

LAW OFFICES

ROSS & HARDIES

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

150 NORTH MICHIGAN AVENUE
CHICAGO, ILLINOIS 60601-7567

312-558-1000

WRITER'S DIRECT LINE
(312) 750-8935

August 13, 1998

RECORDATION NO. 20749-C FILED

AUG 19 '98

9-54 AM

TELECOPIER
312-750-8600

PARK AVENUE TOWER
65 EAST 55TH STREET
NEW YORK, NEW YORK 10022-3219
212-421-5555

580 HOWARD AVENUE
SOMERSET, NEW JERSEY 08873
732-563-2700

888 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20006-4103
202-296-8600

VIA OVERNIGHT COURIER

Mr. Vernon A. Williams
Secretary
Office of the Secretary
The Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Attention: Janice Fort, Room 704

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two original executed copies and two photostatic copies of a Memorandum of Assignment and Assumption Agreement, dated as of June 30, 1998 (the "Memorandum of Assignment and Assumption"), between JAIX Leasing Company ("Assignor") and The CIT Group/Equipment Financing, Inc. ("Assignee"), which Memorandum of Assignment and Assumption is a secondary document as defined in the Commission's Rules for the Recordation of Documents. The Memorandum of Assignment and Assumption relates to that certain Railcar Equipment Lease, dated as of May 8, 1996 (the "Lease") and Rider 1 to the Lease, dated as of May 8, 1996, between Assignor and Southern Illinois Railcar Company ("Lessee"). A Memorandum of Lease Agreement, dated as of June 10, 1997, between Assignor and Lessee relating to the Lease, was duly recorded and filed with The Surface Transportation Board pursuant to 49 U.S.C. Section 11301 on June 30, 1997 and assigned Recordation Number 20749-A and is a primary document as defined in the Commission's Rules for the Recordation of Documents.

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The names and addresses of the parties to the enclosed Memorandum of Assignment and Assumption Agreement are:

Assignor: JAIX Leasing Company
980 North Michigan Avenue
Suite 1000
Chicago, Illinois 60611

Lessee: The CIT Group/Equipment Financing, Inc.
1211 Avenue of the Americas
20th Floor
New York, New York 10036

A description of the railroad equipment covered by the enclosed document is set forth in the Memorandum of Assignment and Assumption Agreement.

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 one stamped original copy, the two stamped photostatic copies of the enclosed document and the stamped photostatic copy of this letter to Joseph A. McQuade at Ross & Hardies, 150 North Michigan Avenue, Suite 2500, Chicago, Illinois 60601.

Following is a short summary of the enclosed document:

Document to be Recorded

Memorandum of Assignment and Assumption Agreement, dated as of June 30, 1998, between JAIX Leasing Company, as Assignor, and The CIT Group/Equipment Financing, Inc., as Assignee covering 96 mill gondola cars, relating to the Railcar Equipment Lease, dated as of May 8, 1996 and Rider 1 to the Lease, dated as of May 8, 1996, between Assignor and Southern Illinois Railcar Company, as Lessee.

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Primary Document to Which it Relates

Memorandum of Lease Agreement, dated as of June 10, 1997, between Assignor and Lessee relating to the Railcar Equipment Lease, dated as of May 8, 1996 and Rider 1 thereto, dated as of May 8, 1996, between Assignor and Lessee, which was duly recorded and filed with The Surface Transportation Board pursuant to 49 U.S.C. Section 11301 on June 30, 1997 and assigned Recordation Number 220749-A.

Very truly yours,



Joseph A. McQuade

JAM/vgc
w/encl.

cc: Robert W. Kleinman
Susan G. Lichtenfeld

RECORDATION NO.

FILED

AUG 19 '98

9-54 AM

SIRC

MEMORANDUM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS MEMORANDUM OF ASSIGNMENT AND ASSUMPTION AGREEMENT dated as of this 30th day of June, 1998, is made by JAIX Leasing Company, a Delaware corporation, with an address at 980 North Michigan Avenue, Suite 1000, Chicago, Illinois 60611 (the "Assignor"), and The CIT Group/Equipment Financing, Inc., a New York corporation, with an address at 1211 Avenue of the Americas, 20th Floor, New York, NY 10036 ("Assignee", and together with the Assignor, the "Parties").

KNOW ALL PERSONS BY THESE PRESENTS THAT:

WHEREAS, the Assignor and the Assignee entered into that certain Assignment and Assumption Agreement (the "Assignment and Assumption Agreement") dated as of the date hereof;

WHEREAS, under the Assignment and Assumption Agreement, the Assignor assigned and the Assignee assumed all of the Assignor's present and future rights, obligations and interest in, to and under the Railroad Equipment Lease (the "Lease") between Assignor, as lessor, and Southern Illinois Railcar Company ("SIRC"), as lessee, dated as of May 8, 1996, and relating to the lease by SIRC of 96 mill gondola cars marked SIRX 200000 - SIRX 200095 (inclusive).

WHEREAS, a Memorandum of Lease Agreement, with respect to the Lease, was filed with the Surface Transportation Board on June 30, 1997 and assigned Recordation Number 20749-A;

WHEREAS, the Parties wish to show for the public record the existence of the aforementioned Assignment and Assumption Agreement, and the respective interests therein of the Parties and accordingly the Parties have caused this Memorandum to be executed by their respective duly authorized officers, as of the date first above written.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the Parties hereto, by this instrument the Assignor hereby assigns to Assignee the Lease in accordance with the terms and conditions of the Assignment and Assumption Agreement, and the Assignee accepts such assignment in accordance with the terms and conditions of the Assignment and Assumption Agreement, which are incorporated by reference as if fully set forth herein.

IN WITNESS WHEREOF, each of the undersigned has caused this Memorandum to be executed by a duly authorized officer as of the day and year first above written.

THE CIT GROUP/EQUIPMENT FINANCING CORPORATION

By: 
Name: Lawrence Littlefield
Title: Vice President

JAIX LEASING COMPANY

By: 
Name: Edward J. Whalen
Title: PRESIDENT

STATE OF NEW YORK)
) SS:
COUNTY OF _____)

On this 10th day of July, 1998 before me personally appears LAWRENCE E. LITREARD, to me personally known, who by me duly sworn, says that he/she is the Vice-President of The CIT Group/Equipment Financing Company (the "Company"), that the foregoing instrument was signed on behalf of the said Company by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Barbara Garner
Notary Public

[SEAL]

My Commission expires:

BARBARA GARNER
Notary Public, State of New York
No. 01GA5065133
Qualified in Nassau County
Certificate Filed in New York County
Commission Expires Sept 3, 1998

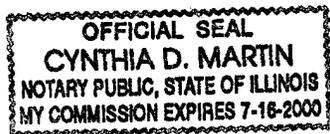
STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

On this 10th day of August, 1998 before me personally appears EDWARD J. WHALEN, to me personally known, who by me duly sworn, says that he/she is the PRESIDENT of JAIX LEASING COMPANY (the "Company"), that the foregoing instrument was signed on behalf of the said Company by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of the said Company.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Cynthia D. Martin
Notary Public

[SEAL]



My Commission expires: