

RECORDATION NO. 21685-B FILED

DEC 28 '00 12-37 PM

SURFACE TRANSPORTATION BOARD

ALVORD AND ALVORD

ATTORNEYS AT LAW

1600 K STREET, NW

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

December 28, 2000

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 and Assumption Agreement, dated as of December 27, 2000, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Master Lease Agreement which was previously filed with the Board under Recordation Number 21685.

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

Seller: First Security Bank, N.A.
79 Main Street
Salt Lake City, Utah 84111

Buyer: Pacific Century Leasing, Inc.
130 Merchant Street
Honolulu, Hawaii 96813

Mr. Vernon A. Williams
December 28, 2000
Page 2

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

One hundred (100) covered hopper cars: CRDX 20425 – CRDX 20324 inclusive.

A short summary of the document to appear in the index is:

Assignment and Assumption Agreement, dated as of December 27, 2000, between First Security Bank, N.A., Seller, and Pacific Century Leasing, Inc., Buyer, covering one hundred (100) covered hopper cars: CRDX 20425 – CRDX 20324 inclusive.

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,



Robert W. Alvord

RWA/bjg
Enclosures

DEC 28 '00 12-37 PM

SURFACE TRANSPORTATION BOARD

ASSIGNMENT AND ASSUMPTION AGREEMENT

This ASSIGNMENT AND ASSUMPTION AGREEMENT, dated as of December 27, 2000 (this "Agreement"), is between First Security Bank, N.A., a national banking association (the "Seller"), and Pacific Century Leasing, Inc., a Hawaii corporation (the "Buyer").

WITNESSETH:

WHEREAS, the Buyer and the Seller have entered into that certain Purchase Agreement, dated as of December 27, 2000 (the "Purchase Agreement"), providing for the purchase of the Ownership Interest by the Buyer from the Seller, subject to the terms and conditions set forth therein; and

WHEREAS, the Purchase Agreement contemplates the execution and delivery of this Agreement by the Seller and the Buyer to effect such purchase.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows.

1. Definitions. Capitalized terms used herein without definition shall have the meanings assigned to them in Section 6 below.

2. Assignment. The Seller hereby sells to the Buyer all of the Seller's rights, title and interest in and to the Ownership Interest and assigns and delegates to the Buyer all of the Seller's rights and obligations under the Operative Agreements and with respect to the Ownership Interest (except for the "Prior Claims" as defined in the Purchase Agreement).

3. Acceptance of Assignment; Assumption of Obligations; Effect of Assignment. The Buyer hereby accepts the assignment contained in Section 2 hereof and, on and after the Closing Date, assumes all obligations of the Seller under, and agrees to be bound to the same extent as the Seller by all the terms of, the Operative Agreements and with respect to the Ownership Interest, except as otherwise provided herein or in the Purchase Agreement. The Buyer shall be deemed to stand in the place of the Seller for all purposes under the Operative Agreements and each reference in the Operative Agreements to the Seller shall, on and after the Closing Date, be deemed to mean the Buyer. The Seller, on and after the Closing Date, is released of all obligations of the Seller under the Operative Agreements and with respect to the Ownership Interest, except for those representations and warranties which expressly survive any termination of the Operative Agreements. The Buyer does not assume, and shall not be responsible for, any obligation or liability (i) which arose or may arise from or be related to any

event or circumstance occurring or in existence at or prior to the Closing, or (ii) arising from or related to any breach by the Seller of any of its obligations under any Operative Agreement.

4. Representations and Warranties of the Seller. The Seller hereby restates and affirms the representations and warranties set forth in the Purchase Agreement.

5. Representations and Warranties of the Buyer. The Buyer hereby restates and affirms the representations and warranties set forth in the Purchase Agreement.

6. Definitions. Except as otherwise specified or as the context may otherwise require, the following terms have the respective meanings set forth below whenever used in this Agreement (terms defined in the singular to have a correlative meaning when used in the plural and vice versa).

Closing: the closing on the Closing Date of the transaction contemplated by this Agreement.

Closing Date: the date of this Agreement.

Equipment: the "Equipment" described in Exhibit A hereto.

Lessee: Chicago Freight Car Leasing Co.

Operative Agreements: the agreements listed and described in Exhibit A hereto.

Ownership Interest: the Seller's rights, title, interest and obligations with respect to the Operative Agreements and the Equipment.

7. Amendments. No provision of this Agreement may be amended, modified or waived except by written agreement duly executed by each of the parties hereto.

8. Notices. All notices, requests or other communications to or upon any party hereto in connection herewith shall be given in the manner prescribed by Section 10.5 of the Purchase Agreement.

9. Headings. The section headings used in this Agreement are for convenience of reference only and shall not be used or construed to define, interpret, expand or limit any provision hereof.

10. Counterparts. This Agreement may be executed in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

11. Governing Law. This Agreement shall be governed by, and construed and

enforced in accordance with, the internal, substantive laws of the State of Utah without giving effect to the conflict of law rules thereof.

12. Entire Agreement. This Agreement and the Purchase Agreement (together with Exhibits and Schedules hereto and thereto) represent the entire agreement of the parties hereto with respect to the subject matter hereof and supersede and cancel any prior oral or written agreement, letter of intent or understanding with respect to such subject matter. If there is a contradiction between the Purchase Agreement and this Agreement, the terms of the Purchase Agreement shall govern.

