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A T T O R N E Y S

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RECORDATION NO. 21388-A, B
FILED
OCT 6 '98 2-35 PM

October 6, 1998

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Dear Secretary Williams:

I have enclosed the original and one certified copy of each of the two documents described below, to be recorded pursuant to 49 U.S.C. § 11301.

The first document is a Memorandum of Assignment and Assumption Agreement, a secondary document, dated as of October 2, 1998. The primary document to which this is connected is recorded under Recordation Number 21388. We request that this document be recorded under Recordation Number 21388-A.

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

Assignor:

DJJ Transportation Services, Inc.
P.O. Box 1078
Cincinnati, OH 45201

Assignee:

KND Rail Services, Inc.
1843 Berends Drive, S.W.
Grand Rapids, MI 48509

A description of the equipment covered by the Memorandum of Assignment and Assumption Agreement consists of 103 4000 cu. ft. capacity, 3 pocket, open top hopper railcars

Counterparts - [Signature]

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numbered DJJX 700-731, inclusive, 734-745, inclusive, 747-764, inclusive, 772, 774, 778-780, inclusive, 782, 791-793, inclusive, 810-839, inclusive, 841, and 842.

The second document is a Memorandum of Assignment and Assumption Agreement, a secondary document, dated as of October 2, 1998. The primary document to which this is connected is recorded under Recordation Number 21388. We request that this document be recorded under Recordation Number 21388-B.

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

Assignor:

KND Rail Services, Inc.
1843 Berends Drive, S.W.
Grand Rapids, MI 48509

Assignee:

JAIX Leasing Company
980 North Michigan Avenue, Suite 1000
Johnstown, PA 60611

A description of the equipment covered by the Memorandum of Assignment and Assumption Agreement consists of 103 4000 cu. ft. capacity, 3 pocket, open top hopper railcars numbered DJJX 700-731, inclusive, 734-745, inclusive, 747-764, inclusive, 772, 774, 778-780, inclusive, 782, 791-793, inclusive, 810-839, inclusive, 841, and 842.

A fee of \$52.00 is enclosed. Please return both originals to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the documents to appear in the index follows: (1) a Memorandum of Assignment and Assumption Agreement between DJJ Transportation Services, Inc., P.O. Box

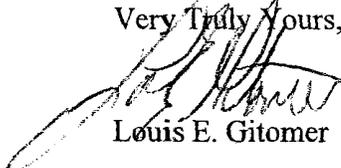
Honorable Vernon A. Williams

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1078, Cincinnati, OH 45201, and KND Rail Services, Inc., 1843 Berends Drive, S.W., Grand Rapids, MI 48509; and (2) a Memorandum of Assignment and Assumption Agreement between KND Rail Services, Inc., 1843 Berends Drive, S.W., Grand Rapids, MI 48509, and JAIX Leasing Company, 980 North Michigan Avenue, Suite 1000, Johnstown, PA 60611, both covering 103 4000 cu. ft. capacity, 3 pocket, open top hopper railcars numbered DJJX 700-731, inclusive, 734-745, inclusive, 747-764, inclusive, 772, 774, 778-780, inclusive, 782, 791-793, inclusive, 810-839, inclusive, 841, and 842.

Very Truly Yours,



Louis E. Gitomer

Enclosures

RECORDATION NO. 21388-B FILED

OCT 6 '98 2-35 PM

**MEMORANDUM OF
ASSIGNMENT AND ASSUMPTION AGREEMENT**

This MEMORANDUM OF ASSIGNMENT AND ASSUMPTION AGREEMENT ("Memorandum of Assignment Agreement") made and entered into as of October 2, 1998, by and between **KND RAIL SERVICES, INC.**, a Michigan corporation ("Assignor") and, **JAIX LEASING COMPANY**, a Delaware corporation ("Assignee").

WITNESSETH:

WHEREAS, Assignor has agreed to assign to Assignee that certain lease agreement dated April 15, 1998, and amended on September 23, 1998, between Assignor, as Lessor, and Union Pacific Railroad, as Lessee, identified on Schedule A, for one hundred three (103) railcars bearing the railroad reporting markings set forth on Schedule A.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Assignment Agreement to be executed and delivered by their duly authorized representatives on the date set forth above.

KND RAIL SERVICES, INC.

By: 

Name: Michael Kennedy

Title: Vice President of Operations
and General Counsel

JAIX LEASING COMPANY

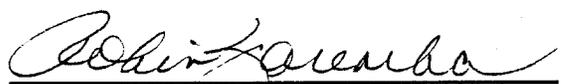
By: 

Name: Edward J. Whelan

Title: President

STATE OF MICHIGAN)
COUNTY OF EMMET) ss.

The foregoing instrument was acknowledged before me on October 2, 1998, by MICHAEL KENNEDY, Vice President of Operations and General Counsel for KND Rail Services, Inc., a Michigan corporation, on behalf of said corporation.



ROBIN ZAREMBA, Notary Public
Emmet County, Michigan
My commission expires: 6-13-2001

SCHEDULE A

DESCRIPTION OF EQUIPMENT

One hundred three (103) 100-ton, 4000 cubic foot, 3-pocket open-top hopper railcars bearing reporting marks as follows:

DJJX 700-731, inclusive

DJJX 734-745, inclusive

DJJX 747-764, inclusive

DJJX 772

DJJX 774

DJJX 778-780, inclusive

DJJX 782

DJJX 791-793, inclusive

DJJX 810-839, inclusive

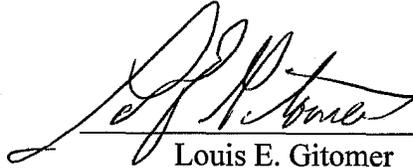
DJJX 841

DJJX 842

LEASE: Railroad Equipment Master Lease, Schedule No. 001 dated April 15, 1998, between Union Pacific Railroad Company and DJJ Transportation Services, Inc., as amended by First Amendment, dated as of September 23, 1998, to Schedule No. 001 of Railroad Equipment Master Lease Between DJJ Transportation Services, Inc. (Lessor) And Union Pacific Railroad Company (Lessee) Dated as of April 15, 1998.

CERTIFICATION

I, LOUIS E. GITOMER, have compared this copy to the original Memorandum of Assignment and Assumption Agreement dated as of October 2, 1998, and found the copy to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.

A handwritten signature in black ink, appearing to read "Louis E. Gitomer", is written over a horizontal line.

Louis E. Gitomer
October 6, 1998