

# Form 10-Q

## SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

- ☒ Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.  
For the quarterly period ended March 31, 2004
- ☐ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

**Commission File Number 000-50687**

**ATEL Capital Equipment Fund X, LLC**

(Exact name of registrant as specified in its charter)

**California**

(State or other jurisdiction of  
incorporation or organization)

**68-0517690**

(I. R. S. Employer  
Identification No.)

**600 California Street, 6th Floor, San Francisco, California 94108-2733**

(Address of principal executive offices)

Registrant's telephone number, including area code: (415) 989-8800

Securities registered pursuant to section 12(b) of the Act: None

Securities registered pursuant to section 12(g) of the Act: Limited Liability Company Units

Indicate by a check mark whether the registrant (1) has filed all reports required to be filed by section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The number of Limited Liability Company Units outstanding as of March 31, 2004 was 6,075,101.

### DOCUMENTS INCORPORATED BY REFERENCE

None

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## Part I. FINANCIAL INFORMATION

### Item 1. Financial Statements (unaudited).

#### ATEL CAPITAL EQUIPMENT FUND X, LLC

#### BALANCE SHEETS

MARCH 31, 2004 AND DECEMBER 31, 2003

#### ASSETS

	March 31, 2004 (Unaudited)	December 31, 2003
Cash and cash equivalents	\$ 33,546,348	\$ 22,680,652
Accounts receivable	-	3,179
Prepaid syndication costs	285,002	156,624
Due from affiliate	-	248,428
Investments in leases	16,706,637	14,726,680
Total assets	<u>\$ 50,537,987</u>	<u>\$ 37,815,563</u>

#### LIABILITIES AND MEMBERS' CAPITAL

Accounts payable:		
Managing Member	\$ 545,236	\$ 472,041
Other	1,890	127,131
Unearned operating lease income	165,999	105,728
Total liabilities	<u>713,125</u>	<u>704,900</u>
Members' capital	<u>49,824,862</u>	<u>37,110,663</u>
Total liabilities and members' capital	<u>\$ 50,537,987</u>	<u>\$ 37,815,563</u>

See accompanying notes.

**ATEL CAPITAL EQUIPMENT FUND X, LLC**

**STATEMENTS OF OPERATIONS**

**THREE MONTH PERIODS ENDED  
MARCH 31, 2004 AND 2003  
(Unaudited)**

	<u>2004</u>	<u>2003</u>
Revenues:		
Leasing activities:		
Operating leases	\$ 652,615	\$ -
Direct finance leases	27,537	-
Interest	53,760	-
Other	851	-
	<hr/> 734,763	<hr/> -
Expenses:		
Depreciation of operating lease assets	586,853	-
Amortization of initial direct costs	63,968	-
Professional fees	51,540	-
Cost reimbursements to Managing Member	51,530	-
Asset management fees to Managing Member	29,427	-
Franchise fees and taxes on income	25,000	-
Other	26,963	-
	<hr/> 835,281	<hr/> -
Net loss	<u><u>\$ (100,518)</u></u>	<u><u>\$ -</u></u>
Net income (loss):		
Managing Member	\$ 72,998	-
Other Members	(173,516)	-
	<u><u>\$ (100,518)</u></u>	<u><u>\$ -</u></u>
Net loss per Limited Liability Company Unit	(\$0.03)	\$0.00
Weighted average number of Units outstanding	5,178,906	10

See accompanying notes.

**ATEL CAPITAL EQUIPMENT FUND X, LLC**  
**STATEMENTS OF CHANGES IN MEMBERS' CAPITAL**  
**FOR THE YEAR ENDED DECEMBER 31, 2003**  
**AND FOR THE**  
**THREE MONTH PERIOD ENDED**  
**MARCH 31, 2004**  
**(Unaudited)**

