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

OF COUNSEL
URBAN A. LESTER

September 27, 1996

20284
SEP 30 1996 AM

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

20284-A,B
SEP 30 1996 AM

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two copies each of the following three documents: (1) a Memorandum of Lease Agreement dated September 27, 1996, (2) a Rider 2 to Railcar Equipment Lease dated September 19, 1996, and (3) an Assignment of Sublease dated September 27, 1996, the first being a primary document and the others all being secondary documents as defined in the Board's Rules for the Recordation of Documents under 49 C.F.R. Section 1177.

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

Memorandum of Lease Agreement

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

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

Rider 2 to Railcar Equipment Lease

Lessor	JAIX Leasing Company 980 North Michigan Avenue Suite 1000 Chicago, Illinois 60611
Lessee	Cargill, Incorporated Cargill Grain Division P.O. Box 5606 MS CGD #6 Minneapolis, Minnesota 55440-5606

Assignment of Sublease

Assignor:	JAIX Leasing Company 980 North Michigan Avenue Suite 1000 Chicago, Illinois 60611
Assignee:	The CIT Group/Equipment Financing, Inc. 1211 Avenue of the Americas New York, New York 10036

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

One hundred (100) covered hopper cars bearing JAIX reporting marks and road numbers within the series JAIX 96250 - JAIX 96349 inclusive.

Also enclosed is a check in the amount of $66.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

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

Very truly yours,

Robert W. Alvord

RWA/bjg
Enclosures

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20423-0001

9/30/96

Alvord And Alvord
918 Sixteenth Street, NW., Ste. 200
Washington, DC., 20006-2973

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 9/30/96 **at** 11:05AM **, and assigned recordation number(s).** 20284, 20284-A, 20284-B, 20201-D and 20201-E.

Sincerely yours,

Vernon A. Williams
Secretary

Enclosure(s)

$110.00 **The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.**

Signature Janice M. Fort

RECORDATION NO. 20284-B FILED 1425

SEP 30 1996 11 AM

ASSIGNMENT OF SUBLEASE

ASSIGNMENT OF SUBLEASE dated as of September 27, 1996 (hereinafter called the "Assignment") between JAIX Leasing Company, a Delaware corporation (hereinafter together with its successors and assigns, called the "Assignor") and The CIT Group/Equipment Financing, Inc., a Delaware corporation, (hereinafter together with its successors and assigns, called the "Assignee").

WHEREAS, Assignor and Assignee have entered into the Railroad Equipment Lease dated as of September 27, 1996 (hereinafter called the "Lease") pursuant to which Assignee is leasing to Assignor the railroad equipment described therein (hereinafter called the "Equipment");

WHEREAS, Assignor proposes to sublease the Equipment to Cargill, Incorporated pursuant to Rider 2 dated September 19, 1996 to the Railroad Full Service Equipment Lease dated as of November 1, 1995 (hereinafter called the "Sublease") between Assignor, as lessor, and Cargill, Incorporated, as lessee (the "Sublessee");

WHEREAS, in order to provide further security for the payment of the rentals and other sums payable under the Lease, the Assignor has agreed to assign for security purposes its rights in, to and under the Sublease to the Assignee.

NOW, THEREFORE, in consideration of the sum of One Dollar and other good and valuable consideration paid by the Assignee to the Assignor, the receipt and sufficiency of which are hereby acknowledged, as well as of the mutual covenants herein contained, the parties hereto do hereby agree as follows:

SECTION 1. As collateral security for the prompt and complete payment and performance of all of Assignor's obligations hereunder, under the Lease and under the Purchase and Sale Agreement between Assignor and Assignee dated of even date herewith (collectively the "Obligations") and in order to induce Assignee to purchase the Equipment, enter into the Lease and consent to the subleasing of the Equipment by Assignor, Assignor hereby assigns, pledges, and hypothecates to Assignee, and grants to Assignee, its successor and assigns a continuing first priority security interest in and to, all of its present and future right, title, and interest in, to and under all of the

