RECORDATION NO. 21222-B,C FILED

MAR 2 '98 1:25 PM

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OF COUNSEL
URBAN A. LESTER

Original - Counterpart

March 2, 1998

RECEIVED SURFACE TRANSPORTATION BOARD Mar 2 1 25 PM '98

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 each of two Assignment and Assumption Agreements, dated as of February 27, 1998, both secondary documents as defined in the Board's Rules for the Recordation of Documents.

The enclosed documents relate to the Memoranda of Lease Agreements which were previously filed with the Board under Recordation Numbers 21222 and 21222-A.

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

Assignor: JAIX Leasing Company
980 North Michigan Avenue
Chicago, IL 60670

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

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

B → (a) on the first Agreement, ten railcars SCSX 97790 - SCSX 97799; and
C → (b) on the second Agreement, 125 railcars SCSX 97800 - SCSX 97924.

Also enclosed is a check in the amount of $48.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of the enclosed document to the undersigned.

Very truly yours,

Robert W. Alvord

RWA/bg
Enclosures

RECORDATION NO. 21222-C FILED

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ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement, dated as of February 27, 1998, is between JAIX Leasing Company ("Assignor"), a Delaware corporation, and The CIT Group/Equipment Financing, Inc. ("Assignee"), a Delaware corporation.

RECITALS

WHEREAS, Assignor and Assignee have entered into a Purchase Agreement dated as of February 27, 1998 (the "Purchase Agreement"), pursuant to which Assignor shall sell, assign, transfer and convey to Assignee, and Assignor shall purchase, receive and accept, all of Assignor's right, title and interest in and to the railcar equipment described in Appendix 2 hereto (the "Railcars"), including, but not limited to, the reporting marks for the Railcars (the "Marks").

WHEREAS, Assignor desires to transfer to Assignee all of its right, title and interest in and to the Railcar Equipment Lease, dated as of October 6, 1997 (the "Lease"), between JAIX Leasing Company, as lessor, and Georgia Power Company, as lessee, Rider 2 thereto, dated January 30, 1998 ("Rider 2"; the Lease and Rider 2 hereinafter collectively referred to as the "Lease"), the Service Agreement, dated as of January 30, 1998 (the "Service Agreement"), between JAIX Leasing Company and Georgia Power Company, and all other operative documents described in Appendix 1 hereto (collectively referred to as the "Operative Documents" and referred to with the Railcars and the Marks as the "Owner Interests").

NOW, THEREFORE, in consideration of the mutual covenants contained herein and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

Section 1. Assignment of Owner Interests. Assignor hereby sells, assigns, transfers and conveys to Assignee, as of the date hereof, free and clear of all liens, claims and encumbrances, all of its right, title and interest in, to and under the Owner Interests; and Assignee hereby accepts and receives all such right, title and interest in, to and under the Owner Interests, excluding any claim, cause of action, liability or obligation of any nature or description or other right to payment accruing, arising or relating to any period on or prior to the date hereof or payable by reason of any act, event or omission occurring or existing on or prior to the date hereof, whether known or unknown, contingent or otherwise, as of the date hereof to have

and to hold the same unto Assignee, its successors and assigns, forever.

Section 2. Assumption of Liabilities. Upon the execution and delivery of this Agreement, Assignee shall be deemed to be the "Lessor" for all purposes of the Lease and "JAIX" for all purposes of the Service Agreement, and each reference in the Lease to "Lessor" and to "JAIX" in the Service Agreement shall thereafter be deemed to be Assignee. Assignor hereby acknowledges that the duties and obligations of "JAIX" under the Service Agreement are limited to the payment for any railcar repair services performed on the Railcars. Assignee assumes, with respect to the periods after the date hereof, all of the duties and obligations of Assignor hereafter accruing or arising incident to the Owner Interests. Assignee confirms, with respect to the periods after the date hereof, that as of the date hereof it shall be deemed a party to the Owner Interests hereto to which Assignor is a party, and Assignee agrees to be bound by all the terms of, and to undertake all such obligations of, Assignor contained therein arising after the date hereof.

Section 3. Notices. Any notices provided for in the Lease and the Service Agreement shall be delivered to Assignee at the following address or such other place as Assignee may designate in accordance with the Lease and the Service Agreement:

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

Attention: Manager - Rail Group

Section 4. Headings. The headings of the Sections herein are for convenience of reference only and shall not define or limit any of the terms or provisions hereof.

