

Edward M. Lewis
Documents -

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

RECORDATION NO. 20437 FILED 1996
DEC 31 1996 - 10 05 AM

December 30, 1996

RECORDATION NO. 20437-A FILED 1996
DEC 31 1996 - 10 05 AM

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

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of an Assignment of Lessor's Interest in Lease, dated as of December 31st, 1996, a primary document as defined in the Board's Rules for the Recordation of Documents, a two (2) copies of a Bill of Sale, dated as of December 31st, 1996, a secondary document related thereto.

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

Assignor/

Seller: NorRail, Inc.
308 12th Avenue South
Buffalo, Minnesota 55313

Assignee/

Purchaser: The First National Bank of Maryland
25 South Charles Street
Baltimore, Maryland

A description of the railroad equipment covered by the enclosed document is set forth on Schedule A attached to the Assignment and the Bill of Sale.

Mr Vernon A Williams
December 30, 1996
Page 2

Also enclosed is a check in the amount of \$44 00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed documents to the undersigned

Very truly yours,

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

Robert W Alvord

RWA/bg
Enclosures

ASSIGNMENT OF LESSOR'S INTEREST IN LEASE

THIS ASSIGNMENT OF LESSOR'S INTEREST IN LEASE (this "Agreement") is made as of this 31st day of December, 1996 by NORRAIL, INC., a Minnesota corporation (the "Assignor"), in favor of THE FIRST NATIONAL BANK OF MARYLAND, a national banking association (the "Assignee").

RECITALS

A. The Assignor has entered into that certain Railcar Lease Agreement dated as of December __, 1996 (the "Lease") between Assignor and ConAgra, Inc. (the "Lessee").

B. The Assignor has, pursuant to the Purchase and Sale Agreement of even date herewith, sold to the Assignee all of the Assignor's right, title and interest in and to the railcars which are described on Schedule A attached hereto and made a part hereof (the "Railcars").

C. In connection with such sale of the Railcars, Assignor desires to assign to the Assignee all of the Assignor's right, title and interest in and to the Lease.

AGREEMENTS

NOW, THEREFORE, in consideration of the premises and other valuable consideration, the receipt of which is hereby acknowledged, the Assignor hereby agrees with the Assignee as follows:

1. Assignment. The Assignor hereby assigns to the Assignee all of the Assignor's right, title and interest in and to the Lease.

2. Representations and Warranties. The Assignor hereby represents and warrants to the Assignee the following:

(a) to the best of the Assignor's knowledge there are no defaults or events of defaults under the Lease;

(b) the Lease is presently in full force and effect;

(c) no rent under the Lease has been paid in advance;

(d) the Assignor has not assigned, encumbered or transferred in any way its interest in the Lease; and

(e) a complete copy of the Lease is attached hereto as Exhibit A.

3. Additional Instruments. The Assignor shall execute and deliver such further instruments and take such actions as shall be

reasonably required in order to carry out the transactions contemplated by this Agreement.

4. Miscellaneous Provisions.

(a) Entire Agreement. This Agreement comprises the complete understanding of the parties and there are no understandings, either written or oral, except as specifically set forth in this Agreement. No changes may be made in this Agreement unless specifically reduced to writing and accepted by both parties. All prior negotiations and understandings of the parties are deemed merged into this Agreement.

(b) Amendment and Waiver. This Agreement may be amended, or any portion of this Agreement may be waived, provided that such amendment or waiver shall be in writing, executed by the parties to which any particular provision specifically relates and all such amendments and waivers made shall be binding upon the parties. No course of dealing between or among any persons having any interest in this Agreement shall be deemed effective to modify, amend or discharge any part of this Agreement or any rights or obligations of any person under or by reason of this Agreement.

(c) Inurement to Benefit of Assigns. All of the terms and provisions of this Agreement shall be binding upon, apply and inure to the benefit of the parties, their respective successors and assigns.

(d) Severability. Each of the terms and provisions of this Agreement, except for the payment of the purchase price to Seller, is and is deemed to be severable, in whole or in part, and, if any term or provision or their application in any circumstance should be invalid, illegal or unenforceable, the remaining terms and provisions or their application, to circumstances other than those as to which it is held invalid, illegal or unenforceable, shall not be affected and shall remain in full force and effect.

