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ELIAS C. ALVORD (1942)
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OF COUNSEL
URBAN A. LESTER

September 2, 1994

RECORDATION NO. **18246-D** FILED 1425

SEP 2 1994 - 11 35 AM

INTERSTATE COMMERCE COMMISSION

Mr. Vernon A. Williams
Acting 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 four (4) copies of a Assignment and Assumption Agreement, dated as of September 1, 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 Memorandum of Lease of Railroad Equipment duly filed with the Commission under Recordation Number 18246.

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

Seller : HM Joint Venture
Helm Financial Corporation
One Embarcadero Center, Suite 3500
San Francisco, California 94111

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

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

300 gondola cars bearing reporting marks and road numbers HMJX 101-
HMJX 400.

W. C. M. Lester

Mr. Vernon A. Williams
September 2, 1994
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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 three stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "R. Alvord", written in a cursive style.

Robert W. Alvord

RWA/bg
Enclosures

SEP 2 1994 -11 25 AM

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT AND ASSUMPTION AGREEMENT

ASSIGNMENT AND ASSUMPTION AGREEMENT, dated as of September 1, 1994 (this "Agreement") between HM JOINT VENTURE, a Kentucky joint venture, HELM FINANCIAL CORPORATION, a California corporation (jointly and severally referred to herein as the "Seller") and USL CAPITAL CORPORATION, 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 September 1, 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 Sale of the Assets (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 Assets 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 Assets, 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 Assets 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 the Lease, 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 Lease and no such Lessor is in bankruptcy or breach of any covenant, obligation, duty or condition to be performed by it.

SECTION 2. Assumption. Buyer hereby assumes all of the duties and obligations of Seller under the Lease 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 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 on or subsequent to the date hereof.

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 Seller pursuant to the Lease 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 Seller (or any person claiming by, through or under it) pursuant to the Lease relating to the period prior to the Closing Date. Seller shall retain all accrued benefits and vested rights, all benefits and/or rights which are due and payable prior to the Closing Date, provided that Buyer shall be liable for, and agrees to hold Seller harmless on an after-tax basis from and against any Losses, liabilities or payment obligations of the Buyer (or any person claiming by, through or under it) pursuant to the Lease, 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 retained under the Lease. 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 the Lease.

(b) If Buyer shall receive any amount relating to the Lease or any of the transactions contemplated hereby to which Seller is entitled 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 ten (10) 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 the Lease 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 ten (10) 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: HELM FINANCIAL CORPORATION

By: William M. Peterson
Name: WILLIAM M. PETERSON
Title: VICE PRESIDENT

HM JOINT VENTURE

By: Helm Financial Corporation
By: William M. Peterson
Name: WILLIAM M. PETERSON
Title: VICE PRESIDENT

By: Helm Equipment Leasing Corporation
By: William M. Peterson
Name: WILLIAM M. PETERSON
Title: VICE PRESIDENT

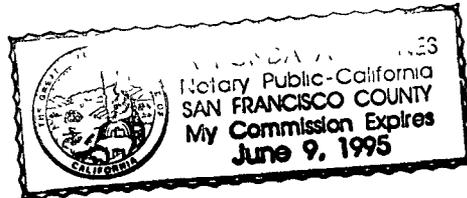
Dated: SEPT 1, 1994

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

On this 1st day of September, before me, St. Pauline Guins, Notary Public, personally appeared William Peterson, 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.

St. Pauline A. Guins
Notary Public

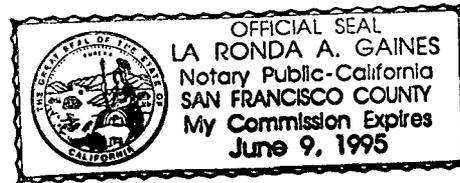


STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN FRANCISCO)

On this 1st day of September, before me, LA RONDA A. GAINES, Notary Public, personally appeared WILLIAM RETUSAN, 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.

LA RONDA A. GAINES
Notary Public



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

On this 1st day of September, before me, LA RONDA A. GAINES, Notary Public, personally appeared WILLIAM RETUSAN, 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.

LA RONDA A. GAINES
Notary Public



BUYER: USL CAPITAL CORPORATION,

By: *DP Hayes*
Name: Desmond P. Hayes
Title: President and General Manager,
Rail Services

Dated: August 31, 1994

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

On this 31st day of August, 1994, before me, Jania M Sawyer, Notary Public, personally appeared Desmond P. Hayes, 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.

Jania M Sawyer
Notary Public

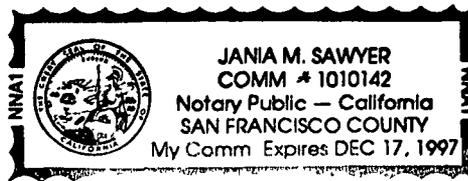


EXHIBIT A

DESCRIPTION OF EQUIPMENT

Equipment Description:

Three hundred (300), 100-ton, 2255 cubic foot, 52'6" gondola railcars.

Unit Numbers:

HMJX 101-400 (inclusive)