

OSTER

Researching Services

12897 Colonial Dr • Mt Airy, Md 21771
301-253-6040

20282 -A

SEP 30 1996 9 02 AM

INDEPENDENT REGISTRATION COMMISSION

September 30, 1996

Mr. Vernon Williams
Secretary
Surface Transportation Board
12th & Constitution Avenue, N.W.
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recording with the Surface Transportation Board is a
Assignment and Assumption Agreement dated 9/23/96 between the
following parties:

Assignor: NorRail, Inc.
308 12th Avenue South
Buffalo, MN 55313

Assignee: FBS Business Finance Corporation
601 Second Avenue South
Minneapolis, MN 55402

Please record this agreement as a secondary document to STB
Recordation # 20282. The filing fee of \$22 is enclosed.

Thank you for your assistance.

Sincerely,

Mary Ann Oster

Mary Ann Oster
Research Consultant

Enclosures

Courtesy of Mary Ann Oster

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20425-0001

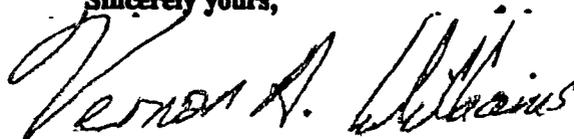
9/30/96

Mary Ann Oster
Research Consultant
Oster Researching Services
12897 Colonial Drive
Mt. Airy, MD., 21771

Dear Madam:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 9/30/96 at 9:05AM, and assigned recordation number(s). 20282, 20282-A, 20282-B, 18976-CC, 19740-I, 19740-J and 19740-K.

Sincerely yours,

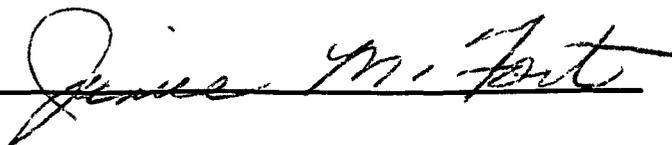


Vernon A. Williams
Secretary

Enclosure(s)

\$ 154.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



20282 *A*
SEP 30 1996 10:07 AM

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (the "Assignment") is made and entered into as of September 23, 1996, by FBS BUSINESS FINANCE CORPORATION, a Delaware corporation (the "Assignee") and NORRAIL, INC., a Minnesota corporation (the "Assignor")

WHEREAS, Assignor has a perfected security interest in certain items of railroad equipment (the "Equipment") which Equipment is being lease purchased by Dakota, Minnesota & Eastern Railroad Corporation pursuant to a Railcar Lease Agreement, dated as of April 29, 1996 (the "Lease"), and

WHEREAS, pursuant to a certain Purchase and Sale Agreement (the "Purchase Agreement") of even date herewith, Assignor has agreed to sell and Assignee has agreed to purchase certain Assets, including but not limited to all of Assignor's right, title, and interest in the Lease and the Equipment (as such terms are defined in the Purchase Agreement), and

WHEREAS, with respect to periods on and after the date of execution and delivery of this Assignment Agreement, Assignee desires to acquire from Assignor and Assignor desires to sell to Assignee its right, title, and interest to the Assets, and Assignee is willing to assume all of Assignor's Obligations (as such terms are defined in the Purchase Agreement),

NOW, THEREFORE, in consideration of the promises herein made and subject to the terms and conditions herein set forth, the parties hereto agree as follows

1 Definitions Capitalized terms used but not defined herein shall have the meanings specified in the Purchase Agreement

2 Assignment Assignor hereby sells, assigns, transfers, and conveys to Assignee all of Assignor's right, title, and interest in and to the Assets with respect to periods on and after the date of execution and delivery of this Agreement

3 Assumption Assignee hereby accepts the foregoing assignment, and with respect to periods on and after the execution and delivery of this Assignment Agreement, for the benefit of Assignor and each of the other parties having interests in the Lease and other agreements comprising the Contract Rights, hereby consents that it shall be a party to the Lease and other agreements comprising the Contract Rights, and Assignee hereby assumes all of Assignor's Obligations and agrees, to such extent, to be bound by all of the terms of such agreements

4 Counterparts This Assignment Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument

5 Successors and Assigns The terms of this Assignment Agreement shall be binding upon, and shall inure to the benefit of, the parties hereto, and their respective successors and assigns

6 Governing Law This Assignment Agreement shall be construed and enforced in accordance with the laws of the State of Minnesota

7 Further Assurances Each party agrees that from time to time after the date hereof it shall execute and deliver, or cause to be executed and delivered, such instruments, documents, and papers, and take all such further action, as may be reasonably required in order to consummate more effectively the purposes of this Assignment Agreement and to implement the transactions contemplated hereby Assignor covenants and agrees to cooperate with Assignee in connection with any litigation arising with respect to the Assets

IN WITNESS WHEREOF, the parties hereto have caused this Assignment Agreement to be duly executed and delivered on the day and year first above written

ASSIGNOR

NORRAIL, INC.

By

Its



ASSIGNEE

FBS BUSINESS FINANCE CORPORATION

By

Its



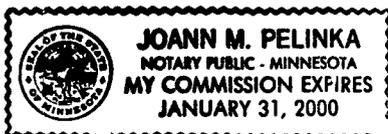
Jacqueline P. Barragan
Commercial Associate

STATE OF MINNESOTA

COUNTY OF WRIGHT

On this 23RD day of Sept, 1996, before me personally came Russell S. Adams to me known, who, being by me duly sworn, did depose and say that he is the V.P. Sales of Noe Rail, Inc, a MINNESOTA corporation, and he acknowledged to me that he executed the foregoing document on behalf of said corporation by order of its Board of Directors and that such document was the free act and deed of said corporation

Witness my hand and official seal



Joann M. Pelinka
Notary Public in and for said State

My commission expires 1/31/2000

STATE OF MINNESOTA

COUNTY OF HENNEPIN

On this 23RD day of September, 1996, before me personally came JACQUELINE A. BARRON to me known, who, being by me duly sworn, did depose and say that he is the COMMERCIAL ASSOCIATE of FBS BUSINESS FINANCE CORP, a DELAWARE corporation, and he acknowledged to me that he executed the foregoing document on behalf of said corporation by order of its Board of Directors and that such document was the free act and deed of said corporation

Witness my hand and official seal



Michael N. Steinhoffer
Notary Public in and for said State

My commission expires 01-31-2000