

ALVORD AND ALVORD

ATTORNEYS AT LAW

918 SIXTEENTH STREET, N.W.

SUITE 200

WASHINGTON, D.C.

20006-2973

(202) 393-2266

FAX (202) 393-2156

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

OF COUNSEL  
URBAN A. LESTER

January 3, 1995

12864-D, E & F  
JAN 3 1995 - 1:10 PM  
FEDERAL BUREAU OF INVESTIGATION

Mr. Vernon A. Williams  
Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are ~~two (2)~~ <sup>three (3)</sup> copies of each of the following documents: Assignment and Assumption Agreement, dated as of December 22, 1994; and Partial Release of Conditional Sale Agreement and Partial Lease Termination, both dated as of January 3, 1995, all being secondary documents as defined in the Commission's Rules for the Recordation of Documents under 49 C.F.R. Section 1177.

The enclosed documents relate to the Conditional Sale Agreement, the Lease of Railroad Equipment and other secondary documents, all of which have been duly filed with the Commission under one of the following Recordation Number 12864.

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

Assignment and Assumption Agreement

Assignor: Security Pacific Equipment Leasing, Inc.  
4 Embarcadero Center  
San Francisco, California 94111

Assignee: BA Leasing & Capital Corporation  
4 Embarcadero Center  
San Francisco, California 94111

*County of Santa Clara*

Mr. Vernon A. Williams  
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Partial Release of Conditional Sale Agreement

Agent: The Bank of New York  
(successor to Mercantile-Safe Deposit  
and Trust Company)  
101 Barclay Street  
New York, New York 10286

Vendee: BA Leasing & Capital Corporation  
(successor to Security Pacific Equipment  
Leasing, Inc.)  
4 Embarcadero Center  
San Francisco, California 94111

Partial Lease Termination

Lessor: BA Leasing & Capital Corporation  
4 Embarcadero Center  
San Francisco, California 94111

Lessee: The Dow Chemical Company  
2020 Dow Center  
Midland, Michigan 48674

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

covered hopper cars DOWX 2711 - DOWX 2757.

Also enclosed is a check in the amount of \$63.00 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return one stamped copy of each of the enclosed documents to the undersigned.

Very truly yours,



Robert W. Alvord

REGISTRATION NO. 12864-D  
JAN 2 1995 11:50 PM

(Dow 8A)

**ASSIGNMENT AND ASSUMPTION AGREEMENT**

This **ASSIGNMENT AND ASSUMPTION AGREEMENT**, dated as of December 22, 1994, is between **Security Pacific Equipment Leasing, Inc.**, a Delaware corporation ("Assignor") and **BA Leasing & Capital Corporation**, a California Corporation ("Assignee").

**RECITAL**

Assignor wishes to assign, transfer, and convey to Assignee, and Assignee wishes to receive and accept, all of Assignor's right, title and interest in and to the owner interests described in Appendix 1 (the "Owner Interests"), relating to the beneficial interest in the railcar equipment described therein.

**ACCORDINGLY**, the parties agree as follows:

Section 1. Assignment of Owner Interests. Assignor assigns, transfers and conveys to Assignee, as of the date hereof, all its right, title and interest in, to and under the Owner Interests. Assignee accepts and receives all such right, title and interest in, to and under the Owner Interests.

Section 2. Assumption of Liabilities. Assignee assumes all of the duties and obligations of Assignor hereafter accruing or arising incident to the Owner Interests. Assignee confirms that as of the date hereof it shall be deemed a party to those agreements set forth in Appendix 1 to which Assignor is a party, and Assignee agrees to be bound by all the terms of, and to undertake all the obligations of, Assignor contained therein.

Section 3. Exception. Notwithstanding the foregoing, Assignor shall be entitled to pursue claims accruing or arising incident to its interests in the Owner Interests on or before the date hereof, and all its rights and remedies related to such claims, for (a) payments of indemnity now or hereafter due under the agreements related to the Owner Interests from any obligor thereunder, and/or (b) insurance payments or proceeds, provided, however, that any obligor's liability for such claims shall not exceed the liability it would have incurred if the assignment

had not been made.

Section 4. Miscellaneous. Each party to this Agreement shall execute and deliver such instruments, documents and other written information and take such other actions as the other party may reasonably require in order to carry out the intent of this Agreement. This Agreement and all the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one instrument. This Agreement is made and entered into in California, and the laws of California shall govern the validity and interpretation hereof and the performance by the parties hereto of their respective duties and obligations.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement.

**SECURITY PACIFIC EQUIPMENT LEASING, INC.**

By: Wayne Leo  
Its: Vice President

**BA LEASING & CAPITAL CORPORATION**

By: Wayne Leo  
Its: Vice President

OWNER INTERESTS

All right, title and interest of Security Pacific Equipment Leasing, Inc. as Owner Participant under the Participation Agreement dated as of January 1, 1981, (the "Participation Agreement") among itself ("Vendee"); Dow Chemical Company ("Lessee"); Bank of New York (successor to Mercantile-Safe Deposit Bank and Trust Company) ("Agent") and the parties named in Schedule A thereto ("Investors"), in, to and under:

1. The Participation Agreement relating to the acquisition and leasing of certain units of railroad equipment described below, and all other documents and agreements relating thereto, including without limitation:

(a) the Conditional Sale Agreement, dated as of January 1, 1981 referred to therein;

(b) the Lease of Railroad Equipment, dated as of January 1, 1981 referred to therein;

(c) All other documents, agreements, certificates and opinions delivered pursuant to the above agreements, and all amendments thereof and supplements hereto.

2. The equipment consisting of railroad tank cars and hopper cars, as further described in the Lease of Railroad Equipment referred to above, together with any and all replacement parts, alterations, modifications and additions thereto.

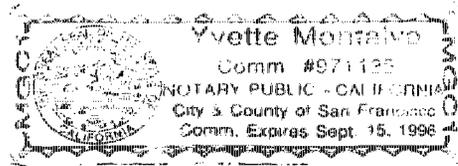
3. All other assets that comprise the collateral under any of the above agreements.

STATE OF California )  
 ) ss.:  
COUNTY OF San Francisco )

On this 22<sup>ND</sup> day of December 1994, before me personally appeared WAYNE LEO, to me personally known, who, being by me duly sworn, says that he is a VICE PRESIDENT of SECURITY PACIFIC EQUIPMENT LEASING, INC., that said instrument 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.

Yvette Montaivo  
Notary Public

[Notarial Seal]  
My Commission expires



STATE OF California )  
 ) ss.:  
COUNTY OF San Francisco )

On this 22<sup>ND</sup> day of December 1994, before me personally appeared WAYNE LEO, to me personally known, who, being by me duly sworn, says that he is a VICE PRESIDENT of BA Leasing & Capital Corporation, that said instrument 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.

Yvette Montaivo  
Notary Public

[Notarial Seal]  
My Commission expires