(e) Exhibits and Schedules. All exhibits and schedules attached to this Agreement are incorporated and made a part of this Agreement by reference.

(f) Paragraph Headings. All paragraph and subparagraph headings are for convenience only and do not in any way limit to construe the contents of the paragraphs.

(g) Rights and Remedies. All rights and remedies granted any of the parties under this Agreement shall be cumulative.

(h) Survival of Representatives and Warranties. All representations, warranties and indemnifications shall survive the closing of the transactions contemplated by this Agreement.

(i) Governing Law. The law of the State of Maryland shall govern all questions concerning the construction, validity and interpretation of this Agreement and the performance of the obligations imposed by this Agreement.

(j) Construction. As used herein, any reference to the masculine, feminine or neuter gender shall include all genders, the plural shall include the singular, and the singular shall include the plural. This Agreement and all instruments executed to consummate the transactions contemplated shall be deemed to have been mutually negotiated, prepared and drafted, and in the event of its interpretation no consideration shall be given to the issue of which party prepared, drafted or requested any term, condition or agreement.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Assignor has executed this Agreement under seal by its duly authorized officers as of the day and year first written above.

ATTEST:

NORRAIL, INC.

[Signature]

By: *Russell S. Adams* (SEAL)
Name: Russell S. Adams
Title: Vice President Sales

STATE OF MN, County of Wight, TO WIT:

I HEREBY CERTIFY, that on this 26th day of December, 1996, before me, the undersigned, a Notary Public of the State of MINNESOTA, personally appeared Russell S. Adams who acknowledged himself to be the Vice President of NORRAIL, INC., a MINNESOTA corporation, known (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same for the purposes therein contained as the duly authorized Vice President of said corporation by signing the name of the corporation by himself as Vice President.

AS WITNESS my hand and Notarial Seal.



(SEAL)

Joann M. Pelinka
Notary Public

My Commission Expires: 1/31/2000

B:FN168306.ASS/ConAgra/Disk1/mes

DESCRIPTION OF RAILCARS**SCHEDULE A**

#	New Car #
1	NRLX057001
2	NRLX057028
3	NRLX057042
4	NRLX057047
5	NRLX057053
6	NRLX057062
7	NRLX057070
8	NRLX057075
9	NRLX057076
10	NRLX057080
11	NRLX057086
12	NRLX057093
13	NRLX057100
14	NRLX057103
15	NRLX057105
16	NRLX057106
17	NRLX057108
18	NRLX057072
19	NRLX057019
20	NRLX057039
21	NRLX057041
22	NRLX057054
23	NRLX057066

DESCRIPTION OF RAILCARS**SCHEDULE A**

#	New Car #
24	NRLX057113
25	NRLX057003
26	NRLX057006
27	NRLX057009
28	NRLX057085
29	NRLX057021
30	NRLX057056
31	NRLX057061
32	NRLX057067
33	NRLX057089
34	NRLX057057
35	NRLX057059
36	NRLX057064
37	NRLX057079
38	NRLX057005
39	NRLX057078
40	NRLX057096
41	NRLX057098
42	NRLX057055
43	NRLX057082
44	NRLX057084
45	NRLX057111
46	NRLX057116
47	NRLX057097

DESCRIPTION OF RAILCARSSCHEDULE A

#	New Car #
48	NRLX057023
49	NRLX057046
50	NRLX057051
51	NRLX057065
52	NRLX057090
53	NRLX057002
54	NRLX057024
55	NRLX057029
56	NRLX057033
57	NRLX057035
58	NRLX057068
59	NRLX057015
60	NRLX057091
61	NRLX057092
62	NRLX057117
63	NRLX057017
64	NRLX057081
65	NRLX057087
66	NRLX057099
67	NRLX057004
68	NRLX057007
69	NRLX057008
70	NRLX057010
71	NRLX057012

DESCRIPTION OF RAILCARS**SCHEDULE A**

#	New Car #
72	NRLX057013
73	NRLX057016
74	NRLX057020
75	NRLX057083
76	NRLX057088
77	NRLX057094
78	NRLX057095
79	NRLX057102
80	NRLX057107
81	NRLX057119
82	NRLX057030
83	NRLX057060