

DEC 30 1985 12 29 PM

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF LEASE AND AGREEMENT dated as of December 15, 1985, ("Assignment"), by and between CHEMICAL BUSINESS CREDIT CORP. ("Owner"), and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY ("Agent") as Agent for certain institutional investors under a Participation Agreement dated as of the date hereof (together with their successors and assigns, "Investors").

The Owner is entering into a Conditional Sale Agreement dated as of the date hereof ("CSA") with AVONDALE INDUSTRIES, INC. (ORTNER FREIGHT CAR DIVISION) ("Builder"); providing for the sale to the Owner of such units of railroad equipment ("Units") described in Annex B thereto as are delivered to and accepted by the Owner thereunder.

The Owner and GEORGIA POWER COMPANY ("Lessee") have entered into a Lease of Railroad Equipment dated as of the date hereof ("Lease") providing for the leasing by the Owner to the Lessee of the Units.

NOW, THEREFORE, in consideration of the premises and of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. The Owner hereby assigns, transfers and sets over unto the Agent, as collateral security for the payment and performance of the obligations of the Owner under the CSA, all the right, title and interest, powers, privileges, and other benefits of the Owner under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Owner from the Lessee whether as rent, casualty payment, termination payment, indemnity, liquidated damages or otherwise (such moneys, other than Excluded Payments as hereinafter defined, being hereinafter called the "Payments"), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Owner is or may become entitled to do under the Lease. The Owner does not assign to the Agent, and the Agent shall have no right or interest in and to, any Excluded Payments. As used herein, the term "Excluded

Payments" shall mean (i) payments by the Lessee to the Owner for its own account pursuant to §§ 6 and 9.5 of the Lease, (ii) any proceeds payable under liability insurance policies to or for the benefit of the Owner and (iii) payments made by the Lessee to the Owner pursuant to § 13.1 of the Lease. In furtherance of the foregoing assignment and subject to Section 11 hereof, the Owner hereby irrevocably authorizes and empowers the Agent in its own name, or in the name of its nominee, or in the name of the Owner or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Owner is or may become entitled to under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof.

The Agent agrees to accept any Payments made by the Lessee for the account of the Owner pursuant to the Lease. To the extent received, the Agent will apply such Payments to satisfy the obligations of the Owner under the CSA, and to provide for the payments required to be made by the Owner pursuant to §§ 2.5 and 9.1 of the Participation Agreement, and, so long as no Event of Default shall have occurred and be continuing under the CSA, any balance shall be paid to the Owner on the same date such Payment is applied to satisfy such obligations of the Owner, by check mailed to the Owner on such date or, upon written request of the Owner, by bank wire to the Owner in the manner set forth in Schedule A to the Participation Agreement, and such balance shall be retained by the Owner. If the Agent shall not receive any rental payment under § 3 of the Lease when due, the Agent shall notify the Owner at the address set forth in the Lease; provided, however, that the failure of the Agent so to notify the Owner shall not affect the obligations of the Owner hereunder or under the CSA.

Any Excluded Payment received by the Agent shall be immediately paid to the Owner.

2. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Agent to, or transfer, or pass, or in any way affect or modify the liability of the Owner under the Lease, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of the Owner to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Owner or persons other than the Agent.

3. The Owner will faithfully abide by, perform and discharge each and every obligation, covenant and

agreement which the Lease provides is to be performed by the Owner; without the written consent of the Agent, subject to Section 11 hereof, the Owner will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement amending, modifying or terminating the Lease, and the Owner agrees that any amendment, modification or termination thereof without such consent shall be void.

4. Subject to Section 11 hereof, the Owner does hereby constitute the Agent the true and lawful attorney of the Owner, irrevocably, with full power (in the name of the Owner, or otherwise), to ask, require, demand, receive and compound any and all Payments due and to become due under or arising out of the Lease to which the Owner is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which to the Agent may seem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all sums due from the Owner under the CSA, this Assignment and all rights herein assigned to the Agent shall terminate, and all estate, right, title and interest of the Agent in and to the Lease shall revert to the Owner.