	<u>Other Members</u>		<u>Managing</u>	<u>Total</u>
	<u>Units</u>	<u>Amount</u>	<u>Member</u>	
Balance December 31, 2002	50	\$ 500	\$ 100	\$ 600
Capital contributions	4,483,332	44,833,320	-	44,833,320
Less selling commissions to affiliates	-	(4,034,999)	-	(4,034,999)
Other syndication costs to affiliates	-	(2,491,736)	-	(2,491,736)
Distributions to Members	-	(937,496)	(76,013)	(1,013,509)
Net income (loss)	-	(258,926)	75,913	(183,013)
Balance December 31, 2003	4,483,382	37,110,663	-	37,110,663
Capital contributions	1,591,719	15,917,190	-	15,917,190
Less selling commissions to affiliates	-	(1,432,547)	-	(1,432,547)
Other syndication costs to affiliates	-	(696,624)	-	(696,624)
Distributions to Members	-	(900,304)	(72,998)	(973,302)
Net income (loss)	-	(173,516)	72,998	(100,518)
Balance March 31, 2004	<u>6,075,101</u>	<u>\$ 49,824,862</u>	<u>\$ -</u>	<u>\$ 49,824,862</u>

See accompanying notes.

**ATEL CAPITAL EQUIPMENT FUND X, LLC**

**STATEMENTS OF CASH FLOWS**

**THREE MONTH PERIODS ENDED**

**MARCH 31, 2004 AND 2003**

**(Unaudited)**

	<u>2004</u>	<u>2003</u>
<b>Operating activities:</b>		
Net loss	\$ (100,518)	\$ -
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation of operating lease assets	586,853	-
Amortization of initial direct costs	63,968	-
Changes in operating assets and liabilities:		
Accounts receivable	3,179	-
Prepaid syndication costs	(128,378)	-
Accounts payable, Managing Member	73,195	-
Accounts payable, other	(125,241)	-
Unearned operating lease income	60,271	-
<b>Net cash provided by operating activities</b>	<u>433,329</u>	<u>-</u>
<b>Investing activities:</b>		
Purchases of equipment on operating leases	(2,207,363)	-
Payments of initial direct costs to Managing Member	(482,687)	-
Due from affiliate	248,428	-
Reduction of net investment in direct financing leases	59,272	-
<b>Net cash used in investing activities</b>	<u>(2,382,350)</u>	<u>-</u>
<b>Financing activities:</b>		
Capital contributions received	15,917,190	-
Payment of syndication costs to Managing Member	(2,129,171)	-
Distributions to Other Members	(900,304)	-
Distributions to Managing Member	(72,998)	-
<b>Net cash provided by financing activities</b>	<u>12,814,717</u>	<u>-</u>
<b>Net increase in cash and cash equivalents</b>	10,865,696	-
<b>Cash and cash equivalents at beginning of period</b>	<u>22,680,652</u>	<u>600</u>
<b>Cash and cash equivalents at end of period</b>	<u><u>\$ 33,546,348</u></u>	<u><u>\$ 600</u></u>
<b>Supplemental disclosures of cash flow information:</b>		
Cash paid during the period for interest	<u><u>\$ 511</u></u>	<u><u>\$ -</u></u>

See accompanying notes.

**ATEL CAPITAL EQUIPMENT FUND X, LLC**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2004**  
**(Unaudited)**

**1. Summary of significant accounting policies:**

Basis of presentation:

The accompanying unaudited financial statements have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) for interim financial information and with instructions to Form 10-Q and Article 10 of Regulation S-X. The unaudited interim financial statements reflect all adjustments which are, in the opinion of the Managing Member, necessary to a fair statement of financial position and results of operations for the interim periods presented. All such adjustments are of a normal recurring nature. The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that effect reported amounts in the financial statements and accompanying notes. Therefore, actual results could differ from those estimates. Operating results for the three months ended March 31, 2004 are not necessarily indicative of the results for the year ending December 31, 2004.

These unaudited interim financial statements should be read in conjunction with the financial statements and notes thereto contained in the report on Form 10-K for the year ended December 31, 2003, filed with the Securities and Exchange Commission.

**2. Organization and Limited Liability Company matters:**

ATEL Capital Equipment Fund X, LLC (the Company) was formed under the laws of the state of California on August 12, 2002 for the purpose of acquiring equipment to engage in equipment leasing and sales activities. The Company shall continue until December 31, 2021.

