file

BRAE CORPORATION

RECORDATION NO. 11498-Y Filed 1425

2-286A013

OCT 13 1982 - 11 30 AM

INTERSTATE COMMERCE COMMISSION

No. OCT 13 1982
Date.....
Fee $. 10.00
ICC Washington, D. C.

October 6, 1982

Ms. Agatha Mergenovich, Secretary
Interstate Commerce Commission
12th & Constitution, Room 2215
Washington, D.C. 20423

Dear Ms. Mergenovich:

Enclosed for filing and recordation pursuant to the provisions of 49 U.S.C. Section 11303 are one original and six copies of the following document:

Assignment of Lease and Agreement dated as of May 26, 1982 between BRAE Corporation and The Connecticut Bank and Trust Company

This document relates to Five GB Type Gondola railcars marked as follows:

IHRC: 335, 362, 376, 388 and 475

The names and addresses of the parties to the transaction evidenced by the document described above are as follows:

TRUSTEE: The Connecticut Bank and Trust Company
One Constitution Plaza
Hartford, CT 06115

LESSOR: BRAE Corporation
Four Embarcadero Center
San Francisco, CA 94111

It is requested that this document be filed and recorded under the names of the parties as set forth above. In view of the fact that it relates to the Equipment Trust Agreement dated as of January 1, 1980 between The Connecticut Bank and Trust Company, as Trustee, and BRAE Corporation previously recorded and assigned recordation number 11498, we request that it be assigned the next letter designation under that primary number.

I also enclose a check in the amount of $10.00 for the required recordation fee.

Please return: (1) your letter acknowledging the filing, (2) a receipt for the $10.00 filing fee paid by check drawn on this firm, (3) the enclosed copy of this letter and (4) the original and five copies of the document, (retaining one copy

for your files) all stamped with your official recordation information.

Very truly yours,

Leann Lloyd
Legal Assistant

Encls.

ORIGINAL

11498 Y

ASSIGNMENT OF LEASE AND AGREEMENT, dated as of May 26, 1982 (this "Assignment"), by and between BRAE CORPORATION, a Delaware corporation ("BRAE"), and THE CONNECTICUT BANK AND TRUST COMPANY, a Connecticut banking corporation, as Trustee (the "Trustee").

WHEREAS BRAE has entered into an Equipment Trust Agreement dated as of January 1, 1980 with the Trustee (such Equipment Trust Agreement, together with any amendments or supplements thereto, being hereinafter called the "Agreement");

WHEREAS BRAE and Indiana Hi-Rail Corporation (the "Lessee") have entered into a lease dated as of May 26, 1982 (such lease, together with any amendments or supplements thereto, hereinafter called the "Lease"), providing, among other things, for the leasing by BRAE to the Lessee of units of the Trust Equipment (capitalized terms used in this Assignment which are not defined herein and which are defined in the Agreement having the respective meanings therein specified);

WHEREAS, the Lease may also cover the leasing to the Lessee of other equipment not included as part of the Trust Equipment;

WHEREAS in order to provide security for the obligations of BRAE under the Agreement and as an inducement to the investor for which the Trustee is acting to purchase Trust Certificates, BRAE, for security purposes, has assigned in Section 4.09 of the Agreement its right, title and interest in, to and under the Lease to the Trustee as and only to the extent that the Lease relates to the Trust Equipment; and

WHEREAS Section 4.09 of the Agreement requires that BRAE execute and deliver to the Trustee this Assignment for the purpose, among other things, of confirming the assignment contained in the Agreement;

NOW, THEREFORE, in consideration of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. BRAE hereby grants, pledges and assigns, to the Trustee, as collateral security for the payment and performance of BRAE's obligations under the Agreement, all of BRAE's right, title and interest as Lessor under the Lease, but only to the extent such right, title and interest relates to the Trust Equipment set forth in Annex A hereto, including, without limitation, all rights to receive and collect all rentals, moneys and proceeds payable to or receivable by BRAE from the Lessee under or pursuant to the provisions of the Lease to the extent that the same are payable in respect of such Trust Equipment, whether as rent, casualty payment, indemnity, liquidated damages or otherwise (such moneys being hereinafter called the "Payments"); provided that, unless an Event of Default under the Agreement shall have occurred and be continuing, BRAE shall be entitled to collect and receive all such Payments and