6. The Owner will pay or discharge any and all liens, charges or security interests claimed by any party from, through or under the Owner not arising out of the ownership of the Equipment or the transactions contemplated by the Participation Agreement, this Agreement and the Lease (but including tax liens arising out of the receipt by the Owner of rentals and other payments under the Lease, the Participation Agreement and any other proceeds of the Equipment unless the Lessee has agreed under the Lease to pay or discharge the same) on or with respect to the Equipment, or any unit thereof, or the Owner's interest in the Lease and the payments to be made thereunder, but the Owner shall not be required to pay or discharge any such lien, charge or security interest so long as the validity thereof shall be contested in good faith and by appropriate legal or administrative proceedings in any reasonable manner and the nonpayment thereof does not, in the opinion of the

Agent, adversely affect the security interest of the Agent in or to the Lease and the payments to be made thereunder.

7. The Owner will, from time to time, execute, acknowledge and deliver any and all further instruments required by law as reasonably requested by the Agent in order to confirm or further assure the interest of the Agent hereunder.

8. The Agent may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Agent hereunder.

9. This Assignment shall be governed by the laws of the State of New York, but the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

10. The Owner shall cause copies of all notices received in connection with the Lease, and all payments hereunder to be promptly delivered or made to the Agent at its address set forth in Article 21 of the CSA, or at such other address as the Agent shall designate.

11. The Agent hereby agrees with the Owner that the Agent will not, so long as no Event of Default under the Lease, or event of default under the CSA, has occurred and is continuing, exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits which are assigned and transferred by the Owner to the Agent by this Assignment, except the right to receive and apply the Payments as provided in Paragraph 1 hereof, and that, subject to the terms of the Lease and the CSA, the Owner may, so long as no event of default under the CSA or Event of Default under the Lease has occurred and is continuing, exercise or enforce, or seek to exercise or enforce or avail itself of, such rights, powers, privileges, authorizations or benefits.

Unless and until an Event of Default under the Lease, or an event of default under the CSA, has occurred and is continuing, the Owner shall have the right, without the concurrence of the Agent, to adjust the rentals, Casualty Values and Termination Values pursuant to § 3 of

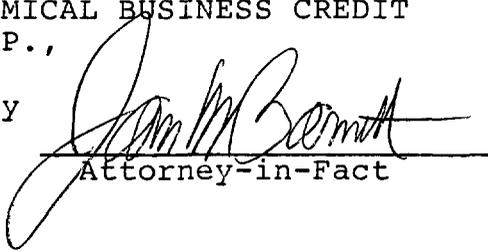
the Lease and to exercise the rights of the Lessor under §§ 7.7, 13 and 14 of the Lease; at all times the Owner may, without the concurrence of the Agent, receive all notices, certificates, opinions of counsel and other documents and information to be furnished to the Owner under the Lease; at all times the Owner shall have the right to proceed by appropriate court action either at law or in equity to enforce the performance by the Lessee of its obligations with respect to Excluded Payments or to recover damages for the breach thereof as provided in § 10(A) of the Lease but may not declare an Event of Default under or terminate the Lease. The Agent may not at any time, without the concurrence of the Owner, amend, modify or supplement or give or accept any waiver or consent with respect to, the Lease so as to increase the liabilities or diminish the immunities of the Owner or reduce the amount or extend the time of payment of any Excluded Payment then due and payable or change any of the circumstances under which Excluded Payments are payable.

12. This Assignment may be executed in any number of counterparts, all of which together shall constitute a single instrument, but the counterpart delivered to the Agent shall be deemed to be the original counterpart. Although for convenience this Assignment is dated as of the date first above written, the actual dates of execution hereof by the parties hereto are the dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names by officers thereunto duly authorized, and their respective corporate seals to be affixed and duly attested, all as of the date first above written.

