

1046-E

FEB 1 1989 9 AM

REGULATORY COMMISSION

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT dated as of ^{February 2} ~~January 2~~, 1989 is made by and between Itel Rail Holdings Corporation, a Delaware corporation that is successor to Itel Rail Corporation by name change ("Assignor"), and Itel Rail Corporation, a Delaware corporation that was formed in ^{February 1989} ~~January 1989~~ ("Assignee").

1. **Assignment.** For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Assignor hereby assigns to Assignee, effective on the date hereof,

Agreement to Acquire and Lease, dated May 1, 1979, among Itel Corporation, Rail Division, the Connecticut Bank and Trust Company, and General Electric Credit Corporation

and any ancillary agreements to which Itel Rail Holdings Corporation is a party delivered by its predecessors in connection with the foregoing (collectively, the "Operative Agreements") and all of Assignor's right, title and interest in and to each of the Operative Agreements, subject, however, to the obligations contained in, and the terms, covenants, conditions and provisions of, the Operative Agreements. Assignor also hereby assigns to Assignee all of Assignor's right and interest in the railcars subject to the Operative Agreements (the "Railcars") and all of Assignor's right, title and interest in all lease agreements for the lease of the Railcars under which Assignor is the lessor, to the extent they relate to the Railcars (the "Customer Leases").

2. **Assumption.** Assignee hereby assumes, on and after the date hereof, all of Assignor's obligations contained in, and the terms, covenants, conditions and provisions of, the Operative Agreements and the Customer Leases.

3. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to its conflicts of law doctrine.

IN WITNESS WHEREOF, Assignor and Assignee have executed this Agreement on the date first above written.

ITEL RAIL HOLDINGS CORPORATION
(Assignor)

By: Robert Kiehl

Title: VICE PRESIDENT

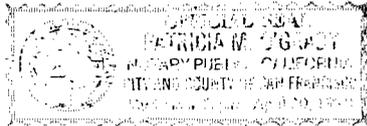
ITEL RAIL CORPORATION
(Assignee)

By: [Signature]

Title: PRESIDENT

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN FRANCISCO)

On this 30th day of January, 1989, before me personally appeared Robert C. Kiehle, to me personally known, who being by me duly sworn says that such person is Vice President of Itel Rail Holdings Corporation, that the foregoing **Assignment and Assumption Agreement** was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Patricia M. O'Grady

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN FRANCISCO)

On this 30th day of January, 1989, before me personally appeared Desmond P. Hayes, to me personally known, who being by me duly sworn says that such person is President of Itel Rail Corporation, that the foregoing **Assignment and Assumption Agreement** was signed on behalf of said corporation by authority of its board of directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Patricia M. O'Grady