The Company, or the Managing Member on behalf of the Company, will incur costs in connection with the organization, registration and issuance of the Limited Liability Company Units (Units). The amount of such costs to be borne by the Company is limited by certain provisions of the Company's Operating Agreement.

Upon the sale of the minimum amount of Units of Limited Liability Company interest (Units) of \$1,200,000 and the receipt of the proceeds thereof on April 9, 2003, the Company commenced operations.

ATEL Financial Services, LLC (AFS), an affiliated entity, acts as the Managing Member of the Company.

The Company is in its acquisition phase and is making distributions on a monthly and quarterly basis.

**ATEL CAPITAL EQUIPMENT FUND X, LLC**

**NOTES TO FINANCIAL STATEMENTS**

**MARCH 31, 2004**

**(Unaudited)**

**3. Investment in leases:**

The Company's investment in leases consists of the following:

	Balance December 31, <u>2003</u>	<u>Additions</u>	Depreciation / Amortization Expense or Amortization of Direct Financing <u>Leases</u>	Balance March 31, <u>2004</u>
Net investment in operating leases	\$ 12,967,263	\$ 2,207,363	\$ (586,853)	\$ 14,587,773
Net investment in direct financing leases	735,451	-	(59,272)	676,179
Initial direct costs, net of accumulated amortization of \$130,373 in 2004 and \$66,405 in 2003	<u>1,023,966</u>	<u>482,687</u>	<u>(63,968)</u>	<u>1,442,685</u>
	<u><u>\$ 14,726,680</u></u>	<u><u>\$ 2,690,050</u></u>	<u><u>\$ (710,093)</u></u>	<u><u>\$ 16,706,637</u></u>

*Operating leases:*

Property on operating leases consists of the following:

	Balance December 31, <u>2003</u>	<u>Additions</u>	Depreciation <u>Expense</u>	Balance March 31, <u>2004</u>
Mining	\$ 2,000,000	\$ 1,371,097	\$ -	\$ 3,371,097
Materials handling	4,827,588	836,266	-	5,663,854
Data processing	1,046,434	-	-	1,046,434
Manufacturing	<u>5,848,508</u>	<u>-</u>	<u>-</u>	<u>5,848,508</u>
	13,722,530	2,207,363	-	15,929,893
Less accumulated depreciation	<u>(755,267)</u>	<u>-</u>	<u>(586,853)</u>	<u>(1,342,120)</u>
	<u><u>\$ 12,967,263</u></u>	<u><u>\$ 2,207,363</u></u>	<u><u>\$ (586,853)</u></u>	<u><u>\$ 14,587,773</u></u>

The average assumed residual values for assets on operating leases was 20% at March 31, 2004 and December 31, 2003. The weighted average term of the operating leases was 56 months at March 31, 2004 and 57 months at December 31, 2003.



# ATEL CAPITAL EQUIPMENT FUND X, LLC

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2004

(Unaudited)

### 3. Investment in leases (continued):

#### Direct financing leases:

The following lists the components of the Company's investment in direct financing leases as of March 31, 2004:

Total minimum lease payments receivable	\$ 798,982
Estimated residual values of leased equipment (unguaranteed)	9,106
Investment in direct financing leases	808,088
Less unearned income	(131,909)
Net investment in direct financing leases	<u>\$ 676,179</u>

All of the property on leases was acquired in 2003 and 2004.

At March 31, 2004, the aggregate amounts of future minimum lease payments to be received are as follows:

	Operating Leases	Direct Financing Leases	Total
Nine months ending December 31, 2004	\$ 2,324,519	\$ 254,744	\$ 2,579,263
Year ending December 31, 2005	3,099,359	337,764	3,437,123
2006	2,538,709	206,474	2,745,183
2007	2,066,627	-	2,066,627
2008	1,575,103	-	1,575,103
Thereafter	544,945	-	544,945
	<u>\$ 12,149,262</u>	<u>\$ 798,982</u>	<u>\$ 12,948,244</u>

### 4. Related party transactions:

The terms of the Limited Company Operating Agreement provide that AFS and/or affiliates are entitled to receive certain fees for equipment acquisition, management and resale and for management of the Company.