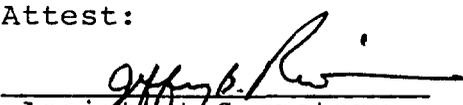
CHEMICAL BUSINESS CREDIT
CORP.,

by


Attorney-in-Fact

[Corporate Seal]

Attest:


Assistant Secretary

MERCANTILE-SAFE DEPOSIT
AND TRUST COMPANY, as Agent,

by

[Corporate Seal]

Vice President

Attest:

Corporate Trust Officer

STATE OF NEW YORK,)
) ss.:
COUNTY OF NEW YORK,)

On this 30 day of December 1985, before me personally appeared James W. Barnett, to me personally known, who, being by me duly sworn, says that he is an Attorney-in-Fact for CHEMICAL BUSINESS CREDIT CORP., that one of the seals affixed to the foregoing instrument is the seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Notarial Seal]

My Commission expires

STATE OF MARYLAND,)
) ss.:
CITY OF BALTIMORE,)

On this _____ day of December 1985, before me personally appeared _____, to me personally known, who, being by me duly sworn, says that he is a Vice President of MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY, that one of the seals affixed to the foregoing instrument is the seal of said bank and that said instrument was signed and sealed on behalf of said bank by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said bank.

[Notarial Seal]

My Commission expires



Notary Public

JEFFREY B. REITMAN
Notary Public, State of New York
No. 52-8542125
Qualified in Suffolk County
Commission Expires March 30, 1986

Notary Public

CONSENT AND AGREEMENT

The undersigned, GEORGIA POWER COMPANY ("Lessee"), the Lessee named in the Lease of Railroad Equipment ("Lease") referred to in the foregoing Assignment of Lease and Agreement ("Lease Assignment"), hereby (a) acknowledges receipt of a copy of the Lease Assignment and (b) consents to all the terms and conditions of the Lease Assignment and agrees that:

(1) it will pay or cause to be paid all Payments (as defined in the Lease Assignment) provided for in the Lease due and to become due under the Lease or otherwise in respect of the Units leased thereunder, directly to Mercantile-Safe Deposit and Trust Company, as Agent ("Agent"), the assignee named in the Lease Assignment, by wire transfer of Federal funds by 11:00 a.m. Baltimore time to Mercantile-Safe Deposit and Trust Company, Baltimore, Maryland, for credit to its Corporate Trust Account No. 620081-8 with advice that the funds are "RE: Georgia Power 12/15/85" (or at such other address as may be furnished in writing to the Lessee by the Agent);

(2) the Agent shall be entitled to the benefits of, and to receive and enforce performance of, all the covenants to be performed by the Lessee under the Lease as though the Agent were named therein as the lessor;

(3) the Agent shall not, by virtue of the Lease Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise; and

(4) the Lease shall not, without the prior written consent of the Agent, be terminated (except in accordance with its terms) or modified, nor shall any action be taken or omitted by the Lessee the taking or omission of which might result in an alteration or impairment of the Lease or the Lease Assignment or this Consent and Agreement or of any of the rights created by any thereof.

This Consent and Agreement, when accepted by the Agent by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of the State of

Georgia and, for all purposes, shall be construed in accordance with the laws of said state.

GEORGIA POWER COMPANY,

by

[Corporate Seal]

Treasurer

Attest:

Assistant Secretary

The foregoing Consent and Agreement is hereby accepted, as of December 15, 1985.

MERCANTILE-SAFE DEPOSIT AND
TRUST COMPANY, as Agent,

by

Vice President

ASSIGNMENT OF LEASE AND AGREEMENT dated as of December 15, 1985, ("Assignment"), by and between CHEMICAL BUSINESS CREDIT CORP. ("Owner"), and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY ("Agent") as Agent for certain institutional investors under a Participation Agreement dated as of the date hereof (together with their successors and assigns, "Investors").

The Owner is entering into a Conditional Sale Agreement dated as of the date hereof ("CSA") with AVONDALE INDUSTRIES, INC. (ORTNER FREIGHT CAR DIVISION) ("Builder"), providing for the sale to the Owner of such units of railroad equipment ("Units") described in Annex B thereto as are delivered to and accepted by the Owner thereunder.

The Owner and GEORGIA POWER COMPANY ("Lessee") have entered into a Lease of Railroad Equipment dated as of the date hereof ("Lease") providing for the leasing by the Owner to the Lessee of the Units.