Section 5. Governing Law. THIS AGREEMENT SHALL BE DEEMED TO HAVE BEEN MADE IN THE STATE OF NEW YORK, SHALL BE CONSTRUED IN ACCORDANCE WITH, AND THE RIGHTS AND LIABILITIES OF THE PARTIES HEREUNDER SHALL BE GOVERNED BY, THE LAWS OF SUCH STATE, WITHOUT REGARD TO ITS CONFLICTS OF LAW DOCTRINE (OTHER THAN TITLE 14 OF ARTICLE 5 OF THE GENERAL OBLIGATIONS LAW), AND THIS AGREEMENT SHALL BE DEEMED IN ALL RESPECTS TO BE A CONTRACT OF SUCH STATE. BOTH PARTIES CONSENT TO THE JURISDICTION OF THE STATE AND FEDERAL COURTS SITTING IN NEW YORK, NEW YORK FOR ANY ACTION THAT MAY BE BROUGHT UNDER THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

Section 6. Definitions. Capitalized terms used herein without definition shall have the meanings given them in the Purchase and Sale Agreement described in Section 8 below.

Section 7. Execution in Counterparts. This Agreement and any amendments, waivers or consents hereto may be executed by Assignor and Assignee in separate counterparts (or upon separate signature pages bound together into one or more counterparts), each of which, when so executed and delivered, shall be an original, but all such counterparts shall together constitute one and the same instrument.

Section 8. Purchase and Sale Agreement. The rights and obligations of the parties hereto are subject to the terms and conditions of that certain Purchase and Sale Agreement, dated as of February 30, 1998, between Assignor and Assignee (the "Purchase and Sale Agreement").

Section 9. Recordation. Assignor hereby authorizes the recordation of this Agreement and hereby agrees to execute such further documentation as Assignee may reasonably request in order to carry out the purposes of this Agreement.

Section 10. Miscellaneous. Each party to this Agreement shall execute and deliver such instruments, documents and other written information and take such other actions as the other party may reasonably require in order to carry out the intent of this Agreement. This Agreement and all the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one instrument.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the day and year first hereinabove set forth.

JAIX LEASING COMPANY

By: _____
David W. Riesmeyer

Its: Treasurer
JAIX Leasing Company

THE CIT GROUP/EQUIPMENT FINANCING, INC.

By: Nancy Nardella Cobbazo

Its: Vice President

STATE OF ILLINOIS)
)SS:
COUNTY OF COOK)

On this 25th day of February, 1998, before me personally appeared David W. Kiesmayer to me personally known, who being duly sworn, says that he is a Treasurer of JAIX LEASING COMPANY, that said instrument was signed 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.

OFFICIAL SEAL
LYNN M. PASS
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 8-19-2000

[NOTARY SEAL]

Lynn M. Pass
Notary Public

8/19/2000
My Commission Expires:

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

On this 26 day of February, 1998, before me personally appeared Nancy Nardella Coblazo, to me personally known, who being duly sworn, says that she is a Vice President of THE CIT GROUP/EQUIPMENT FINANCING, INC., that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Elsa Rodriguez
Notary Public

[NOTARY SEAL]

May 29, 1998
My Commission Expires:

ELSA RODRIGUEZ
Notary Public, State of New York
No. 4967228
Qualified in Nassau County
Certificate filed in New York County
Commission Expires May 29, 1998

APPENDIX 1

OPERATIVE DOCUMENTS

Except as set forth herein, all right, title and interest of JAIX Leasing Company ("Assignor") in, to and under the following Operative Documents:

1. Railcar Equipment Lease, dated as of October 6, 1997 (the "Lease"), by and between JAIX Leasing Company, as lessor, and Georgia Power Company, as lessee (the "Georgia Power Lease").

2. Rider 2 to the Lease, dated January 30, 1998 ("Rider 2").

3. Certificate of Acceptance dated January ___, 1998 executed by Georgia Power Company with respect to a delivery of Railcars on January ___, 1998 under the Lease.

4. The Service Agreement, dated as of January 30, 1998, between JAIX Leasing Company and Georgia Power Company.

APPENDIX 2

DESCRIPTION OF RAILCARS

125 aluminum autoflood railcars manufactured by Johnstown America Corporation and bearing road marks and numbers:

SCSX 97800 through SCSX 97924 (both inclusive)