

Form 10-QSB

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 September 30, 2002
- 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 000-21552

ATEL Cash Distribution Fund IV, L.P.

(Exact name of registrant as specified in its charter)

California

(State or other jurisdiction of incorporation or organization)

94-3145429

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

235 Pine Street, 6th Floor, San Francisco, California 94104

(Address of principal executive offices)

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

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

DOCUMENTS INCORPORATED BY REFERENCE

None

Part I FINANCIAL INFORMATION

Item 1. FINANCIAL STATEMENTS.

ATEL CASH DISTRIBUTION FUND IV, L.P.

BALANCE SHEET

SEPTEMBER 30, 2002
(Unaudited)

ASSETS

Cash and cash equivalents	\$ 1,938,955
Accounts receivable, net of allowance for doubtful accounts of \$24,383	102,587
Investment in leases	<u>1,244,349</u>
	<u>\$ 3,285,891</u>

LIABILITIES AND PARTNERS' CAPITAL

Accounts payable	\$ 98,656
Unearned operating lease income	<u>80,138</u>
Total liabilities	178,794
Partners' capital:	
General Partner	233,846
Limited Partners	<u>2,873,251</u>
Total partners' capital	<u>3,107,097</u>
	<u>\$ 3,285,891</u>

See accompanying notes.

ATEL CASH DISTRIBUTION FUND IV, L.P.

INCOME STATEMENTS

**NINE AND THREE MONTH PERIODS ENDED
SEPTEMBER 30, 2002 AND 2001
(Unaudited)**

	Nine Months Ended September 30,		Three Months Ended September 30,	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Revenues:				
Lease revenues:				
Operating	\$ 375,883	\$ 491,177	\$ 72,732	\$ 176,164
Direct financing	632,939	507,781	207,512	219,166
Gain on sales of assets	138,108	19,149	127,977	21,065
Interest income	9,489	19,718	2,536	6,119
Other	11,903	1,193	11,610	11
	<u>1,168,322</u>	<u>1,039,018</u>	<u>422,367</u>	<u>422,525</u>
Expenses:				
Cost reimbursements to General Partner	232,221	445,163	96,555	193,879
Depreciation and amortization	339,619	360,895	96,595	111,517
Other	72,920	82,065	17,924	20,797
Interest	10,431	31,749	-	7,898
Professional fees	30,676	26,197	1,036	122
	<u>685,867</u>	<u>946,069</u>	<u>212,110</u>	<u>334,213</u>
Net income	<u>\$ 482,455</u>	<u>\$ 92,949</u>	<u>\$ 210,257</u>	<u>\$ 88,312</u>
Net income:				
General Partner	\$ 4,825	\$ 929	\$ 2,103	\$ 883
Limited Partners	477,630	92,020	208,154	87,429
	<u>\$ 482,455</u>	<u>\$ 92,949</u>	<u>\$ 210,257</u>	<u>\$ 88,312</u>
Net income per Limited Partnership unit	\$0.06	\$0.01	\$0.03	\$0.01
Weighted average number of units outstanding	7,487,350	7,487,350	7,487,350	7,487,350

STATEMENT OF CHANGES IN PARTNERS' CAPITAL

**NINE MONTH PERIOD ENDED
SEPTEMBER 30, 2002
(Unaudited)**

	Limited Partners		General Partner	Total
	<u>Units</u>	<u>Amount</u>		
Balance December 31, 2001	7,487,350	\$ 3,331,557	\$ 229,021	\$ 3,560,578
Distributions to limited partners		(935,936)	-	(935,936)
Net income		477,630	4,825	482,455
Balance September 30, 2002	<u>7,487,350</u>	<u>\$ 2,873,251</u>	<u>\$ 233,846</u>	<u>\$ 3,107,097</u>

See accompanying notes.

ATEL CASH DISTRIBUTION FUND IV, L.P.