following property, rights benefits and interest, referred to collectively herein as the "Collateral": (i) Railroad Full Service Equipment Lease date as of November 1, 1995 between Cargill, Incorporated, as lessee, and Assignor, as lessor, and Rider 2 thereto and, all exhibits and schedules thereto (including any and all amendments, extensions and renewals thereof) (the "Sublease"), and all rentals and other sums due and to become due thereunder or in connection therewith including without limitation, all rights and claims of Assignor as "Lessor" now or hereafter existing (the "Payments"), (A) under any insurance, indemnities, warranties and guaranties provided for or arising out of or in connection with the Sublease or the Equipment, (B) for any damages arising out of or for breach or default under or in connection with the Sublease, (C) to all other amounts from time to time paid or payable under or in connection with the Sublease, and (D) to grant consents and waivers under, to enter into amendments of, and to terminate the Sublease and to exercise or enforce any and all covenants, remedies, powers and privileges thereunder and; and (ii) to the extent not otherwise included, all proceeds (as defined in the applicable Uniform Commercial Code) of any or all of the foregoing.

It is expressly agreed that, anything contained herein to the contrary notwithstanding (i) Assignor shall at all times remain liable to observe and perform all of its duties and obligations under the Lease and the Sublease to the same extent as if this assignment had not been made, (ii) the exercise by Assignee of any of the rights assigned hereunder shall not release Assignor from any of its duties or obligations under this Lease or the Sublease and (iii) Assignee shall not have any obligation or liability under the Sublease by reason of this Agreement or the receipt by Assignee of any payment or property under the Sublease or pursuant hereto, nor shall Assignee be obligated to perform or fulfill any of the duties or obligations of the "Assignee" (as therein defined) under the Sublease or to make any payment thereunder, or to make any inquiry as to the nature or sufficiency of any payment or property received by it thereunder, or the sufficiency of performance by any party thereunder, or to present or file any claim, or to take any action to collect or enforce any performance or the payment of any amounts or the delivery of any property which may have been assigned to it or to which it may be entitled at any time or times.

Assignor hereby irrevocably constitutes and appoints Assignee and any officer or agent thereof, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in the place and stead of Assignor and in the name of Assignor or in its own name, from time to time in Assignee's discretion, for the purpose of carrying out the terms of this Agreement, to take any and all

appropriate action and to execute any and all documents or instruments which may be deemed necessary or desirable by Assignee to protect and preserve, and/or exercise its rights and remedies with respect to, the Collateral and, without limiting the generality of the foregoing, hereby gives Assignee the power and right, on behalf of Assignor and without notice to or assent by Assignor, to do the following: to demand, enforce, collect, receive, receipt, and give release for any monies due or to become due under or arising out of or with respect to, any of the Collateral, and to endorse all checks and other instruments, and to do and take all such other actions relating to any of the Collateral, to file any claims or institute any proceedings with respect to any of the foregoing which assignee deems necessary or desirable, and to compromise any such demand, claim or action.

Assignor hereby ratifies all that said attorney shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable. Assignor consents and agrees that any of the liabilities of the Assignor under the Lease may be extended by Assignee in whole or in part, without notice to Assignor and without affecting the liability of Assignor hereunder.

The powers conferred on Assignee hereunder are solely to protect its interest in the Collateral and shall not impose any duty upon it to exercise any such powers. Assignee shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to Assignor for any act or failure to act, except for its gross negligence or wilful misconduct.

The Assignee agrees to accept any Payments made by the Sublessee for the account of the Assignor as lessor pursuant to the Sublease and to acknowledge receipt of such payments. To the extent received, the Assignee will apply such Payments to satisfy the obligations of the Assignor under the Lease, and any balance shall be retained by Assignee.

Notwithstanding any provision of the Assignment to the contrary, Assignor agrees that Assignee shall receive (and it shall deliver to Assignee) all notices give by Sublessee under the Sublease, and Assignee shall have the exclusive right to grant consents and waivers under the Sublease and enter into amendments or modifications to the Sublease; provided, however, that in the event any such amendment, waiver or modification results in an increase (directly or indirectly) in Assignor's liability or obligation to Sublessee under the Sublease, upon Assignor's request, Assignee, at its option, shall either (i) terminate the Lease (and remove Assignor as the sublessor under the Sublease) or (ii) amend the Lease to make a corresponding change reflecting the amendment to the Sublease.

