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ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

RECORDATION NO. 18078-D FILED 1425

MAR 31 1994 - 12 20 PM

INTERSTATE COMMERCE COMMISSION

RECEIVED OFFICE OF THE SECRETARY

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March 31, 1994

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Mr. Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, DC 20423

Dear Mr. Strickland:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are three (3) executed copies of an Assignment and Assumption Agreement, dated as of March 31, 1994, a secondary document as defined in the Commission's Rules for the Recordation of Documents under 49 C.F.R. Section 1177.

The enclosed document relates to the Equipment Lease and the Trust Indenture and Security Agreement, both dated as of December 15, 1992, which were duly filed with the Commission under Recordation Numbers 18078 and 18078-A, respectively.

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

Seller/Assignor: AFG Investment Trust A
AFG Investment Trust B
AFG Investment Trust C
c/o American Finance Group
Exchange Plaza
Boston, Massachusetts 02109

Buyer/Assignee: USL Capital Corporation
733 Front Street
San Francisco, California 94111

A description of the railroad equipment covered by the enclosed documents is:

three hundred (300) hopper cars ATW 9001 through ATW 9300, inclusive.

Also enclosed is a check in the amount of $18.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return one stamped of the enclosed document to the undersigned.

Very truly yours,

Robert W. Alvord

RWA/bg
Enclosures

RECORDATION NO. 18076-D FILED 1425
MAR 31 1994 -12 20 PM
INTERSTATE COMMERCE COMMISSION

ASSIGNMENT AND ASSUMPTION AGREEMENT

ASSIGNMENT AND ASSUMPTION AGREEMENT, dated as of March 31, 1994 (this "Agreement") among AFG Investment Trust A, a Delaware Business Trust, AFG Investment Trust B, a Delaware Business Trust and AFG Investment Trust C., a Delaware Business Trust, ("collectively the Seller"), and USL Capital Corporation, Rail Services a Delaware corporation ("Buyer").

W I T N E S S E T H

WHEREAS, Seller and Buyer are parties to a certain Asset Purchase Agreement dated as of March 31, 1994 (the "Purchase Agreement");

WHEREAS, the Purchase Agreement provides, among other things, for the execution and delivery of an assignment and assumption agreement substantially in the form hereof to effect the Equity Interest Closing (such term, and other capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in Article 1 of the Purchase Agreement) contemplated hereby and by the Purchase Agreement; and

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, all of Seller's right, title and interest in and to the Equity Interests and the rights, duties and obligations of Seller under the Equity Agreements, on the terms and conditions, and subject to the limitations and exclusions, set forth herein and in the Purchase Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. Sale and Assignment. (a) Seller does hereby assign, transfer, sell and convey unto Buyer all of Seller's right, title and interest in and to the Equity Interests and Seller's right and interest under the Equity Agreements, subject to Section 3 hereof.

(b) SELLER MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY MATTER WHATSOEVER CONCERNING THE ASSETS OR THE EQUITY INTERESTS, INCLUDING, WITHOUT LIMITATION, THE SELECTION, QUALITY, OR CONDITION THEREOF, OR, MERCHANTABILITY, SUITABILITY, FITNESS FOR A PARTICULAR PURPOSE, OPERATION, PERFORMANCE OR MAINTENANCE THEREOF OR PATENT INFRINGEMENT OR THE LIKE. EXCEPT, IN EACH CASE, AS IS SPECIFICALLY THE SUBJECT OF A REPRESENTATION OR WARRANTY BY THE SELLER SET FORTH IN THE PURCHASE AGREEMENT OR IN SECTION 1(c) HEREOF.

(c) Seller represents, warrants and confirms as to itself (i) that the conveyance of the Equity Interests by Seller pursuant hereto will not violate any provision of, or create a relationship which would be in violation of, applicable law; (ii) Seller has performed in full under each Equity Agreement, is not in breach of any covenant, obligation, duty or condition to be performed or observed by it under any such agreements and is not in default thereunder; (iii) Seller has not received any notice or claim by any other party to any such agreement or any dispute thereunder which is currently pending; (iv) to the best of Seller's knowledge no event which notice or passage of time of both has occurred which would give right to a default or Event of Default by any of the parties under the Equity Agreement or the Lease and no such person is in bankruptcy or breach of any covenant, obligation, duty or condition to be performed by it; and (v) the total amount of principal outstanding under the Indenture (as that term is defined in the Participation Agreement) is Seven Million Eight Hundred Fifteen Thousand Seven Hundred Seventy Eight Dollars ($7,815,778.00).

SECTION 2. Assumption. (a) Buyer hereby assumes all of the duties and obligations of Seller under the Lease Transaction Documents arising or accruing before, on or after the date hereof. Buyer (i) confirms that it has the requisite corporate power and authority to enter into and carry out the transactions contemplated by the Lease Transaction Documents and (ii) agrees that it shall be bound by all the terms of, and shall undertake all the obligations of the Seller contained in, the Lease Transaction Documents, whether arising prior, on or subsequent to the date hereof.

(b) Nothing herein, in the Purchase Agreement or elsewhere is, or is to be construed as, an assumption or guarantee by the Buyer of the indebtedness represented by the Notes and the Bonds (as each such term is defined in the Lease Transaction Documents).

