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June 22, 1999

RECORDATION NO. 11633-F FILED

Sam Barton
Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

JUN 22 '99

1-55 PM

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) copies of an Assignment and Assumption Agreement, dated June 21, 1999, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Lease of Railroad Equipment which was previously filed with the Commission under Recordation Number 11633.

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

Assignor: Helm Financial Corporation
One Embarcadero Center, Suite 700
San Francisco, California 94111

Assignee: The CIT Group/Equipment Finance, Inc.
1211 Avenue of the Americas
New York, New York 10036

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

Ninety (90) gondola railcars identified on Schedule A
attached to the Assignment

Mr. Vernon A. Williams
June 22, 1999
Page 2

Also enclosed is a check in the amount of \$26.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

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

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert W. Alvord", with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/bg
Enclosures

JUN 22 '99

1-55PM

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT is dated June 21, 1999 ("Closing Date"), by and between HELM FINANCIAL CORPORATION, a California corporation ("Assignor"), and THE CIT GROUP/EQUIPMENT FINANCING, INC., a New York corporation ("Assignee").

R E C I T A L S

WHEREAS, pursuant to the terms and conditions of that certain Agreement of Purchase and Sale dated as of June 18, 1999, between Assignor and Assignee ("**Agreement**") the Assignor desires to assign to Assignee all of its rights under the Lease of Railroad Equipment dated as of February 15, 1980, as amended and supplemented ("**Lease**"), between Assignor (as assignee of The Provident Bank, as assignee of the First Security Bank, National Association, f.k.a. First Security State Bank) and D&H Corporation (as successor in interest to Delaware and Hudson Railway Company) ("**Lessee**"), pertaining to the railcars described on Schedule A hereto.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties hereby agree as follows:

1. Assignment. The Assignor hereby forever and irrevocably assigns, transfers and sets over to the Assignee all of its right, title and interest in and to the Lease, subject to no liens, security interests or other encumbrances; provided, however, that the Assignor retains and does not assign to the Assignee, the following rights: (a) the right to payment of (i) all rents and all other amounts due and payable under the Lease for all rental periods ending on or prior to June 21, 1999 and (ii) the right to the payment of indemnities and liability insurance proceeds which are now or hereafter payable to the Assignor for its own account under the Lease, in respect of any claims against the Assignor relating to periods ending on or prior to June 21, 1999, and (b) the right to enforce payment of the amounts referred to in the foregoing clause (a) of this paragraph without cost or expense to the Assignee.

2. Assumption. Assignee hereby assumes and agrees to fully and timely perform all of the obligations and liabilities of the Assignor under the Lease, to the extent such obligations and liabilities first arise after June 21, 1999.

3. Further Assurances. At the request of Assignee and without further consideration, the Assignor shall execute and deliver such additional instruments of transfer and will take such other action as

Assignee may reasonably request in order to more effectively carry out the transactions contemplated in this Assignment.

4. Counterparts. This Assignment may be executed by the parties 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.

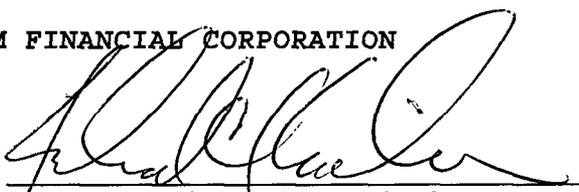
5. **Binding Effect.** This Assignment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

6. **Governing Law.** This Assignment shall be governed by, and construed in accordance with, the laws of the State of California without reference to its conflict of laws provisions.

IN WITNESS WHEREOF, the parties pursuant to due corporate authority have executed this Assignment and Assumption Agreement through their authorized representatives as of the date first above written.

ASSIGNOR:

HELM FINANCIAL CORPORATION

By: 
Print Name: Richard C. Kirchner
Title: President

One Embarcadero Center, Suite 3700
San Francisco, CA 94111

ASSIGNEE:

THE CIT GROUP/EQUIPMENT FINANCING, INC.

