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11968-B

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

ROBERT W. ALVORD\*  
CHARLES T. KAPPLER  
JOHN H. DOYLE\*  
RICHARD N. BAGENSTOS  
JAMES C. MARTIN, JR.\*

\*ALSO ADMITTED IN NEW YORK  
\*ALSO ADMITTED IN MARYLAND

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Date .....  
Fee \$ .....

ICC Washington, D. C.

RECORDATION NO 11968-B FILED 1425

MAY 10 1989 -2 30 PM May 10, 1989

**INTERSTATE COMMERCE COMMISSION**

Ms. Noreta R. McGee  
Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

9-130A038

MAY 10 2 24 PM '89  
MOTOR OPERATING UNIT

Dear Ms. McGee:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two (2) fully executed original copies of an Assignment and Assumption Agreement dated May 10, 1989, a secondary document.

The Agreement relates to documents filed and recorded under Recordation Number 11968.

The names and addresses of the parties to the enclosed document are:

Assignor: SH Leasing, Inc.  
c/o MGC Leasing Corp.  
666 Fifth Avenue  
New York, New York 10103

Assignee: Citicorp Railmark, Inc.  
c/o Citicorp North America, Inc.  
601 Midland Avenue  
Rye, New York 10580

Also enclosed is a check in the amount of \$13 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return a stamped copy of the enclosed document to Charles T. Kappler, Esq., Alvord and Alvord, 918 Sixteenth Street, N.W., Washington, D.C. 20006

*Charles T. Kappler*

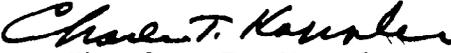
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Ms. Noreta R. McGee  
Secretary  
Interstate Commerce Commission  
May 10, 1989  
Page Two

A short summary of the enclosed secondary document to appear in the Commission's Index is:

Assignment and Assumption Agreement dated May 10, 1984  
between SH Leasing, Inc., Assignor, and Citicorp  
Railmark, Inc., Assignee, covering 26 Model 38-2  
Diesel Electric Locomotives, MP 2238 - MP 2263,  
formerly MP/ROCK 4300 - 4325.

Very truly yours,

  
Charles T. Kappler

RECORDATION NO. 11968-B FILED 1423

MAY 10 1989 - 2 30 PM

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT AND ASSUMPTION AGREEMENT

This is an Assignment and Assumption Agreement dated May 10, 1989 between SH Leasing, Inc., a Delaware corporation ("SH Leasing") and Citicorp Railmark, Inc., a Delaware Corporation ("Citicorp").

BACKGROUND

Equilease Corporation ("Equilease") and Missouri Pacific Railroad Company ("Missouri Pacific") entered into a lease agreement dated as of April 15, 1980, (the "Lease") whereby Equilease agreed to lease certain of its assets, 26 diesel-electric locomotives as more fully described therein, (the "Equipment") to Missouri Pacific. In conjunction with the Lease, Equilease entered into the agreements set forth on Schedule 1 hereto (the "Lease Agreements"). SH Leasing purchased the Equipment from Equilease pursuant to an asset purchase agreement dated as of January 27, 1989 among Equilease, Equilease Marketing Corporation and SH Leasing.

SH Leasing wishes to sell the Equipment and related assets to Citicorp and Citicorp is willing to purchase the Equipment and related assets pursuant to the terms of an Asset Purchase Agreement dated as of May 10, 1989 (the "Asset Purchase Agreement") among SH Leasing, Citicorp, Citicorp North America, Inc. and DC-9-NY-I, Inc. Terms not defined herein are defined in Schedule 1 hereto.

NOW THEREFORE, intending to be legally bound, the parties hereto agree as follows:

Section 1. SH Leasing hereby assigns to Citicorp all of its right, title and interest in and to the Equipment and the Lease Agreements and all benefits due and to become due thereunder arising from and after the closing under the Asset Purchase Agreement, subject to the rights and remedies of the Agent, as assignee of the Vendor's interest under the Conditional Sale Agreement and the Lessor's interest under the Lease.