STATEMENTS OF CASH FLOWS

**NINE AND THREE MONTH PERIODS ENDED
SEPTEMBER 30, 2002 AND 2001
(Unaudited)**

	Nine Months Ended September 30,		Three Months Ended September 30,	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
Operating activities:				
Net income	\$ 482,455	\$ 92,949	\$ 210,257	\$ 88,312
Adjustments to reconcile net income to net cash provided by operations:				
Depreciation and amortization	339,619	360,895	96,595	111,517
Gain on sales of assets	(138,108)	(19,149)	(127,977)	(21,065)
Changes in operating assets and liabilities:				
Accounts receivable	90,666	2,033,678	28,671	48,055
Bank overdrafts	-	(230,243)	-	-
Accounts payable, General Partner	(48,454)	(32,722)	-	-
Accounts payable, other	(10,583)	(51,970)	(6,151)	(79,396)
Accrued interest	(2,123)	(2,949)	(1,460)	(397)
Unearned operating lease income	36,919	(10,298)	80,138	(37,915)
Net cash from operations	<u>750,391</u>	<u>2,140,191</u>	<u>280,073</u>	<u>109,111</u>
Investing activities:				
Proceeds from sales of lease assets	1,102,822	166,285	701,782	(14,505)
Reduction of net investment in direct financing leases	46,562	331,859	18,989	90,637
Net cash provided by investing activities	<u>1,149,384</u>	<u>498,144</u>	<u>720,771</u>	<u>76,132</u>
Financing activities:				
Distributions to limited partners	(935,936)	(1,331,182)	-	-
Repayment of non-recourse debt	(294,396)	(461,975)	(202,463)	(54,826)
Net cash used in financing activities	<u>(1,230,332)</u>	<u>(1,793,157)</u>	<u>(202,463)</u>	<u>(54,826)</u>
Net increase in cash and cash equivalents	669,443	845,178	798,381	130,417
Cash and cash equivalents at beginning of period	<u>1,269,512</u>	<u>55,445</u>	<u>1,140,574</u>	<u>770,206</u>
Cash and cash equivalents at end of period	<u>\$ 1,938,955</u>	<u>\$ 900,623</u>	<u>\$ 1,938,955</u>	<u>\$ 900,623</u>
 Supplemental disclosures of cash flow information:				
Cash paid for interest	<u>\$ 12,554</u>	<u>\$ 34,698</u>	<u>\$ 1,460</u>	<u>\$ 8,295</u>

See accompanying notes.

ATEL CASH DISTRIBUTION FUND IV, L.P.

NOTES TO FINANCIAL STATEMENTS

**SEPTEMBER 30, 2002 AND 2001
(Unaudited)**

1. Interim financial statements:

The unaudited interim financial statements reflect all adjustments which are, in the opinion of the general partners, 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. These unaudited interim financial statements should be read in conjunction with the most recent report on Form 10K.

2. Investment in leases:

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

	December 31, <u>2001</u>	Depreciation Expense or Amortization <u>of Leases</u>	Reclass- ifications & <u>Dispositions</u>	September 30, <u>2002</u>
Net investment in operating leases	\$ 1,835,915	\$ (331,739)	\$ (930,938)	\$ 573,238
Net investment in direct financing leases	1,325,813	(46,562)	(33,776)	1,245,475
Initial direct costs, net of accumulated amortization of \$104,778 in 2002 and \$111,629 in 2001	18,387	(7,880)	-	10,507
Reserve for losses	<u>(584,871)</u>	-	-	<u>(584,871)</u>
	<u>\$ 2,595,244</u>	<u>\$ (386,181)</u>	<u>\$ (964,714)</u>	<u>\$ 1,244,349</u>

At September 30, 2002, equipment on operating leases consists of the following:

	Balance December 31, <u>2001</u>	<u>Acquisitions</u>	<u>Dispositions & Reclassifications</u>	Balance September 30, <u>2002</u>
		<u>1st Quarter</u>	<u>2nd Quarter</u>	<u>3rd Quarter</u>
Transportation	\$ 2,810,685	\$ (615,914)	\$ (109,859)	\$ (141,657)
Manufacturing	457,670	-	-	-
Materials handling	318,012	-	-	-
Construction equipment	<u>1,756,195</u>	-	-	<u>(1,519,738)</u>
	5,342,562	(615,914)	(109,859)	(1,661,395)
Accumulated depreciation	<u>(3,506,647)</u>	<u>132,240</u>	<u>(35,146)</u>	<u>1,027,397</u>
	<u>\$ 1,835,915</u>	<u>\$ (483,674)</u>	<u>\$ (145,005)</u>	<u>\$ (633,998)</u>
				<u>\$ 573,238</u>

All of the equipment on operating leases was acquired during 1992, 1993, 1994, 1995 and 1996.

ATEL CASH DISTRIBUTION FUND IV, L.P.

NOTES TO FINANCIAL STATEMENTS

**SEPTEMBER 30, 2002 AND 2001
(Unaudited)**

2. Investment in lease assets (continued):

At September 30, 2002, the aggregate amounts of future minimum lease payments are as follows:

	<u>Operating</u>	Direct <u>Financing</u>	<u>Total</u>
Three months ending December 31, 2002	\$ 88,648	\$ 226,500	\$ 315,148
Year ending December 31, 2003	418,017	906,000	1,324,017
2004	-	595,199	595,199
	<u>\$ 506,665</u>	<u>\$ 1,727,699</u>	<u>\$ 2,234,364</u>

4. Related party transactions:

The terms of the Agreement of Limited Partnership provide that the General Partners and/or Affiliates are entitled to receive certain fees for equipment acquisition, management and resale and for management of the Partnership.

The General Partners and/or Affiliates earned the following fees and commissions, pursuant to the Agreement of Limited Partnership as follows:

	<u>2002</u>	<u>2001</u>
Cost reimbursements to General Partner	<u>\$ 232,221</u>	<u>\$ 445,163</u>

5. Partner's capital:

The Fund is authorized to issue up to 7,500,000 Units of Limited Partnership interest in addition to the Initial Limited Partners.

The Fund's Net Profits, Net Losses and Tax Credits are to be allocated 99% to the Limited Partners and 1% to the General Partner.

As more fully described in the Partnership Agreement, available Cash from Operations and Cash from Sales or Refinancing shall be distributed as follows:

First, 5% of Distributions of Cash from Operations to the General Partner as Incentive Management Fees.

Second, the balance to the Limited Partners until the Limited Partners have received aggregate Distributions, as defined, in an amount equal to their Original Invested Capital, as defined, plus a 10% per annum cumulative (compounded daily) return on their Adjusted Invested Capital, as defined.

Third, the General Partner will receive as Incentive Management Fees, the following: (A) 10% of remaining Cash from Operations, as defined, (B) 15% of remaining Cash from Sales or Refinancing, as defined.

Fourth, the balance to the Limited Partners.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Capital Resources and Liquidity

Our primary sources of liquidity during the first nine months of 2002 and 2001 were operating and direct finance lease rents. Liquidity will vary in the future, increasing to the extent cash flows from leases exceed expenses, and decreasing as distributions are made to the Limited Partners and to the extent expenses exceed cash flows from leases.

We currently have available adequate reserves to meet contingencies, but in the event those reserves were found to be inadequate, we would likely be in a position to borrow against our current portfolio to meet such requirements. We envision no such requirements for operating purposes.

As of September 30, 2002, we had borrowed approximately \$38,342,000, all of which has been repaid. Borrowings are to be non-recourse to us, that is, the only recourse of the lender will be to the equipment or corresponding lease acquired or secured with the loan proceeds. We do not expect that there will be additional borrowings in the future.

As of September 30, 2002, we have made no commitments of capital.

