71790006	SHPX	204680
RHODIA INC.	71790006	SHPX	204681
RHODIA INC.	71790006	SHPX	204682
RHODIA INC.	71790006	SHPX	204683
RHODIA INC.	71790006	SHPX	204684
RHODIA INC.	71790006	SHPX	204685
RHODIA INC.	71790006	SHPX	204686
RHODIA INC.	71790006	SHPX	204687
RHODIA INC.	71790006	SHPX	204688
RHODIA INC.	71790006	SHPX	204689
RHODIA INC.	71790006	SHPX	204690
RHODIA INC.	71790006	SHPX	204691
RHODIA INC.	71790006	SHPX	204692
RHODIA INC.	71790006	SHPX	204693
RHODIA INC.	71790006	SHPX	204694
RHODIA INC.	71790006	SHPX	204695

141 Cars

Exhibit A to the Security Agreement

RELEASE OF COLLATERAL

This is Release of Collateral (the "Release") dated as of _____, 200_, is entered into by and between ACF INDUSTRIES, INCORPORATED, a New Jersey corporation (the "Borrower") and LOMBARD US EQUIPMENT FINANCE CORPORATION, a New York corporation (the "Lender").

WHEREAS, the Borrower and the Lender, entered into the Security Agreement dated as of _____, 200_ pursuant to which the Borrower assigned, mortgaged, pledged, hypothecated, transferred and set over to the Lender and granted the Lender a first priority lien on and security interest in all of the Borrower's right, title and interest in and to, among other things, certain railroad cars and related leases, to secure a certain loan made to the Borrower pursuant to that certain Term Loan Agreement dated as of June __, 2002 (as amended and supplemented, the "Loan Agreement"), among the Borrower and the Lender.

WHEREAS, the Security Agreement was recorded on _____, 200_ with the Surface Transportation Board, Recordation No. _____, and deposited with the Registrar General of Canada, Recordation No. _____.

NOW, THEREFORE, for good and valuable consideration the parties hereto hereby agree as follows:

1. Release of Security Interest. The Lender hereby releases, and terminates its security interest in, and all of its rights, title and interest in and to the following Collateral described in paragraphs (a), (b) and (c) hereof:

(a) Certain railcars which railcars are more fully described in Schedule A attached hereto (collectively, the "Equipment" or "Items of Equipment" and individually, an "Item of Equipment") together with all accessories, equipment, parts, additions, improvements, accessions, attachments, repairs and appurtenances appertaining or attached to such Equipment, and all substitutions, replacements accumulations or proceeds of any and all of said Equipment, together with all the records, rents, mileage credits earned, issues, income, profits, avails and other proceeds (including insurance proceeds) therefrom.

(b) All right, title, interest, claims and demands of the Borrower in, to and under each and every lease, including, without limitation, the leases set forth on Schedule A hereto, (whether or not such lease is in writing or is for a term certain, including, without limitation, per diem leases) now or hereafter entered into relating to the Equipment but to and only to the extent relating to the Equipment (each such portion of such lease being an "Equipment Lease"), including any extensions of the term of every Equipment Lease, all of Borrower's rights under any Equipment Lease to make determinations, to exercise any election (including, but not limited to, election of remedies) or option or to give or receive any notice, consent, waiver or approval together with full power and authority with respect to any Equipment Lease to demand, receive, enforce, collect or give receipt for any of the foregoing rights or any property which is the

subject of any of the Equipment Leases, to enforce or execute any checks, or other instruments or orders, to file any claims and to take any action which (in the opinion of the Lender) may be necessary or advisable in connection with any of the foregoing insofar, but only insofar as such rights relate to the Equipment which is subject to such Equipment Leases, all records related to the Equipment Leases and all payments due and to become due under any Equipment Lease, whether as contractual obligations, damages, casualty payments, insurance proceeds or otherwise to the extent such payments are derived from the Equipment, together with all proceeds thereof (collectively, the "Equipment Lease Proceeds").

(c) All products and proceeds of any of the property described in (a) or (b) above, including, without limitation, (i) claims against third parties for loss or damage to or destruction of any of the property described in (a) or (b) above, (ii) cash, negotiable instruments and other instruments for the payment of money, chattel paper, security agreement or other documents, all accounts, chattel paper and general intangibles arising out of the sale, transfer or other disposition of any of the property described in (a) or (b) above, and (iii) all of Borrower's rights to receive return of any premiums for or proceeds of any insurance, indemnity, warranty or guaranty with respect to any of the property described in (a) or (b) above.

