

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

RECEIVED
SURFACE TRANSPORTATION
BOARD

AUG 19 9 54 AM '98

TELECOPIER
312-750-8600

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

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SOMERSET, NEW JERSEY 08873
732-563-2700

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

RECORDATION NO. 20623 - C
FILED

VIA OVERNIGHT COURIER

AUG 19 '98 9-54 AM

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 March 5, 1997 (the "Lease") and Rider 1 to the Lease, dated as of March 5, 1997, between Assignor and Dakota, Minnesota & Eastern Railroad Corporation ("Lessee"). A Memorandum of Lease Agreement, dated as of March 17, 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 April 10, 1997 and assigned Recordation Number 20623 and is a primary document as defined in the Commission's Rules for the Recordation of Documents.

Mr. Vernon A. Williams
August 13, 1998
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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

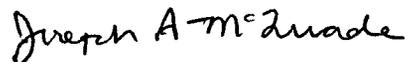
Memorandum of Assignment and Assumption Agreement, dated as of June 30, 1998, between JAIX Leasing Company, as Assignor, and The CIT Group/Equipment Financing, Inc., as Assignee covering 250 open top hopper cars, relating to the Railcar Equipment Lease, dated as of March 5, 1997 and Rider 1 to the Lease, dated as of March 5, 1997, between Assignor and Dakota, Minnesota & Eastern Railroad Corporation, as Lessee.

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Primary Document to Which it Relates

Memorandum of Lease Agreement, dated as of March 17, 1997, between Assignor and Lessee relating to the Railcar Equipment Lease, dated as of March 5, 1996 and Rider 1 thereto, dated as of March 5, 1997, 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 April 10, 1997 and assigned Recordation Number 20623.

Very truly yours,



Joseph A. McQuade

JAM/vgc
w/encl.

cc: Robert W. Kleinman
Susan G. Lichtenfeld

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

OFFICE OF THE SECRETARY

Joseph A. McQuade
Ross & Hardies
150 North Michigan Avenue
Chicago, Illinois 60601-7567

DATE: 8/19/98

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of 49 U.S.C. 11301
and 49 CFR 1177.3 (c), on 8/19/98 at 9:54AM, and
assigned recordation number(s). 21591., 20623-C and 20749-C.

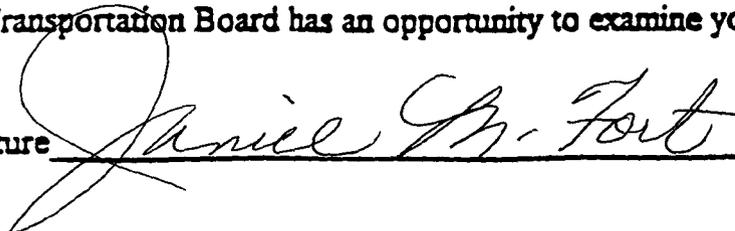
Sincerely Yours,


Vernon A. Williams
Secretary

Enclosure(s)

\$ 78.00 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.
In the event of an error or any questions concerning this fee, you will receive a notification after
the Surface Transportation Board has an opportunity to examine your document.

Signature



RECORDATION NO 20623 FILED *C*

AUG 19 '98

9-54AM

DME

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 Dakota, Minnesota & Eastern Railroad Corporation ("DME"), as lessee, dated as of March 5, 1997, and relating to the lease by DME of 250 open top hopper cars marked DME 39000 - DME 39249 (inclusive)

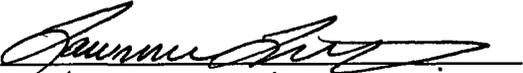
WHEREAS, a Memorandum of Lease Agreement, with respect to the Lease, was filed with the Surface Transportation Board on April 10, 1997 and assigned Recordation Number 20623,

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 Littlewood
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 LITREFFELD 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]

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

My Commission expires