If inflation in the general economy becomes significant, it may affect us in that the residual (resale) values and rates on re-leases of our leased assets may increase as the costs of similar assets increase. However, our 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 we 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.

2002 vs. 2001:

Nine months:

During the first nine months of 2002 and 2001, our primary source of operating cash flows was operating and direct financing lease revenues. Our total lease revenues increased by \$9,864 in 2002 compared to 2001.

In 2001, direct financing lease payments were our most important source of financing cash flows. In 2002, the most significant source cash flows from investing activities was the proceeds from the sales of assets. Our proceeds from asset sales are not comparable to prior periods nor are they expected to be comparable to future periods. Direct financing lease rents decreased by \$285,297 compared to 2001.

We had no sources of cash from financing activities in 2002 or in 2001. The cash we used to repay non-recourse debt has decreased due to scheduled debt reductions. We changed the frequency of our distributions to the Limited Partners effective January 1, 2001. Previously, most of the Limited Partners received distributions on a monthly basis. The rest of the Limited Partners received distributions on a quarterly basis. We are now making distributions on an annual basis based on the amount of cash which becomes available for that purpose. As a result, the amounts of cash distributed to the Limited Partners has decreased in 2002 compared to the amount in 2001.

Three months:

Our primary source of cash from operations for the third quarter was lease rents. These lease rents have decreased from the prior year as a result of asset sales during the preceding twelve months.

In 2002, our largest source of cash from investing activities was proceeds from the sales of lease assets. Our primary source of cash flows from financing activities in 2001 was rents from direct financing leases.

We had no sources of cash from financing activities in 2002 or in 2001. Repayments of debt decreased for the same reasons as noted above for the nine month period. We made no distributions to the limited partners in the third quarters of 2002 or 2001.

Results of Operations

Our operations in 2002 resulted in net income of \$482,4552 for the nine month period and \$210,257 for the three month period. In 2001, our operations resulted in net income of \$92,949 for the nine month period and \$88,312 for the three month period.

2002 vs. 2001:

Our operating lease revenues have decreased due to sales and reclassifications of leased assets during the last twelve months. Direct financing lease revenues increased as a larger portion of the lease rents were included in income , as opposed to being accounted for as a recovery of the net investment in direct finance leases.

Depreciation expense is directly related to the amounts of operating lease assets and has decreased from 2001 to 2002 as a result of sales of operating lease assets over the last year.

Internal Controls

As of September 30, 2002, an evaluation was performed under the supervision and with the participation of the Partnership's management, including the CEO and CFO of the General Partner, of the effectiveness of the design and operation of the Partnership's disclosure controls and procedures. Based on that evaluation, the Partnership's management, including the CEO and CFO of the General Partner, concluded that the Partnership's disclosure controls and procedures were effective as of September 30, 2002. There have been no significant changes in the Partnership's internal controls or in other factors that could significantly affect internal controls subsequent to September 30, 2002.

PART II OTHER INFORMATION

Item 1. LEGAL PROCEEDINGS.

No material legal proceedings are currently pending against the Partnership or against any of its assets.

On December 31, 1997, Quaker Coal Company (the Debtor), one of the Partnership's lessees, requested a moratorium on lease payments from January through March 1998. No lease payments were made by the lessee through June 1998, and as a result, the General Partner declared the lease in default. Subsequently, the lessee cured the outstanding payments and eventually satisfied substantially all lease payments due under the lease; however, the General Partner refused to waive the default and insisted on contractual damages. The General Partner filed a suit against the lessee for its contractual damages in the U.S. District Court of Northern California (the "Court"). On June 16, 2000, the lessee filed for protection under Chapter 11 of the U.S. Bankruptcy Code. The amounts of these damages have not been included in the financial statements included in Part I, Item 1 of this report.