2. Interpretation. Except as otherwise defined in this Release, terms defined in the Security Agreement or by reference therein or in the Loan Agreement or by reference therein are used herein as defined therein.

3. Counterparts. This Release may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Release by signing any such counterpart.

[Signature page follows]

Exhibit C
to the Security Agreement

SUPPLEMENT NO. ____
TO
SECURITY AGREEMENT - CHATTEL MORTGAGE

SUPPLEMENT No. ____ (this "Supplement") to the Security Agreement - Chattel Mortgage dated as of June __, 2002 (as amended, supplemented or modified from time to time, the "Security Agreement"), by and between ACF INDUSTRIES, INCORPORATED, a New Jersey corporation (the "Debtor"), and LOMBARD US EQUIPMENT FINANCE CORPORATION, a New York corporation, (the "Secured Party").

WHEREAS, the Security Agreement was recorded on June __, 2002 with the Surface Transportation Board, Recordation No. _____, and with the Registrar General of Canada, Recordation No. _____.

1. Definitions. Except as otherwise defined in this Supplement, terms defined in the Security Agreement or by reference therein are used herein as defined therein.
2. Supplements. The Security Agreement shall be amended and supplemented as follows:

(a) Schedule A to the Security Agreement shall be amended and supplemented by Schedule A-1 hereto to include the Replacement Units and the Replacement Leases (relating to the Replacement Units but to and only to the extent relating to the Replacement Units) described on Schedule A-1 hereto, and Schedule A-1 hereto shall be deemed to be an addition to and part of Schedule A to the Security Agreement. As security for the Obligations, the Debtor hereby assigns, mortgages, pledges, hypothecates, transfers and sets over to the Secured Party and grants the Secured Party a first priority lien on and security interest in all of the Debtor's right, title and interest in and to such Replacement Units and such Replacement Leases (relating to such Replacement Units but to and only to the extent relating to such Replacement Units) and agrees that such Replacement Units and such Replacement Leases, together with all related property as described in Sections 2.2, 2.3 and 2.4 of the Security Agreement, shall constitute Collateral subject to the grant of security by the Debtor set forth in Article II of the Security Agreement. Each reference to Schedule A in the Security Agreement, and each reference to Schedule A to the Security Agreement in any other Loan Documents, shall be deemed to be a reference to Schedule A as amended and supplemented by Schedule A-1 hereto. Each reference to Equipment in the Security Agreement and in the other Loan Documents shall be deemed to include, without limitation, the Replacement Units described on Schedule A-1 hereto, and each reference to Equipment Lease in the Security Agreement and the other Loan Documents shall be deemed to include, without limitation, the Replacement Units described on Schedule A-1 hereto. The Debtor hereby authorizes the Lender to execute and file all such documents (including, without limitation, the filing of this Security Agreement and any supplements thereto, and any Uniform Commercial Code Financing Statements or amendments thereto) which the Lender may deem necessary to perfect, protect, or preserve the liens and security interests created hereunder and the Debtor grants to the Lender a power of attorney to sign on behalf of the Debtor, execute and file any such documents.

(b) Schedule A to the Security Agreement shall be amended further by deleting therefrom the Equipment described on Schedule A-2 hereto (the "Released Equipment") and the Released Portions (as defined below) described on Schedule A-2 hereto and the Secured Party hereby agrees that such Released Equipment and the Released Portions shall no longer be included in the Collateral, and hereby releases and terminates its lien on and security interest in, and all of its rights, title and interest, in and to, such Released Equipment and the Released Portions. Schedule A-2 hereto shall be deemed to be a deletion from, and the Released Equipment and the Released Portions described thereon shall cease to be a part of, Schedule A to the Security Agreement. Each reference to Schedule A in the Security Agreement, and each reference to Schedule A to the Security Agreement in any other Loan Documents, shall be deemed to be a reference to Schedule A as amended by Schedule A-2 hereto, and each reference to Equipment or Equipment Leases in any other Loan Documents shall no longer include a reference to the Released Equipment and the Released Portions described on Schedule A-2 hereto.

(c) It is hereby agreed that each reference to the Security Agreement and this Agreement in the Security Agreement, and each reference to the Security Agreement in each of the other Loan Documents, shall be deemed to be a reference to the Security Agreement as amended and supplemented by this Supplement.

3. Release. The Secured Party hereby releases, and terminates its security interest in, and all of its right, title and interest in and to, the following Collateral described in paragraphs (a), (b) and (c) hereof:

(a) The Released Equipment, together with all accessories, equipment, parts, additions, improvements, accessions, attachments, repairs and appurtenances appertaining or attached to such Equipment, and all substitutions, replacements accumulations or proceeds of any and all of said Equipment, together with all the records, rents, mileage credits earned, issues, income, profits, avails and other proceeds (including insurance proceeds) therefrom.

(b) All right, title, interest, claims and demands of the Debtor in, to and under each and every lease, including, without limitation, the leases set forth on Schedule A-2 hereto, (whether or not such lease is in writing or is for a term certain, including, without limitation, per diem leases) now or hereafter entered into relating to the Released Equipment but to and only to the extent relating to the Released Equipment (each such portion of such lease being a "Released Portion" or collectively the "Released Portions"), including any extensions of the term of every Released Portions, all of Debtor's rights under any Released Portions to make determinations, to exercise any election (including, but not limited to, election of remedies) or option or to give or receive any notice, consent, waiver or approval together with full power and authority with respect to any Released Portions to demand, receive, enforce, collect or give receipt for any of the foregoing rights or any property which is the subject of any of the Released Portions, to enforce or execute any checks, or other instruments or orders, to file any claims and to take any action which (in the opinion of the Secured Party) may be necessary or advisable in connection with any of the foregoing insofar, but only insofar as such rights relate to the Released Equipment which is subject to such Released Portions, all records related to the Released Portions and all payments due and to become due under any Released Portions, whether as contractual obligations, damages, casualty payments, insurance proceeds or otherwise to the extent such payments are derived from the Released Equipment,

together with all proceeds thereof .

(c) All products and proceeds of any of the property described in (a) or (b) above, including, without limitation, (i) claims against third parties for loss or damage to or destruction of any of the property described in (a) or (b) above, (ii) cash, negotiable instruments and other instruments for the payment of money, chattel paper, security agreement or other documents, all accounts, chattel paper and general intangibles arising out of the sale, transfer or other disposition of any of the property described in (a) or (b) above, and (iii) all of Debtor's rights to receive return of any premiums for or proceeds of any insurance, indemnity, warranty or guaranty with respect to any of the property described in (a) or (b) above.

(d) Notwithstanding anything contained herein, the Secured Party does not release any of the foregoing property to the extent and only to the extent that it relates to the Equipment and the Equipment Leases that are not described on Schedule A-2 hereto.

4. Ratification. Except as expressly amended and supplemented hereby, the Security Agreement is and shall remain in full force and effect and is hereby ratified, approved and confirmed in all respects, and no amendment or supplement in respect of any term or condition of the Security Agreement shall be deemed to be an amendment or supplement in respect of any other term or condition contained in the Security Agreement or any other Loan Document.

5. Counterparts. This Supplement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Supplement by signing any such counterpart.

[signature page follows]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Supplement in one or more counterparts as of the ____ day of _____, 20__.

ACF INDUSTRIES, INCORPORATED

By: _____
Name: Robert J. Mitchell
Title: Senior Vice President-Finance

LOMBARD US EQUIPMENT FINANCE CORPORATION

By: _____
Name:
Title:

[Signature Page to Supplement No. __]

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

On this ___ day of _____, 200_, before me, personally appeared Robert J. Mitchell, to me known, who being by me duly sworn, says that he resides in Nassau county, New York and is Senior Vice President of 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

STATE OF _____)
) ss.:
COUNTY OF _____)

On this ____ day of _____, 200_, before me, personally appeared _____, to me known, who being by me duly sworn, says that he resides in _____ and is _____ of LOMBARD US EQUIPMENT FINANCE CORPORATION; that said instrument was signed on behalf of said bank 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 bank.

Notary Public

SCHEDULE A-1

[SCHEDULE OF REPLACEMENT UNITS AND REPLACEMENT LEASES]

SCHEDULE A-2

[SCHEDULE OF RELEASED EQUIPMENT AND RELEASED PORTIONS]