to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an event of default specified in the Lease, and to apply all such Payments to the payment of any and all of BRAE's obligations under the Agreement and to retain the balance of such Payments, if any. In furtherance of the foregoing assignment, but subject to the foregoing provisions of this paragraph, BRAE hereby irrevocably authorizes and empowers the Trustee in its own name, or in the name of its nominee, or in the name of BRAE or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which BRAE is or may become entitled under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof. Whenever a Lease covers equipment other than Trust Equipment and the amount of any payment due to BRAE under such Lease as car hire payments (including both straight and incentive per diem), mileage charges or other rental revenues is calculated on an aggregate basis for all equipment leased thereunder, an amount equal to the Assigned Fraction (as hereinafter defined) of each such payment shall be deemed for the purposes of this Assignment to be payable with respect to such Trust Equipment leased under such Lease. The term "Assigned Fraction" as used herein shall mean at the time of determination of a fraction the numerator of which shall be the number of units of Trust Equipment then leased under such Lease and the denominator of which shall be the aggregate number of units of equipment (including such units of Trust Equipment) then leased under such Lease.

2. This Assignment is executed only as security for the obligations of BRAE under the Agreement and under the guaranties endorsed on the Trust Certificate. The execution and delivery of this Assignment shall not subject the Trustee to, or transfer, or pass, or in any way affect or modify, the liability of BRAE under the Lease, it being understood and agreed that, notwithstanding this Assignment or any subsequent assignment, all obligations of BRAE to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against BRAE or persons other than the Trustee and the Holders of the Trust Certificates.

3. To protect the security afforded by this Assignment, BRAE agrees as follows:

(a) BRAE will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Lease provides is to be performed by BRAE.

(b) BRAE will not consent to or permit or accept any prepayment or discount of rent or advance rent under the Lease.

(c) In the event that BRAE shall at any time receive any notice or other communication from the Lessee purporting to terminate or in any other way adversely and materially affecting the rights of BRAE under the Lease, BRAE will immediately deliver to the Trustee a copy of such notice or other communication.

(d) At BRAE's sole cost and expense, BRAE will appear in and defend every action or proceeding arising under, growing out of or in any manner connected with the obligations, duties or liabilities of BRAE under the Lease.

(e) Should BRAE fail to make any payment or to do any act which this Assignment requires BRAE to make or do, then the Trustee, without releasing BRAE from any obligation hereunder and after first making (unless an Event of Default under the Agreement shall have occurred and be continuing) written demand upon BRAE and affording BRAE a reasonable period of time within which to make such payment or do such act, may, but shall not be obligated to, make any such payment or do any such act in such manner and to such extent as the Trustee may deem necessary to protect the security provided hereby, including, without limitation, appearing in and defending any action or proceeding purporting to affect the security hereof and the rights or powers of the Trustee and performing and discharging each and every obligation, covenant and agreement of BRAE contained in the Lease; and, in exercising any such powers, the Trustee may pay necessary costs and expenses, employ counsel and incur and pay reasonable attorney's fees, and BRAE will reimburse the Trustee for such costs, expenses and fees.

4. Nothing contained in this Assignment shall in any way limit BRAE's obligations and agreements with respect to the Lease under Section 4.09 of the Agreement.

5. Upon the full discharge and satisfaction of all of BRAE's obligations under the Agreement, the guaranties endorsed on the Trust Certificates and this Assignment, all rights herein assigned to the Trustee shall terminate, and all right, title and interest of the Trustee in and to the Lease shall revert to BRAE, and the Trustee shall take such action as BRAE may reasonably request to confirm BRAE's right, title and interest in and to the Lease.

6. BRAE will, from time to time, do and perform any other act, and will execute, acknowledge, deliver and record, register and file (and will rerecord, re-register or refile whenever required) any and all further instruments required by law or reasonably requested by the Trustee in order to confirm or further assure the interests of the Trustee hereunder.

7. If an Event of Default shall occur and be continuing under the Agreement, the Trustee may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Trustee hereunder. The Trustee will give written notice to BRAE and the Lessee of any such assignment.

8. This Assignment shall be governed by the laws of the State of New York, but the parties shall be entitled to all rights conferred by the laws of the United States of America permitting filing with the Interstate Commerce Commission.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective names, by officers thereunto duly authorized, and their respective seals to be affixed and duly attested, all as of the date first above written.

BRAE CORPORATION

By _____
Title: Executive Vice President

[Corporate Seal]

Attest: _____
Title: Counsel

THE CONNECTICUT BANK AND TRUST COMPANY,
as Trustee

By _____
Title: VICE PRESIDENT

[Corporate Seal]

Attest: _____
Title: Assistant Secretary

ANNEX A

DESCRIPTION OF TRUST EQUIPMENT

PHYSICAL DESCRIPTION	AAR DESIGNATION	IDENTIFICATION NOS.
50'6" 100 ton Gondola-Type and Railcars	GB	IHRC 335, 362, 376, 388, and 475