The Limited Liability Company Operating Agreement allows for the reimbursement of costs incurred by AFS in providing services to the Company. Services provided include Company accounting, investor relations, legal counsel and lease and equipment documentation. AFS is not reimbursed for services where it is entitled to receive a separate fee as compensation for such services, such as acquisition and management of equipment. Reimbursable costs incurred by AFS are allocated to the Company based upon an estimate of actual time incurred by employees working on Company business and an allocation of rent and other costs based on utilization studies.

Each of ATEL Leasing Corporation ("ALC"), ATEL Equipment Corporation ("AEC"), ATEL Investor Services ("AIS") and ATEL Financial Services LLC is a wholly-owned subsidiary of ATEL Capital Group and performs services for the Company. Acquisition services are performed for the Company by ALC, equipment management, lease administration and asset disposition services are performed by AEC, investor relations and communications services are performed by AIS and general administrative services for the Company are performed by AFS.

# ATEL CAPITAL EQUIPMENT FUND X, LLC

## NOTES TO FINANCIAL STATEMENTS

MARCH 31, 2004

(Unaudited)

### 4. Related party transactions (continued):

Substantially all employees of AFS record time incurred in performing services on behalf of all of the Companies serviced by AFS. AFS believes that the costs reimbursed are the lower of (i) actual costs incurred on behalf of the Company or (ii) the amount the Company would be required to pay independent parties for comparable administrative services in the same geographic location and are reimbursable in accordance with the Limited Liability Company Operating Agreement.

During the three month periods ended March 31, 2004 and 2003, AFS and/or affiliates earned fees, commissions and reimbursements, pursuant to the Limited Liability Company Operating Agreement as follows:

	<u>2004</u>	<u>2003</u>
Selling commissions (equal to 9% of the selling price of the Limited Liability Company Units, deducted from Other Members' capital)	\$ 1,432,547	\$ -
Reimbursement of other syndication costs to AFS, deducted from Other Members' capital	696,624	-
Asset management fees to AFS	29,427	-
Costs reimbursed to AFS	51,530	-
	<u>\$ 2,210,128</u>	<u>\$ -</u>

### 5. Members' capital:

As of March 31, 2004, 6,075,101 Units were issued and outstanding. The Company is authorized to issue up to 15,000,050 Units, including the 50 Units issued to the Initial Members.

The Company's Net Income, Net Losses, and Distributions, as defined in the Limited Liability Company Operating Agreement, are to be allocated 92.5% to the Other Members and 7.5% to AFS.

Distributions to the Other Members were as follows in the three month period ended March 31, 2004:

Distributions	\$ 900,304
Weighted average number of Units outstanding	5,178,906
Weighted average distributions per Unit	\$0.17

### 6. Commitments:

As of March 31, 2004, the Company had outstanding commitments to purchase lease equipment of approximately \$20,363,000.

## **Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations**

Statements contained in this Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," and elsewhere in this Form 10-Q, which are not historical facts, may be forward-looking statements. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those projected. Investors are cautioned not to attribute undue certainty to these forward-looking statements, which speak only as of the date of this Form 10-Q. We undertake no obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this Form 10-Q or to reflect the occurrence of unanticipated events,

### **Capital Resources and Liquidity**

The Company commenced its offering of Units on March 12, 2003. On April 9, 2003, the Company commenced operations in its primary business (leasing activities). Until the Company's initial portfolio of equipment has been purchased, funds that have been received, but that have not yet been invested in leased equipment, are invested in interest-bearing accounts or high-quality/short-term commercial paper. The Company's public offering provides for a total maximum capitalization of \$150,000,000.

During the funding period, the Company's primary source of liquidity will be subscription proceeds from the public offering of Units. The liquidity of the Company will vary in the future, increasing to the extent proceeds from the offering, cash flows from leases and proceeds of asset sales exceed expenses, and decreasing as lease assets are acquired, as distributions are made to the Members and to the extent expenses exceed cash flows from leases and proceeds from asset sales.