NOW, THEREFORE, in consideration of the premises and of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. The Owner hereby assigns, transfers and sets over unto the Agent, as collateral security for the payment and performance of the obligations of the Owner under the CSA, all the right, title and interest, powers, privileges, and other benefits of the Owner under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Owner from the Lessee whether as rent, casualty payment, termination payment, indemnity, liquidated damages or otherwise (such moneys, other than Excluded Payments as hereinafter defined, being hereinafter called the "Payments"), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Owner is or may become entitled to do under the Lease. The Owner does not assign to the Agent, and the Agent shall have no right or interest in and to, any Excluded Payments. As used herein, the term "Excluded

Payments" shall mean (i) payments by the Lessee to the Owner for its own account pursuant to §§ 6 and 9.5 of the Lease, (ii) any proceeds payable under liability insurance policies to or for the benefit of the Owner and (iii) payments made by the Lessee to the Owner pursuant to § 13.1 of the Lease. In furtherance of the foregoing assignment and subject to Section 11 hereof, the Owner hereby irrevocably authorizes and empowers the Agent in its own name, or in the name of its nominee, or in the name of the Owner or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Owner is or may become entitled to under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof.

The Agent agrees to accept any Payments made by the Lessee for the account of the Owner pursuant to the Lease. To the extent received, the Agent will apply such Payments to satisfy the obligations of the Owner under the CSA, and to provide for the payments required to be made by the Owner pursuant to §§ 2.5 and 9.1 of the Participation Agreement, and, so long as no Event of Default shall have occurred and be continuing under the CSA, any balance shall be paid to the Owner on the same date such Payment is applied to satisfy such obligations of the Owner, by check mailed to the Owner on such date or, upon written request of the Owner, by bank wire to the Owner in the manner set forth in Schedule A to the Participation Agreement, and such balance shall be retained by the Owner. If the Agent shall not receive any rental payment under § 3 of the Lease when due, the Agent shall notify the Owner at the address set forth in the Lease; provided, however, that the failure of the Agent so to notify the Owner shall not affect the obligations of the Owner hereunder or under the CSA.

Any Excluded Payment received by the Agent shall be immediately paid to the Owner.

2. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Agent to, or transfer, or pass, or in any way affect or modify the liability of the Owner under the Lease, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of the Owner to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Owner or persons other than the Agent.

3. The Owner will faithfully abide by, perform and discharge each and every obligation, covenant and

agreement which the Lease provides is to be performed by the Owner; without the written consent of the Agent, subject to Section 11 hereof, the Owner will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement amending, modifying or terminating the Lease, and the Owner agrees that any amendment, modification or termination thereof without such consent shall be void.

4. Subject to Section 11 hereof, the Owner does hereby constitute the Agent the true and lawful attorney of the Owner, irrevocably, with full power (in the name of the Owner, or otherwise), to ask, require, demand, receive and compound any and all Payments due and to become due under or arising out of the Lease to which the Owner is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which to the Agent may seem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all sums due from the Owner under the CSA, this Assignment and all rights herein assigned to the Agent shall terminate, and all estate, right, title and interest of the Agent in and to the Lease shall revert to the Owner.

6. The Owner will pay or discharge any and all liens, charges or security interests claimed by any party from, through or under the Owner not arising out of the ownership of the Equipment or the transactions contemplated by the Participation Agreement, this Agreement and the Lease (but including tax liens arising out of the receipt by the Owner of rentals and other payments under the Lease, the Participation Agreement and any other proceeds of the Equipment unless the Lessee has agreed under the Lease to pay or discharge the same) on or with respect to the Equipment, or any unit thereof, or the Owner's interest in the Lease and the payments to be made thereunder, but the Owner shall not be required to pay or discharge any such lien, charge or security interest so long as the validity thereof shall be contested in good faith and by appropriate legal or administrative proceedings in any reasonable manner and the nonpayment thereof does not, in the opinion of the

Agent, adversely affect the security interest of the Agent in or to the Lease and the payments to be made thereunder.