SECTION 2. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Assignee to, or transfer, or pass, or in any way affect or modify, the liability of the Assignor under the Sublease, it being understood and agreed that, notwithstanding this Assignment, or any subsequent assignment, all obligations, if any, of the Assignor to the Sublessee shall be and remain enforceable by the Sublessee only against the Assignor or persons other than the Assignee.

SECTION 3. To protect the security afforded by this Assignment, the Assignor further agrees that it will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Sublease provides are to be performed by the Assignor and, without the express written consent of the Assignee, the Assignor will not anticipate the rents under the Sublease or waive, excuse, condone, forgive, or in any manner release or discharge the Sublessee thereunder of or from the obligations, covenants, conditions and agreements to be performed by the Sublessee, including, without limitation, the obligation to pay the rentals in the manner and at the times and place specified therein, or enter into any agreement amending, modifying or terminating the Sublease; and the Assignor agrees that any amendment, modification or termination thereof without such consent shall be void.

SECTION 4. Upon (i) the full discharge and satisfaction of all the Assignor's obligations under the Lease, or (ii) early termination of the Lease pursuant to Section 17 therein, this Assignment and all rights herein assigned to the Assignee shall terminate, and all estate, right, title and interest of the Assignor in and to the Sublease shall be assigned to the Assignee. The Assignor hereby agrees that it will, at the request of the Assignee or its successors or assigns, make, execute and deliver all such instruments of assignment, transfer, assurance and do such further acts and things as may be necessary and appropriate to give effect to the terms of this Assignment and the reversion of all estate, right, title and interest of the Assignee in and to the Sublease.

SECTION 5. The Assignee may assign all or any of its rights under the Sublease, including the right to receive any Payment due or to become due thereunder. In the event of any such assignment, any such subsequent or successive assignee or assignees shall, to the extent of such assignment, and upon giving by the Assignee of written notice of such assignment to the Assignor and the Sublessee, enjoy all the rights and privileges and be subject to all the obligations of the Assignee hereunder.

SECTION 6. If an Event of Default under the Lease shall occur and be continuing, Assignee may exercise in addition

to all other rights and remedies granted to it in the Lease and in any other instrument or agreement securing, evidencing or relating to the Obligations, all rights and remedies of secured parties under the Uniform Commercial Code in effect in the applicable jurisdiction or under any other applicable law. Without limiting the generality of the foregoing, Assignor agrees that in any such event, Assignee, without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon Assignor or any other person (all and each of which demands, advertisements and/or notices are hereby expressly waived), may forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may forthwith sell, lease, assign, give option or options to purchase or otherwise dispose of and deliver the Collateral (or contract to do so), or any part thereof, in one or more parcels at public or private sale or sales, at any exchange or broker's board or at any of Assignee's offices or elsewhere at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk. Assignee shall have the right upon any such public sale or sales, and, to the extent permitted by law, upon any such private sale or sales, to purchase the whole or any part of the Collateral so sold, free of any right or equity of redemption in Assignor, which right or equity is hereby expressly released. Assignee shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale (after deducting all reasonable costs and expenses of every kind incurred therein or incidental to the care, safekeeping or otherwise of any or all of the Collateral or in any way relating to the rights of Assignee hereunder, including reasonable attorney's fees and legal expenses) to the payment in whole or in part of the Obligations, in such order as Assignee may elect and only after so applying such net proceeds and after the payment by Assignee of any other amount required by any provision of law (including Section 9-504(1)(c) of the Code), need Assignee account for the surplus, if any, to Assignor. To the extent permitted by applicable law, Assignor waives all claims, damages, and demands against Assignee arising out of the repossession, retention or sale of the Collateral. Assignor agrees that Assignee need not give more than 10 days' notice (which notification shall be deemed given when mailed, postage prepaid, addressed to Assignor at its address set forth following its signature herein) of the time and place of any public sale or of the time after which a private sale may take place and that such notice is reasonable notification of such matters.

If an Event of Default, referred to in Subsection (g) of Section 14 of the Lease shall occur and be continuing, Assignee (as assignee of Assignor) may declare the Sublease to be in default and may exercise all rights, powers and remedies of Assignor under Section 15 of the Sublease, either in Assignee's own name or in the name of Assignor for the benefit of Assignee.

Assignor hereby waives presentment, demand, protest and (to the extent permitted by applicable law) notice of any kind in connection with this Agreement or any Collateral.

