

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
1600 K STREET, NW  
SUITE 200  
WASHINGTON, D.C.  
20006-2973  
—  
(202) 393-2266  
FAX (202) 393-2156

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

May 8, 2001

RECORDATION NO. 14873E FILED

MAY 11 2001 10:04 AM

SURFACE TRANSPORTATION BOARD

OF COUNSEL  
URBAN A. LESTER

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 an Assignment and Assumption Agreement, dated May 8, 2001, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Lease of Railroad Equipment which was previously filed with the Commission under Recordation Number 14873-B.

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

Assignor: J.P. Morgan Business Credit Corp.  
712 Main Street  
Mail Station 11CBBN377  
Houston, TX 77252

Assignee: SC Asset Management -II, LLC  
c/o SC Capital Corp.  
5445 DTC Parkway  
Suite 922  
Englewood, CO 80111

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

539 railcars within the series GALX 86001 - GATX 86600

Mr. Vernon A. Williams  
May 8, 2001  
Page Two

A short summary of the document to appear in the index follows:

Assignment and Assumption Agreement.

Also enclosed is a check in the amount of \$28.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

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

Very truly yours,



Robert W. Alvord

RWA/anm  
Enclosures

RECORDATION NO. 14873-E FILED

MAY 11 '01 3:14 AM

## ASSIGNMENT AND ASSUMPTION AGREEMENT

SURFACE TRANSPORTATION BOARD

This ASSIGNMENT AND ASSUMPTION AGREEMENT, dated May 8, 2001 (this "Agreement"), is between J.P. Morgan Business Credit Corp., a Delaware corporation ("Assignor"), and SC Asset Management-II, LLC, a Delaware limited liability company ("Assignee").

### WITNESSETH:

WHEREAS, Assignee and Assignor have entered into that certain Purchase Agreement, dated as of May 1, 2001 (the "Purchase Agreement"), providing for the purchase of the Equipment, subject to the Operative Agreements, by Assignee from Assignor, subject to the terms and conditions set forth therein; and

WHEREAS, the Purchase Agreement contemplates the execution and delivery of this Agreement by Assignor and Assignee to effect the assignment by Assignor and the assumption by Assignee of Assignor's rights and obligations under the Operative Agreements.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows.

1. Definitions. Capitalized terms used herein without definition shall have the meanings assigned to them in Section 5 of this Agreement.
2. Assignment. Assignor hereby assigns and delegates to Assignee all of Assignor's rights and obligations with respect to the Operative Agreements. Notwithstanding the foregoing, Assignor shall continue to be entitled to the benefit of any rights to indemnification for tax and other matters which arose or may arise from or be related to any event or circumstance occurring or in existence prior to the Effective Date.
3. Acceptance of Assignment; Assumption of Obligations; Effect of Assignment. Assignee hereby accepts the assignment contained in Section 2 hereof and, from and after the Effective Date, assumes all obligations of Assignor accruing under, and agrees to be bound to the same extent as Assignor by all the terms of, the Operative Agreements. Assignor is released of all obligations under the Operative Agreements accruing on and after the Effective Date.
4. Representations as to Applicable Law. To the best of its knowledge, Assignor represents and warrants that the transfer effected hereby does not violate any provision of law or regulation or create a relationship which would be in violation thereof. To the best of its knowledge, Assignee represents and warrants that the transfer effected hereby does not violate any provision of law or regulation or create a relationship which would be in violation thereof.
5. Definitions. Except as otherwise specified or as the context may otherwise require, the following terms have the respective meanings set forth below whenever used in this Agreement (terms defined in the singular to have a correlative meaning when used in the plural and vice versa).

Bill of Sale: as to a unit of Equipment, a bill of sale in the form of Exhibit I hereto.

Effective Date: the date of this Agreement.

Equipment: the railcars that are subject to the Lease, i.e., 539 Ortner 106 ton quick dump aluminum coal hopper cars, manufactured by Avondale Industries, Inc. (Ortner Freight Car Division), with AAR reporting marks GALX 86001 through 86600, except for the 61 railcars listed on Schedule 1 hereto, together with each and every part, accessory, component and any equipment installed therein or attached thereto owned by Assignor (individually such railcars shall be referred to as a "unit" or "unit of Equipment").

Lease: as defined on Schedule 2 hereto.

Operative Agreements: the agreements described in Schedule 2 hereto.

6. Amendments. No provision of this Agreement may be amended, modified or waived except by written agreement duly executed by each of the parties hereto.

7. Notices. All notices, consents, requests, instructions, approvals and other communications provided for herein shall be deemed validly given, made or served if in writing and delivered personally or sent by facsimile (as of such delivery) or sent by certified mail (as of three days after receipt deposit in a United States Post Office), postage prepaid to:

Assignor: **J.P. MORGAN BUSINESS CREDIT CORP.**  
712 Main Street  
Mail Station 11CBBN377  
Houston, TX 77252  
Attention: Gary Tulloch  
Telephone: (713) 216-2645  
Facsimile: (713) 216-2649

Assignee: **SC ASSET MANAGEMENT-II, LLC**  
c/o SC Capital Corp.  
5445 DTC Parkway, Suite 922  
Englewood, CO 80111  
Attention: William N. Conlin, Jr.  
Telephone: (303) 771-1057  
Facsimile: (303) 771-1058

or such other address as shall be furnished in writing by one party to the other.