As another source of liquidity, the Company is expected to have contractual obligations with a diversified group of lessees for fixed lease terms at fixed rental amounts. As the initial lease terms expire, the Company will re-lease or sell the equipment. The future liquidity beyond the contractual minimum rentals will depend on AFS's success in re-leasing or selling the equipment as it comes off lease.

Throughout the Reinvestment Period (as defined in the Limited Liability Company Operating Agreement), the Company anticipates reinvesting a portion of lease payments from assets owned in new leasing transactions. Such reinvestment will occur only after the payment of all obligations, including debt service (both principal and interest), the payment of management fees to AFS and providing for cash distributions to the Members. At March 31, 2004, the Company had commitments to purchase lease assets totaling approximately \$20,363,000. No other commitments of capital have been made.

AFS or an affiliate may purchase equipment in its own name, the name of an affiliate or the name of a nominee, a trust or otherwise and hold title thereto on a temporary or interim basis for the purpose of facilitating the acquisition of such equipment or the completion of manufacture of the equipment or for any other purpose related to the business of the Company, provided, however that: (i) the transaction is in the best interest of the Company; (ii) such equipment is purchased by the Company for a purchase price no greater than the cost of such equipment to AFS or affiliate (including any out-of-pocket carrying costs), except for compensation permitted by the Operating Agreement; (iii) there is no difference in interest terms of the loans secured by the equipment at the time acquired by AFS or affiliate and the time acquired by the Company; (iv) there is no benefit arising out of such transaction to AFS or its affiliate apart from the compensation otherwise permitted by the Operating Agreement; and (v) all income generated by, and all expenses associated with, equipment so acquired will be treated as belonging to the Company.

The Company currently has available adequate reserves to meet its immediate cash requirements and those of the next twelve months, but in the event those reserves were found to be inadequate, the Company would likely be in a position to borrow against its current portfolio to meet such requirements. AFS envisions no such requirements for operating purposes.

AFS expects that aggregate borrowings in the future will be approximately 50% of aggregate equipment cost. In any event, the Operating Agreement limits such borrowings to 50% of the total cost of equipment, in aggregate.

If inflation in the general economy becomes significant, it may affect the Company inasmuch as the residual (resale) values and rates on re-leases of the Company's leased assets may increase as the costs of similar assets increase. However, the Company's revenues from existing leases would not increase, as such rates are generally fixed for the terms of the leases without adjustment for inflation.

If interest rates increase significantly, the lease rates that the Company can obtain on future leases will be expected to increase as the cost of capital is a significant factor in the pricing of lease financing. Leases already in place, for the most part, would not be affected by changes in interest rates.

### **Cash Flows**

The Company is currently conducting a public offering of its Units. In 2004, the offering provided most of the Company's cash flows.

In 2004, our primary source of cash from operating sources was rents from operating leases.

During 2004, we used cash in investing activities to purchase operating lease assets and to pay initial direct costs to AFS. Sources of cash from investing activities consisted of rents from direct financing leases.

In 2004, financing sources of cash flows consisted solely of the proceeds of our public offering of Units. We used cash to pay for the costs of the offering and to make distributions to the Members.

### **Results of Operations**

As of April 9, 2003, subscriptions for the minimum amount of the offering (\$1,200,000) had been received and accepted by the Company. As of that date, the Company commenced operations in its primary business (leasing activities). Because of the fact that the initial portfolio acquisitions were not completed at March 31, 2004, the results of operations in 2004 are not expected to be comparable to future periods. After the Company's public offering and its initial asset acquisition stage terminate, the results of operations are expected to change significantly.

In the first quarter of 2004, operations resulted in a net loss of \$100,518. Our primary source of revenues is operating leases. We expect that operating leases will continue to be the primary source of revenues and that the amounts earned will increase as we continue to acquire additional lease assets. Our depreciation expense is directly related to the assets we have on operating leases. We also expect that depreciation expense will increase in future periods in relation to operating lease revenues as we acquire more assets.