SECTION 7. The Assignor hereby agrees that it will from time to time and at all times, at the request of the Assignee or its successors or assigns, make, execute and deliver all such further instruments of assignment, transfer and assurance and do such further acts and things as may be necessary and appropriate in the premises to give effect to the provisions hereinabove set forth and more perfectly to confirm the rights, titles and interests hereby assigned and transferred to the Assignee or intended so to be, including the execution and acknowledgment of any instrument necessary or appropriate to file, record, register or deposit this Assignment or notice hereof.

SECTION 8. The Assignor shall cause copies of all notices received in connection with the Sublease to be promptly delivered to the Assignee at such address as the Assignee shall designate in writing.

SECTION 9. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of the State of New York; provided, however, that the parties shall be entitled to all rights conferred by 49 U.S.C. §11301 and such additional rights arising out of the filing, recording, registering or depositing, if any, of the Lease or this Assignment as shall be conferred by the laws of the several jurisdictions in which the Lease or this Assignment shall be filed, recorded, registered or deposited. 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 Assignment or the transactions contemplated hereby.

SECTION 10. This Assignment may be executed in any number of counterparts, but the counterpart delivered to the Assignee shall be deemed to be the original counterpart. Although this Assignment is dated as of September 27, 1996 for convenience, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

SECTION 11. This Assignment may not be amended, modified or changed nor shall any waiver of any provisions hereof be effective except only by an instrument in writing and signed by the party against whom enforcement of any waiver, amendment, change, modification or discharge is sought.

SECTION 12. All communications under this Assignment shall be in writing or by a telecommunications device capable of crating a written record, and any such notice shall become

effective (a) upon personal deliver thereof, including, without limitation, by overnight mail or by courier service, (b) five (5) days after the date on which it shall have been mailed by United States mail (by certified mail, postage prepaid, return receipt requested), or (c) in case of notice by such a telecommunications device, when properly transmitted, addressed to each party at the addresses set forth following their signature on this Assignment or to such other addresses as the party to whom the same is intended shall have specified in conformity with the foregoing.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority have caused this Assignment to be signed in their respective corporate names by duly authorized officers and duly attested, all as of the date first above written.

JAIX LEASING COMPANY

By_____
Its:_____
Address: 980 N. Michigan Avenue
Suite 1000
Chicago, Illinois 60611

THE CIT GROUP/EQUIPMENT
FINANCING, INC.

By Lawrence E. Thing
Its: VICE PRESIDENT

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

On this 27th day of September, 1996, before me personally appeared _____, to me personally known, who, being by me duly sworn, says that he is _____ of JAIX LEASING COMPANY, that the foregoing 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.

_____
Notary Public

[Notarial Seal]

My Commission Expires _____

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

On this 27th day of September, 1996, before me personally appeared Lawrence E Littlefield to me personally known, who, being by me duly sworn, says that he is a Vice President of THE CIT GROUP/EQUIPMENT FINANCING, INC., that the foregoing 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.

Katharine T. Scheffler
Notary Public

[Notarial Seal]

My Commission Expires 6/29/98

KATHARINE T. SCHEFFLER
Notary Public, State of New York
No. 4994527
Qualified in New York County
Commission Expires ~~April 6, 1994~~

IN WITNESS WHEREOF, the parties hereto, each pursuant to due corporate authority have caused this Assignment to be signed in their respective corporate names by duly authorized officers and duly attested, all as of the date first above written.

JAIX LEASING COMPANY

By _____
Its: Treasurer
Address: 980 N. Michigan Avenue
Suite 1000
Chicago, Illinois 60611

THE CIT GROUP/EQUIPMENT
FINANCING, INC.

By _____
Its: _____

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

On this 27th day of September , 1996, before me personally appeared _____, to me personally known, who being by me duly sworn, said that he is a _____ 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 he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

_____
Notary Public

[NOTARY SEAL]

My Commission Expires

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On ~~this~~ 27th day ~~of~~ September, 1996, before me personally appeared David Riesmeyer, to me ~~personally~~ known, who being by me duly sworn, said 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.

Susan Lifvendahl
Notary Public

[NOTARY SEAL]

My Commission Expires:

"OFFICIAL SEAL"
SUSAN LIFVENDAHL
Notary Public, State of Illinois
My Commission Expires 3/21/99