13. Recordation. The Seller and the Buyer agree to record this Agreement with the Surface Transportation Board to evidence the assignment by the Seller to the Buyer of the Seller's rights and obligations under the Operative Agreements and with respect to the Ownership Interest.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, this Assignment and Assumption Agreement has been duly executed by the parties hereto as of the date first above written.

^{Bank, N.A.}
~~FIRST SECURITY LEASING COMPANY OF NEVADA~~

By: 
Name: James S. Peters
Title: VP

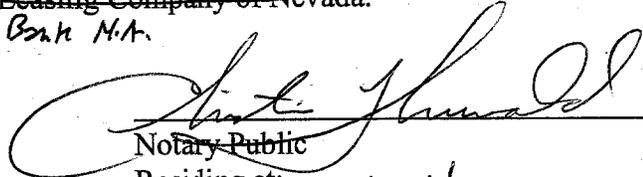
PACIFIC CENTURY LEASING, INC.

By: 
Name: Ken D. Oishi
Title: SVP

By: 
Name: Joseph T. Donaldson
Title: Pres.

STATE OF UTAH)
 : ss.
COUNTY OF SALT LAKE)

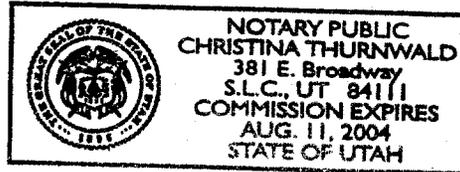
The foregoing instrument was subscribed and sworn to before me a notary public on the day of December, 2000 by ^{James S} ~~Bank N.A.~~ Peters known to me to be the Vice Pres of First Security Leasing Company of Nevada who duly acknowledged to me that he/she executed the foregoing on behalf of First Security Leasing Company of Nevada.

Bank N.A.


Notary Public
Residing at: S.L.C., UT

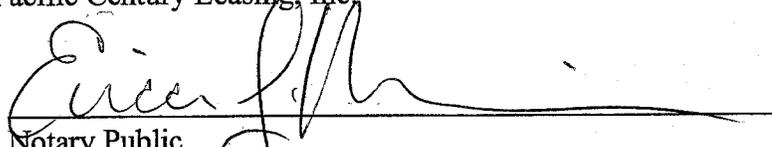
My Commission Expires:

8-11-04

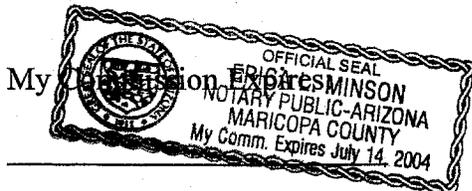


STATE OF Arizona)
 : ss.
COUNTY OF Maricopa)

The foregoing instrument was subscribed and sworn to before me a notary public on the 26 day of December, 2000 by ^{Joseph T} ~~DeNelson~~ and ^{Kevin D} ~~Dishi~~ known to me to be the President and SVP of Pacific Century Leasing, Inc. who duly acknowledged to me that they executed the foregoing on behalf of Pacific Century Leasing, Inc.



Notary Public
Residing at: P.C.B.



567315.2

EXHIBIT A
TO ASSIGNMENT AND ASSUMPTION AGREEMENT

1. Master Lease Agreement, dated as of September 30, 1998, by and between Fleet Capital Corporation, assignor of First Security Bank, N.A. and Chicago Freight Car Leasing Co., as amended by that certain Amendment and Assignment (re: Subleasing) dated September 30, 1998;
2. Equipment Lease Schedule No. 32699-01, dated as of September 30, 1998, between Fleet Capital Corporation, assignor of First Security Bank, N.A. and Chicago Freight Car Leasing Co. with respect to One Hundred (100) Model 3250 covered hopper railcars manufactured by Thrall Car Manufacturing Company bearing road Numbers CRDX 20425 through 20524, inclusive (the "Equipment").
3. Certificate of Acceptance No. 32699-01 dated September 30, 1998, and signed by Chicago Freight Car Leasing Co.
4. Memorandum of Master Equipment Lease Agreement with respect to the Lease was recorded with the Surface Transportation Board on September 30, 1998 as recordation number 21685.
5. Tax Indemnity Agreement dated as of September 30, 1998, executed by Chicago Freight Car Leasing Co. and Fleet Capital Corporation, assignor of First Security Bank, N.A.
6. Bill of Sale signed by Chicago Freight Car Leasing Co. dated September 30, 1998.
7. Pay Proceeds letter dated September 28, 1998.
8. Opinion letter from counsel to Chicago Freight Car Leasing Co., Mayer, Brown & Platt.
9. Opinion letters from Alvord and Alvord.
10. Assignment and Bill of Sale dated October 23, 1998, wherein Fleet Capital Corporation assigns Equipment Lease Schedule No. 32699-01 to First Security Bank, N.A..

11. Memorandum of Assignment and Bill of Sale Agreement dated October 23, 1998, and recorded with the Surface Transportation Board on October 23, 1998, as recording number 2165-A.

12. Notice of Acknowledgement of Assignment executed by Chicago Freight Car Leasing Co., Fleet Capital Corporation and First Security Bank, N.A.