SECTION 3. Reserved Rights. (a) Buyer and Seller recognize and agree that Seller will continue to be entitled to all benefits accrued to, and all rights vested in, the "Owner Participant" (as such) pursuant to any and all Lease Transaction Documents in respect of the period prior to the Closing Date, including, without limitation, all rights to indemnification in respect of tax and other matters; provided that Seller shall continue to be liable for, and agrees to hold Buyer harmless on an after-tax basis from and against, any payment obligations of the Owner Participant (or any person claiming by, through or under it) pursuant to the Lease Transaction Documents relating to the period prior to the Closing Date. Seller shall retain all accrued benefits and vested rights, all benefits and/or rights in respect of Basic Rent which have accrued but are not yet due and payable as of the Closing Date, provided that Buyer shall be liable for, and agrees to hold Seller harmless on a after-tax basis from and against any Losses, liabilities or payment obligations of the Owner Participant (or any person claiming by, through or under it) pursuant to the Lease Transaction Documents, relating to events occurring on or after the Closing Date. Buyer agrees that, in all matters relating to any such rights, it shall act in a manner consistent with, and not in derogation of, any rights of Seller as predecessor "Owner Participant" or "equity investor" under such Lease Transaction Documents. Without limiting the generality of the foregoing, Seller and Buyer

agree to take all action reasonably necessary to facilitate the realization by both of their respective rights under each Lease Transaction Document.

(b) If Buyer shall receive any amount under any Lease Transaction Document or otherwise relating to the transactions contemplated thereby to which Seller is entitled as indemnitee or in respect of Basic Rent with respect to the period prior to the Closing Date ("Prior Claims"), it shall promptly remit such amount to Seller (together with, to the extent not paid over within five Business Days, interest at the then applicable average rate for federal funds from the date of receipt by Buyer to the date of payment to Seller) and until so delivered any such amount received by Buyer shall be received and held in trust by Buyer for the benefit of Seller. If Seller shall receive any amount relating to any Lease Transaction Document or any of the transactions contemplated thereby (other than any amount received in respect of a Prior Claim) , Seller shall promptly remit such amount to Buyer (together with, to the extent not paid over within five Business Days, interest at the then applicable average rate for federal funds from the date of receipt by Seller to the date of payment to Buyer), and until so delivered any such amount received by Seller it shall be received and held in trust by Seller for the benefit of Buyer.

SECTION 4. Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their successors and assigns.

SECTION 5. Governing Law. THIS AGREEMENT, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE, SHALL IN ALL RESPECTS BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF CALIFORNIA APPLICABLE TO CONTRACTS MADE IN SUCH STATE AND TO BE PERFORMED ENTIRELY WITHIN SUCH STATE, WITHOUT GIVING EFFECT TO PRINCIPLES RELATING TO CONFLICTS OF LAW.

SECTION 6. Counterparts; Effective Date. This Agreement may be executed by the parties as hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. This Agreement shall become effective as of the later of the dates set forth below under the signatures of the officers of the parties hereto on the execution page hereof.

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year set forth below under the signatures of their respective officers.

SELLER: AMERICAN FINANCE GROUP, a Massachusetts General Partnership

By: _____
Name: Eileen Waters
Title: Manager

Dated: March 25, 1994

AFG INVESTMENT TRUST A

By: _____
Managing Trustee

Dated: March 25, 1994

AFG INVESTMENT TRUST B

By: _____
Managing Trustee

Dated: March 25, 1994

AFG INVESTMENT TRUST C

By: _____
Managing Trustee

Dated: March 25, 1994

BUYER: USL CAPITAL CORPORATION, acting through its Rail Services Group

By: _____
Peter M. Jones
President and General Manager
Rail Services Group

Dated: March __, 1994

STATE OF MASSACHUSETTS)

:

COUNTY OF SUFFOLK)

On this 25th day of March, 1994, before me personally appeared Eileen P. Waters, to me personally known, who, being by me duly sworn, did say that she is an Authorized Signer of American Finance Group: that the foregoing instrument was signed on behalf of said company by authority of its Executive Committee; and that she acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

[SEAL]

Signature of Notary Public

My Commission Expires: SANDRA A. GUADAGNO, Notary Public My Commission Expires 4/3/98

STATE OF MASSACHUSETTS)

:

COUNTY OF SUFFOLK)

On this 25th day of March, 1994, before me personally appeared Eileen P. Waters, to me personally known, who, being by me duly sworn, did say that she is an Authorized Signer of AFG ASIT Corporation, Managing Trustee of AFG Investment Trust A, AFG Investment Trust B and AFG Investment Trust C: that the foregoing instrument was signed on behalf of said corporation by authority of its Directors' Written Consent to Action; and that she acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

[SEAL]

Signature of Notary Public

My Commission Expires: SANDRA A. GUADAGNO, Notary Public My Commission Expires 4/3/98

IN WITNESS WHEREOF, the parties hereto have each caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the day and year set forth below under the signatures of their respective officers.

SELLER: AMERICAN FINANCE GROUP, a Massachusetts General Partnership

By: James F. Livesey
Name: JAMES F. Livesey
Title: Vice President

Dated: March 25, 1994

AFG INVESTMENT TRUST A

By: [James F. Livesey]
Managing Trustee

Dated: March 25, 1994

AFG INVESTMENT TRUST B

By: [James F. Livesey]
Managing Trustee

Dated: March 25, 1994

AFG INVESTMENT TRUST C

By: [James F. Livesey]
Managing Trustee

Dated: March 25, 1994

BUYER: USL CAPITAL CORPORATION, acting through its Rail Services Group

By: [signature]
Peter M. Jones
President and General Manager
Rail Services Group

Dated: March 31, 1994

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

On this **30th** day of **March, 1994**, before me, **JACQUELINE Y. WITHERSPOON,** Notary Public, personally appeared **PETER M. JONES,** personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Jacqueline Y. Witherspoon
Notary Public

JACQUELINE Y. WITHERSPOON
COMM. # 1016657
Notary Public — California
SAN FRANCISCO COUNTY
My Comm. Expires FEB 15, 1998