The Partnership obtained a stipulation for relief from the automatic bankruptcy stay to allow the Court to issue its ruling, and filed a request to participate on the Official Committee of Unsecured Creditors in the bankruptcy proceedings. The Partnership succeeded upon securing the return of its equipment, which has been liquidated. The Court issued a ruling on March 4, 2001, denying the Partnership's claim for damages. The Debtor subsequently filed a claim against the Partnership, for reimbursement of its legal expenses. The General Partner believes the Court's decision is erroneous as a matter of law, and has filed an appeal of the decision in the U.S. District Court of Appeals.

The Debtor filed a plan of reorganization, which was objected to by several large creditors, including the General Partner. These creditors were also seeking a formal role on the creditors committee or formation of their own committee.

Upon the termination of the Debtor's exclusivity period, competing plans were filed by other creditors to the plan, and voting on the competing plans occurred October 8, 2001. The results of the vote were that, another of the creditor's, American Electric Power's ("AEP") Plan of Reorganization ("AEP Plan") was successful. Under the AEP Plan, the claim of the Partnership has been assigned to a liquidating trustee for resolution and satisfaction from the Debtor's estate.

In January 2002, ATEL attended an appellate settlement conference seeking to resolve the outstanding disputed claim. A reserve has been set aside by the Debtor's liquidating trustee in the amount of \$1.2 million in partial satisfaction of the Partnership's claim, although this claim amount remains in dispute. Currently, the likelihood of recovery of amounts above the payment of the lease rent and the liquidation of the equipment already received remains speculative and highly uncertain.

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.

Inapplicable.

Item 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a)

1. Financial Statements
Included in Part I of this report:

Balance Sheets, September 30, 2002 and December 31, 2001.

Income statements for the nine and three month periods ended September 30, 2002 and 2001.

Statement of changes in partners' equity for the nine month period ended September 30, 2002.

Statements of cash flows for the nine and three month periods ended September 30, 2002 and 2001.

Notes to the Financial Statements

2. 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.

- (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:

November 7, 2002

ATEL CASH DISTRIBUTION FUND IV, L.P. (Registrant)

By: ATEL Financial Corporation
General Partner of Registrant

By: /s/ DEAN L. CASH
Dean L. Cash
President and Chief Executive Officer
of General Partner

By: /s/ PARITOSH K. CHOKSI
Paritosh K. Choksi
Executive Vice President of
Managing Member and
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-QSB of ATEL Cash Distribution Fund IV, LP;
2. Based on my knowledge, this quarterly 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; 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; and
6. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 7, 2002

/s/ PARITOSH K. CHOKSI

Paritosh K. Choksi
Principal financial officer of registrant, Executive
Vice President of General Partner

CERTIFICATIONS

I, Dean L. Cash, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of ATEL Cash Distribution Fund IV, LP;
2. Based on my knowledge, this quarterly 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 quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly 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 quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; 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; and
6. The registrant's other certifying officers and I have indicated in this quarterly report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 7, 2002

/s/ DEAN L. CASH

Dean L. Cash
President and Chief Executive
Officer of General Partner

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly report on Form 10QSB of ATEL Cash Distribution Fund IV, LP, (the "Partnership") for the period ended June 30, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), and pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, I, Dean L. Cash, Chief Executive Officer of ATEL Financial Services, LLC, general partner of the Partnership, hereby certify that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 ; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

Date: November 7, 2002

/s/ DEAN L. CASH
Dean L. Cash
President and Chief Executive
Officer of General Partner

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly report on Form 10QSB of ATEL Cash Distribution Fund IV, LP, (the "Partnership") for the period ended June 30, 2002 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), and pursuant to 18 U.S.C. §1350, as adopted pursuant to §906 of the Sarbanes-Oxley Act of 2002, I, Paritosh K. Choksi, Chief Financial Officer of ATEL Financial Services, LLC, general partner of the Partnership, hereby certify that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934 ; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Partnership.

Date: November 7, 2002

/s/ PARITOSH K. CHOKSI
Paritosh K. Choksi
Executive Vice President of General
Partner, Principal financial officer of registrant