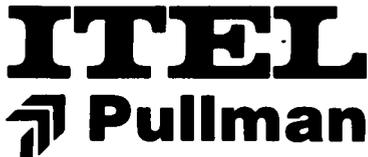


9-033A010



February 2, 1989

**Itel Rail Corporation**

55 Francisco Street  
San Francisco, California 94133  
(415) 984-4000  
(415) 781-1035 Fax

16186

FEB 2 1989 11 05 AM  
INTERSTATE COMMERCE COMMISSION

Hon. Noretta R. McGee  
Secretary  
Interstate Commerce Commission  
Washington, DC 20423

Re: **Assignment and Assumption Agreement dated as of February 2, 1989, between Itel Rail Corporation, as Assignor, and Itel Rail Holdings Corporation, as Assignee**

Dear Ms. McGee:

*\$13.00 filing fee*

On behalf of Itel Rail Corporation, the above instrument, in three (3) counterparts, is hereby submitted for filing and recording pursuant to 49 U.S.C. Section 11303(a), along with the \$13 recordation fee.

Please record this the Agreement under a new recordation number.

The parties to the aforementioned instrument are listed below:

Itel Rail Corporation (Assignee)  
55 Francisco Street  
San Francisco, California 94133

Itel Rail Holdings Corporation (Assignor)  
55 Francisco Street  
San Francisco, California 94133

This Agreement assigns to Assignee all of Assignor's right, title and interest in and to all lease agreements for the lease of railroad rolling stock under which Assignor is the lessor.

Please return to the undersigned the stamped counterparts not required for filing purposes, together with the ICC fee receipt and acknowledgment letter.

Very truly yours,

*patricia schumacker*

Patricia Schumacker  
Legal Assistant

*New No.*

*C. H. Hansen*  
*Christy [unclear]*

FEB 2 1989 11 02 AM

ASSIGNMENT AND ASSUMPTION AGREEMENT  
INTERSTATE COMMERCE COMMISSION

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (the "Agreement") dated as of February 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 incorporated in February 1989 ("Assignee").

1. Assignment. For valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor hereby assigns to Assignee, effective on the date hereof, all of Assignor's right, title and interest in and to all lease agreements for the lease of railroad rolling stock under which Assignor is the lessor, including the Leases (as defined in the Assignment of Lease and Agreement dated as of September 30, 1986, as supplemented, between Assignor [under its previous name] and Heller Financial, Inc.) to the extent such leases relate to the equipment which is owned by Assignor, but excluding leases to the extent such leases relate to the boxcars listed on Exhibit A hereto (each assigned lease individually, a "Customer Lease" and the assigned leases collectively the "Customer Leases"), subject, however, to the obligations contained in, and the terms, covenants, conditions and provisions of, the Customer Leases.

2. Assumption. Assignee hereby assumes and agrees to perform, on and after the date hereof, all of Assignor's obligations contained in, and the terms, covenants, conditions and provisions of, 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 - Finance

ITEL RAIL CORPORATION

(Assignee)

By Robert Kiehl

Title Vice President - Finance

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

On this 16th day of January, 1989, before me personally appeared Robert C. Kiehle, to me personally known, who being by me duly sworn says that he is Vice President-Finance 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 he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Patricia Schumacker  
Notary Public

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

On this 16th day of January, 1989, before me personally appeared Robert C. Kiehle, to me personally known, who being by me duly sworn says that he is Vice President-Finance 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 he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Patricia Schumacker  
Notary Public

EXHIBIT A

CARS EXCLUDED

<u>Reporting Mark</u>	<u>AAR Mech. Designation</u>	<u>Description</u>
MDW 8100-8199 (100 cars)	XP	50'6", 100-ton, 12' plug door boxcars end of car cushioning Plate C, built 1979
MDW 5000-5099 except 5007 and 5042 (98 cars)	XP	"
CIRR 90202-90300 except 90218, 90247 and 90256 (96 cars)	XM	"
MTW 4200-4239, 4241-4268, 4270-4299 VSO 6250-6299 SRN 5200-5209, 5211-5224, 5226-5287, 5289-5299 (245 cars)	XM	50'6", 70-ton boxcars