Under the terms of the Limited Liability Company Operating Agreement, AFS is entitled certain fees and reimbursements of costs. Asset management fees in the first quarter of 2004 were \$29,427 and costs reimbursements were \$51,530. These amounts are expected to increase in future periods as the operations of the Company expand.

### **Item 3. Quantitative and Qualitative Disclosures of Market Risk.**

Inapplicable.

#### **Item 4. Controls and procedures.**

##### **Evaluation of disclosure controls and procedures**

Under the supervision and with the participation of our management (ATEL Financial Services, LLC as Managing Member of the registrant, including the chief executive officer and chief financial officer), an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures [as defined in Rules 240.13a-14(c) under the Securities Exchange Act of 1934] was performed as of the date of this report. Based upon this evaluation, the chief executive officer and the chief financial officer concluded that, as of the evaluation date, except as noted below, our disclosure controls and procedures were effective for the purposes of recording, processing, summarizing, and timely reporting information required to be disclosed by us in the reports that we file under the Securities Exchange Act of 1934; and that such information is accumulated and communicated to our management in order to allow timely decisions regarding required disclosure.

As disclosed in the Form 10-K for the year ended December 31, 2003, the chief executive and chief financial officer of the Managing Member of the Company had identified certain enhanced controls needed to facilitate a more effective closing of the Company's financial statements. During the first quarter of 2004 and since the end of the quarter, the Managing Member hired a new controller, added additional accounting staff personnel, and has instituted or revised existing procedures in order to ensure that the Company's ability to execute internal controls in accounting and reconciliation in the closing process is adequate in all respects. The Managing Member will continue to review its accounting procedures and practices to determine their effectiveness and adequacy and will take such steps as deemed necessary in the opinion of the Managing Member's chief executive and chief financial officers to ensure the adequacy of the Company's accounting controls and procedures.

The Managing Member's chief executive officer and chief financial officer have determined that no weakness in financial and accounting controls and procedures had any material effect on the accuracy and completeness of the Company's financial reporting and disclosure included in this report.

##### **Changes in internal controls**

There have been no significant changes in our internal controls or in other factors that could significantly affect our disclosure controls and procedures subsequent to the evaluation date nor were there any significant deficiencies or material weaknesses in our internal controls, except as described in the prior paragraphs.

## **PART II. OTHER INFORMATION**

#### **Item 1. Legal Proceedings.**

In the ordinary course of conducting business, there may be certain claims, suits, and complaints filed against the Company. In the opinion of management, the outcome of such matters, if any, will not have a material impact on the Company's financial position or results of operations. No material legal proceedings are currently pending against the Company or against any of its assets.

#### **Item 2. Changes In Securities.**

Inapplicable.

#### **Item 3. Defaults Upon Senior Securities.**

Inapplicable.

**Item 4. Submission Of Matters To A Vote Of Security Holders.**

Inapplicable.

**Item 5. Other Information.**

Information provided pursuant to § 228.701 (Item 701(f))(formerly included in Form SR):

- (1) Effective date of the offering: March 12, 2003; File Number: 333-100452
- (2) Offering commenced: March 12, 2003
- (3) The offering did not terminate before any securities were sold.
- (4) The offering has not been terminated prior to the sale of all of the securities.
- (5) The managing underwriter is ATEL Securities Corporation.
- (6) The title of the registered class of securities is "Units of Limited Liability Company interest."
- (7) Aggregate amount and offering price of securities registered and sold as of March 31, 2004:

<u>Title of Security</u>	<u>Amount Registered</u>	<u>Aggregate price of offering amount registered</u>	<u>Amount sold</u>	<u>Aggregate price of offering amount sold</u>
Limited Company units	15,000,000	\$ 150,000,000	6,075,051	\$ 60,750,510

- (8) Costs incurred for the issuers account in connection with the issuance and distribution of the securities registered for each category listed below:

	<u>Direct or indirect payments to directors, officers, general partners of the issuer or their associates; to persons owning ten percent or more of any class of equity securities of the issuer; and to affiliates of the issuer</u>	<u>Direct or indirect payments to others</u>	<u>Total</u>
Underwriting discounts and commissions	\$ 911,258	\$ 4,556,288	\$ 5,467,546
Other expenses	-	3,188,360	3,188,360
Total expenses	<u>\$ 911,258</u>	<u>\$ 7,744,648</u>	<u>\$ 8,655,906</u>

- (9) Net offering proceeds to the issuer after the total expenses in item 8: \$ 52,094,604

(10) The amount of net offering proceeds to the issuer used for each of the purposes listed below:

	Direct or indirect payments to directors, officers, general partners of the issuer or their associates; to persons owning ten percent or more of any class of equity securities of the issuer; and to affiliates of <u>the issuer</u>	Direct or indirect payments to <u>others</u>	<u>Total</u>
Purchase and installation of machinery and equipment	\$ 1,573,058	\$ 16,975,198	\$ 18,548,256
Working capital	-	33,546,348	33,546,348
	<u>\$ 1,573,058</u>	<u>\$ 50,521,546</u>	<u>\$ 52,094,604</u>

(11) The use of the proceeds in Item 10 does not represent a material change in the uses of proceeds described in the prospectus.

#### Item 6. Exhibits And Reports On Form 8-K.

(a) Documents filed as a part of this report

1. Financial Statement Schedules

All other schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions or are inapplicable, and therefore have been omitted.

2. Other Exhibits

31.1 Certification of Paritosh K. Choksi

31.2 Certification of Dean L. Cash

32.1 Certification Pursuant to 18 U.S.C. section 1350 of Dean L. Cash

32.2 Certification Pursuant to 18 U.S.C. section 1350 of Paritosh K. Choksi

(b) Report on Form 8-K

None

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date:

May 11, 2004

### **ATEL CAPITAL EQUIPMENT FUND X, LLC (Registrant)**

By: ATEL Financial Services LLC  
Managing Member of Registrant

By: /s/ Dean L. Cash  
Dean L. Cash  
President and Chief Executive Officer  
of Managing Member

By: /s/ Paritosh K. Choksi  
Paritosh K. Choksi  
Principal Financial Officer  
of Registrant

By: /s/ Donald E. Carpenter  
Donald E. Carpenter  
Principal Accounting  
Officer of Registrant



## CERTIFICATIONS

I, Paritosh K. Choksi, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ATEL Capital Equipment Fund X, LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant is made known to us by others within the entity, particularly during the period in which this report is being prepared;
  - b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected or is reasonably likely to materially affect the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: May 11, 2004

/s/ Paritosh K. Choksi

Paritosh K. Choksi  
Principal Financial Officer of Registrant,  
Executive Vice President of Managing Member

## CERTIFICATIONS

I, Dean L. Cash, certify that:

1. I have reviewed this quarterly report on Form 10-Q of ATEL Capital Equipment Fund X, LLC;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant is made known to us by others within the entity, particularly during the period in which this report is being prepared;
  - b) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - c) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected or is reasonably likely to materially affect the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: May 11, 2004

/s/ Dean L. Cash

Dean L. Cash

President and Chief Executive Officer of  
Managing Member

**CERTIFICATION**

I, Dean L. Cash, Chief Executive Officer of ATEL Financial Services, LLC, Managing Member of ATEL Capital Equipment Fund X, LLC (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2004 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: 5/11/2004

/s/ Dean L. Cash  
Dean L. Cash  
President and Chief Executive  
Officer of Managing Member

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION**

I, Paritosh K. Choksi, Executive Vice President of ATEL Financial Services, LLC, Managing Member of ATEL Capital Equipment Fund X, LLC (the "Company"), certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

1. The Quarterly Report on Form 10-Q of the Company for the quarter ended March 31, 2004 (the "Report") fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78m); and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: 5/11/2004

/s/ Paritosh K. Choksi

Paritosh K. Choksi  
Executive Vice President of Managing  
Member, Principal Financial Officer of Registrant

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.