Section 2. Citicorp hereby accepts such assignment and assumes all of the duties and obligations of SH Leasing under the Lease Agreements arising from and after the closing under the Asset Purchase Agreement with respect to the assets relating to such Lease Agreements, and agrees and confirms that it shall be deemed to be a party to such Lease Agreements from and after the date hereof and agrees to be bound by all of the terms of and to undertake all of the obligations of SH Leasing thereunder from and after the date hereof.

Section 3. SH Leasing for the benefit of Citicorp and the other parties to the Lease Agreements hereby confirms that it shall not be released from any of its obligations or liabilities arising or accruing under the Lease Agreements prior to the closing under the Asset Purchase Agreement with respect to SH Leasing's interest in the Lease Agreements.

Section 4. SH Leasing and Citicorp agree to indemnify and hold each other harmless with respect to obligations under the Lease Agreements pursuant and subject to the terms set forth in the Asset Purchase Agreement.

Section 5. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

Section 6. Upon the execution of this Agreement, Citicorp shall be deemed the owner for all purposes under the Lease Agreements in accordance with the terms thereof and hereof and each reference in the Lease Agreements to or encompassing the owner shall hereafter be deemed to refer to Citicorp.

Section 7. All notices and communications which would have been sent to SH Leasing (as successor to Equilease) under the Lease Agreements or any agreement contemplated thereby, as now or hereafter amended, shall be directed in accordance with the provisions of the Lease Agreements to Citicorp at the following address: c/o Citicorp North America, Inc., 601 Midland Avenue, Rye, New York 10580 Attn: President, Citicorp Railmark, Inc.

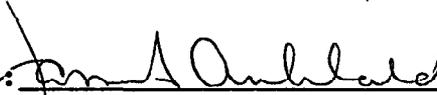
Section 8. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment and Assumption Agreement to be duly executed by their respective duly authorized officers as of the day and year first above written.

SH LEASING, INC.

By:   
Title: V.P.

CITICORP RAILMARK, INC.

By:   
Title: Vice President

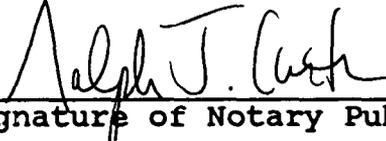
**CORPORATE FORM OF ACKNOWLEDGEMENT**

State of New York

County of New York, ss:

On this 9<sup>th</sup> day of May, 1989 before me personally appeared, Thomas G. Wendel, to me personally known, who being by me duly sworn, says that he is the Senior Vice President of SH Leasing, Inc., that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed 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.

[SEAL]

  
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Signature of Notary Public

**RALPH J. CARTER**  
Notary Public, State of New York  
No. 24-4690483  
Qualified in Kings County  
Certificate Filed in New York County 40  
Commission Expires December 15, 1990

CORPORATE FORM OF ACKNOWLEDGEMENT

State of New York

County of Westchester, ss:

On this 9<sup>th</sup> day of May, 1989 before me personally appeared, James S. Archibald, to me personally known, who being by me duly sworn, says that (s)he is the Vice President of Citicorp Railmark, Inc., ~~that the seal affixed to the foregoing instrument is the corporate seal of said corporation,~~ that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[SEAL]

Thomas A. Matamoros  
Signature of Notary Public

THOMAS A. MATAMOROS  
Notary Public, State of New York  
No. 31-4723452  
Qualified in New York County  
Cert. Filed in Westchester County  
Commission Expires November 20, 1990

## Schedule 1

1. Conditional Sale Agreement dated as of September 16, 1976, as amended April 15, 1980 ("Conditional Sale Agreement"), by and among General Motors Corporation ("Vendor"), Equilease Corporation and Girard Bank, predecessor to Mellon Bank (East), National Association
2. Lease of Railroad Equipment dated as of April 15, 1980 ("Lease"), between Missouri Pacific Railroad Company and Equilease Corporation ("Lessor"), covering 26 Diesel Electric Locomotives
3. Lease Assignment dated as of April 15, 1980, given by Equilease Corporation to Girard Bank, predecessor to Mellon Bank (East) National Association, as Agent ("Agent") for the Paul Revere Life Insurance Company and Erie County Savings Bank
4. Agreement of Guaranty dated as of September 16, 1976, as amended April 15, 1980, by and among General Motors Corporation, Equilease Corporation and Girard Bank, predecessor to Mellon Bank (East), National Association as Agent