By: _____

Print Name: _____

Title: _____

1211 Avenue of the Americas
New York, NY 10036

5. Binding Effect. This Assignment shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

6. Governing Law. This Assignment shall be governed by, and construed in accordance with, the laws of the State of California without reference to its conflict of laws provisions.

IN WITNESS WHEREOF, the parties pursuant to due corporate authority have executed this Assignment and Assumption Agreement through their authorized representatives as of the date first above written.

ASSIGNOR:

HELM FINANCIAL CORPORATION

By: _____
Print Name: Richard C. Kirchner
Title: President

One Embarcadero Center, Suite 3700
San Francisco, CA 94111

ASSIGNEE:

THE CIT GROUP/EQUIPMENT FINANCING, INC.

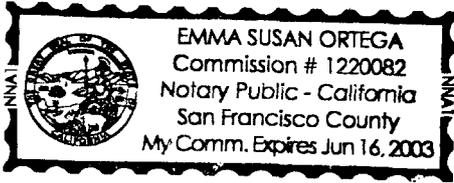
By: Nancy A. Nardella
Print Name: NANCY A. NARDELLA
Title: Vice President

1211 Avenue of the Americas
New York, NY 10036

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

On this 24 day of June, 1999, before me, Emma S. Ortega ^{Notary Public}, personally appeared Richard C. Kirchner, personally known to me (~~or proved to me on the basis of satisfactory evidence~~) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.



Emma Susan Ortega
Notary Public

[Notarial Seal]

STATE OF NEW YORK)
) S.S.
COUNTY OF NEW YORK)

On this ___ day of _____, 1999, before me, _____, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Notary Public

[Notarial Seal]

SCHEDULE A
TO ASSIGNMENT AND ASSUMPTION AGREEMENT

Equipment Description:

Ninety (90), 100-ton, 52'6", 5' side gondola railcars.

GROUP A UNITS

<u>Reporting Mark & Number</u>			<u>Reporting Mark & Number</u>			<u>Reporting Mark & Number</u>		
1	DH	15004	21	DH	15121	41	DH	15212
2	DH	15016	22	DH	15122	42	DH	15213
3	DH	15017	23	DH	15126	43	DH	15217
4	DH	15018	24	DH	15135	44	DH	15219
5	DH	15026	25	DH	15136	45	DH	15220
6	DH	15032	26	DH	15140	46	DH	15221
7	DH	15036	27	DH	15144	47	DH	15223
8	DH	15038	28	DH	15145	48	DH	15225
9	DH	15044	29	DH	15149	49	DH	15230
10	DH	15047	30	DH	15200	50	DH	15232
11	DH	15052	31	DH	15201	51	DH	15233
12	DH	15058	32	DH	15202	52	DH	15235
13	DH	15059	33	DH	15203	53	DH	15236
14	DH	15071	34	DH	15204	54	DH	15239
15	DH	15088	35	DH	15205	55	DH	15240
16	DH	15092	36	DH	15206	56	DH	15244
17	DH	15093	37	DH	15208	57	DH	15246
18	DH	15110	38	DH	15209	58	DH	15247
19	DH	15117	39	DH	15210	59	DH	15248
20	DH	15118	40	DH	15211	60	DH	15249

GROUP B UNITS

<u>Reporting Mark & Number</u>			<u>Reporting Mark & Number</u>			<u>Reporting Mark & Number</u>		
1	DH	15010	11	DH	15109	21	DH	15227
2	DH	15034	12	DH	15120	22	DH	15229
3	DH	15049	13	DH	15130	23	DH	15231
4	DH	15050	14	DH	15207	24	DH	15234
5	DH	15055	15	DH	15214	25	DH	15237
6	DH	15081	16	DH	15216	26	DH	15238
7	DH	15083	17	DH	15218	27	DH	15241
8	DH	15091	18	DH	15222	28	DH	15242
9	DH	15100	19	DH	15224	29	DH	15243
10	DH	15104	20	DH	15226	30	DH	15245