7. The Owner will, from time to time, execute, acknowledge and deliver any and all further instruments required by law as reasonably requested by the Agent in order to confirm or further assure the interest of the Agent hereunder.

8. The Agent may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Agent hereunder.

9. This Assignment shall be governed by the laws of the State of New York, but the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

10. The Owner shall cause copies of all notices received in connection with the Lease, and all payments hereunder to be promptly delivered or made to the Agent at its address set forth in Article 21 of the CSA, or at such other address as the Agent shall designate.

11. The Agent hereby agrees with the Owner that the Agent will not, so long as no Event of Default under the Lease, or event of default under the CSA, has occurred and is continuing, exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits which are assigned and transferred by the Owner to the Agent by this Assignment, except the right to receive and apply the Payments as provided in Paragraph 1 hereof, and that, subject to the terms of the Lease and the CSA, the Owner may, so long as no event of default under the CSA or Event of Default under the Lease has occurred and is continuing, exercise or enforce, or seek to exercise or enforce or avail itself of, such rights, powers, privileges, authorizations or benefits.

Unless and until an Event of Default under the Lease, or an event of default under the CSA, has occurred and is continuing, the Owner shall have the right, without the concurrence of the Agent, to adjust the rentals, Casualty Values and Termination Values pursuant to § 3 of

the Lease and to exercise the rights of the Lessor under §§ 7.7, 13 and 14 of the Lease; at all times the Owner may, without the concurrence of the Agent, receive all notices, certificates, opinions of counsel and other documents and information to be furnished to the Owner under the Lease; at all times the Owner shall have the right to proceed by appropriate court action either at law or in equity to enforce the performance by the Lessee of its obligations with respect to Excluded Payments or to recover damages for the breach thereof as provided in § 10(A) of the Lease but may not declare an Event of Default under or terminate the Lease. The Agent may not at any time, without the concurrence of the Owner, amend, modify or supplement or give or accept any waiver or consent with respect to, the Lease so as to increase the liabilities or diminish the immunities of the Owner or reduce the amount or extend the time of payment of any Excluded Payment then due and payable or change any of the circumstances under which Excluded Payments are payable.

12. This Assignment may be executed in any number of counterparts, all of which together shall constitute a single instrument, but the counterpart delivered to the Agent shall be deemed to be the original counterpart. Although for convenience this Assignment is dated as of the date first above written, the actual dates of execution hereof by the parties hereto are the dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names by officers thereunto duly authorized, and their respective corporate seals to be affixed and duly attested, all as of the date first above written.

CHEMICAL BUSINESS CREDIT
CORP.,

by

Attorney-in-Fact

[Corporate Seal]

Attest:

Assistant Secretary

MERCANTILE-SAFE DEPOSIT
AND TRUST COMPANY, as Agent,

by


Vice President

[Corporate Seal]

Attest:


Corporate Trust Officer

CONSENT AND AGREEMENT

The undersigned, GEORGIA POWER COMPANY ("Lessee"), the Lessee named in the Lease of Railroad Equipment ("Lease") referred to in the foregoing Assignment of Lease and Agreement ("Lease Assignment"), hereby (a) acknowledges receipt of a copy of the Lease Assignment and (b) consents to all the terms and conditions of the Lease Assignment and agrees that:

(1) it will pay or cause to be paid all Payments (as defined in the Lease Assignment) provided for in the Lease due and to become due under the Lease or otherwise in respect of the Units leased thereunder, directly to Mercantile-Safe Deposit and Trust Company, as Agent ("Agent"), the assignee named in the Lease Assignment, by wire transfer of Federal funds by 11:00 a.m. Baltimore time to Mercantile-Safe Deposit and Trust Company, Baltimore, Maryland, for credit to its Corporate Trust Account No. 620081-8 with advice that the funds are "RE: Georgia Power 12/15/85" (or at such other address as may be furnished in writing to the Lessee by the Agent);

(2) the Agent shall be entitled to the benefits of, and to receive and enforce performance of, all the covenants to be performed by the Lessee under the Lease as though the Agent were named therein as the lessor;

(3) the Agent shall not, by virtue of the Lease Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise; and

(4) the Lease shall not, without the prior written consent of the Agent, be terminated (except in accordance with its terms) or modified, nor shall any action be taken or omitted by the Lessee the taking or omission of which might result in an alteration or impairment of the Lease or the Lease Assignment or this Consent and Agreement or of any of the rights created by any thereof.

