

ALVORD AND ALVORD
ATTORNEYS AT LAW
918 SIXTEENTH STREET, N.W.
SUITE 200
WASHINGTON, D.C.

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

20006-2973

(202) 393-2266

FAX (202) 393-2156

OF COUNSEL
URBAN A. LESTER

RECORDATION NO. 22027 FILED

FEB 16 '99

1-40PM

February 16, 1999

RECORDATION NO. 22027-A FILED

FEB 16 '99

1-40PM

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

RECORDATION NO. 216216-B FILED

FEB 16 '99

1-40PM

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Memorandum of Lease Agreement, dated as of February 12, 1999, a primary document as defined in the Board's Rules for the Recordation of Documents and two (2) copies of a Memorandum of Assignment Agreement, dated as of February 12, 1999, a secondary document related thereto.

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

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

Lessee/Assignor: JAIX Leasing Company
980 North Michigan Avenue
Chicago, Illinois 60611

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

115 AutoFlood coal cars bearing reporting marks and road numbers
JAIX 99001 through JAIX 99115.

Country Club

Vernon A. Williams
February 16, 1999
Page 2

The Lease between JAIX Leasing Company and Texas Utilities Electric Company, which is the subject of the enclosed Memorandum of Assignment Agreement, has been previously filed with the Board under Recordation Number 21626. Please cross-index the Assignment under Recordation Number 21626.

Also enclosed is a check in the amount of \$78.00 payable to the order of the Surface Transportation Board covering the required recordation fee and cross-indexing fee.

Kindly return stamped copies of the enclosed documents to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/bg
Enclosures

FEB 16 '99

1-40PM

MEMORANDUM OF LEASE AGREEMENT

This Memorandum of Lease Agreement is made and entered into as of February 12, 1999, by and between The CIT Group/Equipment Financing, Inc. ("Lessor") and JAIX Leasing Company ("Lessee"), respecting that certain Railcar Equipment Lease dated as of June 10, 1997 (the "Lease") and Schedule 6 thereto dated February 12, 1999 ("Schedule 6") between Lessor and Lessee.

Pursuant to the provisions of the Lease and Schedule 6, Lessor and Lessee hereby acknowledge and affirm that:

1. For good and valuable consideration, Lessor is leasing to Lessee and Lessee is leasing from Lessor one hundred fifteen (115) Aluminum AutoFlood Coal Cars marked JAIX 99001 through JAIX 99115, both inclusive (the "Railcars").

2. The term of the Lease for any Railcar under Schedule 6 shall commence on February 12, 1999 and shall terminate no later than February 11, 2000, provided that the Lease may be sooner terminated as provided therein.

3. Lessor and Lessee further acknowledge and affirm that this Memorandum of Lease Agreement is not a summary of the provisions of the Lease or Schedule 6. Accordingly, Lessor and Lessee hereby agree that in the event of a conflict between this Memorandum of Lease Agreement and the provisions of the Lease or Schedule 6, the provisions of the Lease or Schedule 6, as the case may be, shall control.

4. This Memorandum of Lease Agreement may be executed by the parties hereto in any number of counterparts, and all counterparts taken together shall be deemed to constitute one instrument.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Memorandum of Lease Agreement to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first written.

THE CIT GROUP/EQUIPMENT FINANCING, INC.

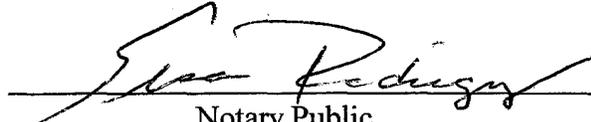
By: Nancy Nardella
Name: NANCY NARDELLA
Title: Vice President

JAIX LEASING COMPANY

By: Kenneth M. Tallering
Name: Kenneth M. Tallering
Title: Secretary

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

On this 12th day of February, 1999, before me personally appeared Nancy Nardella, to me personally known, who being by me duly sworn, says that s/he 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 s/he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

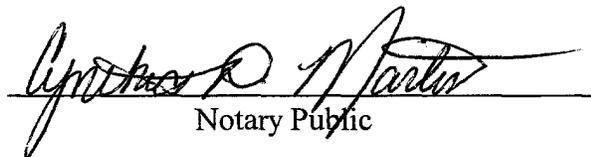
[NOTARIAL SEAL]

My Commission Expires: May 29, 2000

ELSA RODRIGUEZ
Notary Public, State of New York
No. 4967228
Qualified in Nassau County
Certificate filed in New York County
Commission Expires May 29, 2000

STATE OF ILLINOIS)
)
) SS:
COUNTY OF COOK)

On this 10th day of February, 1999 before me personally appeared Kenneth M. Tallering to me personally known, who being duly sworn, says that s/he is a Secretary of JAIX LEASING COMPANY, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and s/he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

OFFICIAL SEAL
CYNTHIA D. MARTIN
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 7-16-2000

[NOTARIAL SEAL]

My Commission Expires: _____

RECORDATION NO. 2/16/99 FILED B

RECORDATION NO. 22027-A FILED

FEB 16 '99

1-40PM

MEMORANDUM OF ASSIGNMENT AGREEMENT

FEB 16 '99

1-40PM

This Memorandum of Assignment Agreement is made and entered into as of February 12, 1999, by and between JAIX Leasing Company ("Assignor") and The CIT Group/Equipment Financing, Inc. ("Assignee") respecting the Sublease Assignment (the "Sublease Assignment") dated as of June 10, 1997 between Assignor and Assignee.

WITNESSETH:

1. Assignor, as Lessor, leased to Texas Utilities Electric Company ("Sublessee") one hundred fifteen (115) Aluminum AutoFlood Coal cars marked JAIX 99001 through JAIX 99115 inclusive, pursuant to a Railroad Equipment Lease dated as of August 1, 1998, and Rider 1 thereto, between Assignor and Sublessee (the "Sublease").
2. Assignor has agreed to assign to Assignee and Assignee has agreed to accept from Assignor the Sublease and the corresponding railcars which are subject of that Sublease.
3. Assignor and Assignee further acknowledge and affirm that this Memorandum of Assignment Agreement is not a summary of the provisions of the Sublease Assignment. Accordingly, Assignor and Assignee hereby agree that in the event of a conflict between this Memorandum of Assignment Agreement and the provisions of the Sublease Assignment, the provisions of the Sublease Assignment, shall control.
4. This Memorandum of Assignment Agreement may be executed by the parties hereto in any number of counterparts, and all counterparts taken together shall be deemed to constitute one instrument.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Memorandum of Assignment Agreement to be duly executed in this corporate name by its officers, thereunto duly authorized, all as of the date first written.

JAIX LEASING COMPANY

By: _____

Name: *Kenneth M. Tallering*

Title: *Secretary*

THE CIT GROUP/EQUIPMENT FINANCING,
INC.

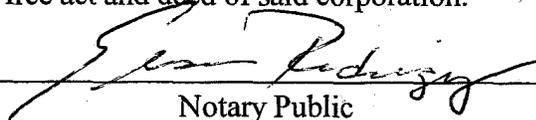
By: _____

Name: *Nancy Nardella*

Title: *Vice President*

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

On this 12 day of February, 1999, before me personally appeared Nancy Nardella to me personally known, who being by me duly sworn, says that s/he 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 s/he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Notary Public

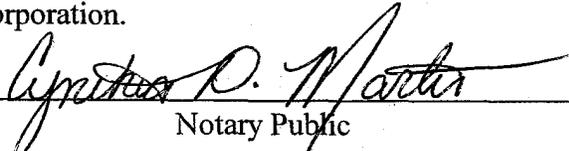
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My Commission Expires: May 29, 2000

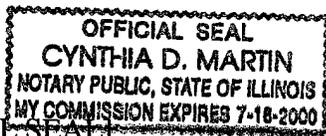
ELSA RODRIGUEZ
Notary Public, State of New York
No. 4967228
Qualified in Nassau County
Certificate filed in New York County
Commission Expires May 29, 2000

STATE OF ILLINOIS)
) SS:
COUNTY OF COOK)

On this 10th day of FEBRUARY, 1999, before me personally appeared Kenneth M. Talleling to me personally known, who being by me duly sworn, says that s/he is a Secretary of JAIX LEASING COMPANY, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and s/he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Notary Public



[NOTARIAL SEAL]

My Commission Expires: _____