This Consent and Agreement, when accepted by the Agent by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of the State of

Georgia and, for all purposes, shall be construed in accordance with the laws of said state.

GEORGIA POWER COMPANY,

by

[Corporate Seal]

Treasurer

Attest:

Assistant Secretary

The foregoing Consent and Agreement is hereby accepted, as of December 15, 1985.

MERCANTILE-SAFE DEPOSIT AND
TRUST COMPANY, as Agent,

by



Vice President

ASSIGNMENT OF LEASE AND AGREEMENT dated as of December 15, 1985, ("Assignment"), by and between CHEMICAL BUSINESS CREDIT CORP. ("Owner"), and MERCANTILE-SAFE DEPOSIT AND TRUST COMPANY ("Agent") as Agent for certain institutional investors under a Participation Agreement dated as of the date hereof (together with their successors and assigns, "Investors").

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The Owner and GEORGIA POWER COMPANY ("Lessee") have entered into a Lease of Railroad Equipment dated as of the date hereof ("Lease") providing for the leasing by the Owner to the Lessee of the Units.

NOW, THEREFORE, in consideration of the premises and of the payments to be made and the covenants hereinafter mentioned to be kept and performed, the parties hereto agree as follows:

1. The Owner hereby assigns, transfers and sets over unto the Agent, as collateral security for the payment and performance of the obligations of the Owner under the CSA, all the right, title and interest, powers, privileges, and other benefits of the Owner under the Lease, including, without limitation, the immediate right to receive and collect all rentals, profits and other sums payable to or receivable by the Owner from the Lessee whether as rent, casualty payment, termination payment, indemnity, liquidated damages or otherwise (such moneys, other than Excluded Payments as hereinafter defined, being hereinafter called the "Payments"), and the right to make all waivers and agreements, to give all notices, consents and releases, to take all action upon the happening of an Event of Default specified in the Lease, and to do any and all other things whatsoever which the Owner is or may become entitled to do under the Lease. The Owner does not assign to the Agent, and the Agent shall have no right or interest in and to, any Excluded Payments. As used herein, the term "Excluded

Payments" shall mean (i) payments by the Lessee to the Owner for its own account pursuant to §§ 6 and 9.5 of the Lease, (ii) any proceeds payable under liability insurance policies to or for the benefit of the Owner and (iii) payments made by the Lessee to the Owner pursuant to § 13.1 of the Lease. In furtherance of the foregoing assignment and subject to Section 11 hereof, the Owner hereby irrevocably authorizes and empowers the Agent in its own name, or in the name of its nominee, or in the name of the Owner or as its attorney, to ask, demand, sue for, collect and receive any and all Payments to which the Owner is or may become entitled to under the Lease, and to enforce compliance by the Lessee with all the terms and provisions thereof.

The Agent agrees to accept any Payments made by the Lessee for the account of the Owner pursuant to the Lease. To the extent received, the Agent will apply such Payments to satisfy the obligations of the Owner under the CSA, and to provide for the payments required to be made by the Owner pursuant to §§ 2.5 and 9.1 of the Participation Agreement, and, so long as no Event of Default shall have occurred and be continuing under the CSA, any balance shall be paid to the Owner on the same date such Payment is applied to satisfy such obligations of the Owner, by check mailed to the Owner on such date or, upon written request of the Owner, by bank wire to the Owner in the manner set forth in Schedule A to the Participation Agreement, and such balance shall be retained by the Owner. If the Agent shall not receive any rental payment under § 3 of the Lease when due, the Agent shall notify the Owner at the address set forth in the Lease; provided, however, that the failure of the Agent so to notify the Owner shall not affect the obligations of the Owner hereunder or under the CSA.

Any Excluded Payment received by the Agent shall be immediately paid to the Owner.

2. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Agent to, or transfer, or pass, or in any way affect or modify the liability of the Owner under the Lease, it being understood and agreed that notwithstanding this Assignment or any subsequent assignment, all obligations of the Owner to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Owner or persons other than the Agent.

3. The Owner will faithfully abide by, perform and discharge each and every obligation, covenant and

agreement which the Lease provides is to be performed by the Owner; without the written consent of the Agent, subject to Section 11 hereof, the Owner will not anticipate the rents under the Lease or waive, excuse, condone, forgive or in any manner release or discharge the Lessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Lessee, including, without limitation, the obligation to pay the rents in the manner and at the time and place specified therein or enter into any agreement amending, modifying or terminating the Lease, and the Owner agrees that any amendment, modification or termination thereof without such consent shall be void.

4. Subject to Section 11 hereof, the Owner does hereby constitute the Agent the true and lawful attorney of the Owner, irrevocably, with full power (in the name of the Owner, or otherwise), to ask, require, demand, receive and compound any and all Payments due and to become due under or arising out of the Lease to which the Owner is or may become entitled, to enforce compliance by the Lessee with all the terms and provisions of the Lease, to endorse any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which to the Agent may seem to be necessary or advisable in the premises.

5. Upon the full discharge and satisfaction of all sums due from the Owner under the CSA, this Assignment and all rights herein assigned to the Agent shall terminate, and all estate, right, title and interest of the Agent in and to the Lease shall revert to the Owner.

6. The Owner will pay or discharge any and all liens, charges or security interests claimed by any party from, through or under the Owner not arising out of the ownership of the Equipment or the transactions contemplated by the Participation Agreement, this Agreement and the Lease (but including tax liens arising out of the receipt by the Owner of rentals and other payments under the Lease, the Participation Agreement and any other proceeds of the Equipment unless the Lessee has agreed under the Lease to pay or discharge the same) on or with respect to the Equipment, or any unit thereof, or the Owner's interest in the Lease and the payments to be made thereunder, but the Owner shall not be required to pay or discharge any such lien, charge or security interest so long as the validity thereof shall be contested in good faith and by appropriate legal or administrative proceedings in any reasonable manner and the nonpayment thereof does not, in the opinion of the

Agent, adversely affect the security interest of the Agent in or to the Lease and the payments to be made thereunder.

7. The Owner will, from time to time, execute, acknowledge and deliver any and all further instruments required by law as reasonably requested by the Agent in order to confirm or further assure the interest of the Agent hereunder.

8. The Agent may assign all or any of the rights assigned to it hereby or arising under the Lease, including, without limitation, the right to receive any Payments due or to become due. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, enjoy all the rights and privileges and be subject to all the obligations of the Agent hereunder.

9. This Assignment shall be governed by the laws of the State of New York, but the parties shall be entitled to all rights conferred by 49 U.S.C. § 11303.

10. The Owner shall cause copies of all notices received in connection with the Lease, and all payments hereunder to be promptly delivered or made to the Agent at its address set forth in Article 21 of the CSA, or at such other address as the Agent shall designate.

11. The Agent hereby agrees with the Owner that the Agent will not, so long as no Event of Default under the Lease, or event of default under the CSA, has occurred and is continuing, exercise or enforce, or seek to exercise or enforce, or avail itself of, any of the rights, powers, privileges, authorizations or benefits which are assigned and transferred by the Owner to the Agent by this Assignment, except the right to receive and apply the Payments as provided in Paragraph 1 hereof, and that, subject to the terms of the Lease and the CSA, the Owner may, so long as no event of default under the CSA or Event of Default under the Lease has occurred and is continuing, exercise or enforce, or seek to exercise or enforce or avail itself of, such rights, powers, privileges, authorizations or benefits.

Unless and until an Event of Default under the Lease, or an event of default under the CSA, has occurred and is continuing, the Owner shall have the right, without the concurrence of the Agent, to adjust the rentals, Casualty Values and Termination Values pursuant to § 3 of

the Lease and to exercise the rights of the Lessor under §§ 7.7, 13 and 14 of the Lease; at all times the Owner may, without the concurrence of the Agent, receive all notices, certificates, opinions of counsel and other documents and information to be furnished to the Owner under the Lease; at all times the Owner shall have the right to proceed by appropriate court action either at law or in equity to enforce the performance by the Lessee of its obligations with respect to Excluded Payments or to recover damages for the breach thereof as provided in § 10(A) of the Lease but may not declare an Event of Default under or terminate the Lease. The Agent may not at any time, without the concurrence of the Owner, amend, modify or supplement or give or accept any waiver or consent with respect to, the Lease so as to increase the liabilities or diminish the immunities of the Owner or reduce the amount or extend the time of payment of any Excluded Payment then due and payable or change any of the circumstances under which Excluded Payments are payable.

12. This Assignment may be executed in any number of counterparts, all of which together shall constitute a single instrument, but the counterpart delivered to the Agent shall be deemed to be the original counterpart. Although for convenience this Assignment is dated as of the date first above written, the actual dates of execution hereof by the parties hereto are the dates stated in the acknowledgments hereto annexed.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names by officers thereunto duly authorized, and their respective corporate seals to be affixed and duly attested, all as of the date first above written.

CHEMICAL BUSINESS CREDIT
CORP.,

by

Attorney-in-Fact

[Corporate Seal]

Attest:

Assistant Secretary

MERCANTILE-SAFE DEPOSIT
AND TRUST COMPANY, as Agent,

by

[Corporate Seal]

Vice President

Attest:

Corporate Trust Officer

CONSENT AND AGREEMENT

The undersigned, GEORGIA POWER COMPANY ("Lessee"), the Lessee named in the Lease of Railroad Equipment ("Lease") referred to in the foregoing Assignment of Lease and Agreement ("Lease Assignment"), hereby (a) acknowledges receipt of a copy of the Lease Assignment and (b) consents to all the terms and conditions of the Lease Assignment and agrees that:

(1) it will pay or cause to be paid all Payments (as defined in the Lease Assignment) provided for in the Lease due and to become due under the Lease or otherwise in respect of the Units leased thereunder, directly to Mercantile-Safe Deposit and Trust Company, as Agent ("Agent"), the assignee named in the Lease Assignment, by wire transfer of Federal funds by 11:00 a.m. Baltimore time to Mercantile-Safe Deposit and Trust Company, Baltimore, Maryland, for credit to its Corporate Trust Account No. 620081-8 with advice that the funds are "RE: Georgia Power 12/15/85" (or at such other address as may be furnished in writing to the Lessee by the Agent);

(2) the Agent shall be entitled to the benefits of, and to receive and enforce performance of, all the covenants to be performed by the Lessee under the Lease as though the Agent were named therein as the lessor;

(3) the Agent shall not, by virtue of the Lease Assignment or this Consent and Agreement, be or become subject to any liability or obligation under the Lease or otherwise; and

(4) the Lease shall not, without the prior written consent of the Agent, be terminated (except in accordance with its terms) or modified, nor shall any action be taken or omitted by the Lessee the taking or omission of which might result in an alteration or impairment of the Lease or the Lease Assignment or this Consent and Agreement or of any of the rights created by any thereof.

This Consent and Agreement, when accepted by the Agent by signing the acceptance at the foot hereof, shall be deemed to be a contract under the laws of the State of

Georgia and, for all purposes, shall be construed in accordance with the laws of said state.

GEORGIA POWER COMPANY,

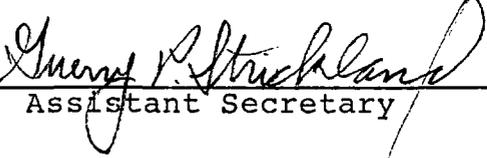
by

[Corporate Seal]



Treasurer

Attest:



Assistant Secretary

The foregoing Consent and Agreement is hereby accepted, as of December 15, 1985.

MERCANTILE-SAFE DEPOSIT AND
TRUST COMPANY, as Agent,

by

Vice President