8. Headings. The section headings used in this Agreement are for convenience of reference only and shall not be used or construed to define, interpret, expand or limit any provision hereof.

9. Counterparts. This Agreement may be executed in separate counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same agreement.

10. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the internal substantive laws of the State of Texas without giving effect to the conflict of law rules thereof.

11. Entire Agreement. This Agreement, the Purchase Agreement and the Bills of Sale (together with the exhibits and schedules hereto and thereto) represent the entire agreement of the parties hereto with respect to the subject matter hereof and supersede and cancel any prior oral or written agreement, letter of intent or understanding with respect to such subject matter.

12. Limitation of Warranties. Assignee has inspected the Equipment. Except as expressly set forth in the Purchase Agreement, Assignor makes no representations or warranties, express or implied, as to any matter whatsoever concerning the Equipment, the Ownership Interest or the Operative Agreements, including, without limitation, the selection, quality, or condition thereof, compliance with the terms of the Operative Agreements, or merchantability, fitness for any particular purpose, or the operation, performance or maintenance thereof, which shall be considered for all purposes "as is, where is, with all faults" or as to the financial condition, results of operations or business of any party to the Operative Agreements, the transaction contemplated hereby, the anticipated or expected results thereof to Assignee, including, without limitation, the tax consequences to Assignee of such transaction under federal, state, local or foreign laws, or any other matter whatsoever and Assignor shall not be deemed to have made any such representation or warranty by virtue of having sold any interest or estate to Assignee or having done or failed to do any other act. Assignor has not made and shall not make any warranties, expressed or implied, as to any matter relating to the Equipment or as to the enforceability or collectibility of any Operative Agreement or any obligation pursuant thereto, except as expressly set forth in the Purchase Agreement. Any prior representation or statements whether oral or written, as to the condition or fitness of the Equipment or the Ownership Interest or the Equipment's capability or capacity, are merged herein and any such representations or statements not specifically included in this agreement are hereby withdrawn by Assignor, and Assignee acknowledges that it is not relying on them.

13. Recordation. Assignor and Assignee agree to record this Agreement with the Surface Transportation Board to evidence the assignment and assumption effected hereby.

**[Signature page follows]**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

ASSIGNOR:

**J.P. MORGAN BUSINESS CREDIT  
CORP.**

By:   
Name: Gary E. Fulloch  
Title: Vice President

ASSIGNEE:

**SC ASSET MANAGEMENT-II, LLC**

By: SC Capital Corp.  
Its: Sole Member

By: \_\_\_\_\_  
Name: William N. Conlin  
Title: Executive Vice President

The undersigned hereby confirms that (i) this Assignment and Assumption Agreement is satisfactory to it in form and substance and (ii) that it has received all notices of the transfer herein contemplated that are required under the Operative Agreements (or has waived the necessity of such notice). The undersigned further acknowledges and agrees that Assignor shall have no liability or obligation under any of the Operative Agreements after the effective date hereof, except insofar as such liability or obligation relates to the period prior to the effective date of this Agreement.

LESSEE:

**GEORGIA POWER COMPANY**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first written above.

ASSIGNOR:

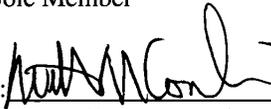
**J.P. MORGAN BUSINESS CREDIT  
CORP.**

By: \_\_\_\_\_  
Name: Gary E. Tulloch  
Title: Vice President

ASSIGNEE:

**SC ASSET MANAGEMENT-II, LLC**

By: SC Capital Corp.  
Its: Sole Member

By:   
Name: William N. Conlin  
Title: Executive Vice President

~~The undersigned hereby confirms that (i) this Assignment and Assumption Agreement is satisfactory to it in form and substance and (ii) that it has received all notices of the transfer herein contemplated that are required under the Operative Agreements (or has waived the necessity of such notice). The undersigned further acknowledges and agrees that Assignor shall have no liability or obligation under any of the Operative Agreements after the effective date hereof, except insofar as such liability or obligation relates to the period prior to the effective date of this Agreement.~~

~~LESSEE:~~

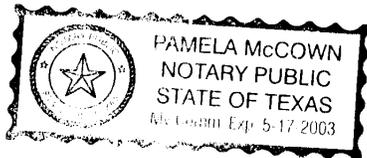
~~**GEORGIA POWER COMPANY**~~

~~By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_~~

State of Texas        )  
                                  )  
County of Harris     )

On this, the \_\_\_\_ day of May, 2001, before me, a Notary Public in and for said County and State, personally appeared Gary E. Tulloch, a Vice President of J.P. Morgan Business Credit Corp., a Delaware corporation, who acknowledged himself to be a duly authorized officer of J.P. Morgan Business Credit Corp., and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.



Name: Pamela McCown  
Notary Public  
My Commission Expires: 05-17-2003

State of California )

County of SAN FRANCISCO

On this, the 3<sup>rd</sup> day of May, 2001, before me, a Notary Public in and for said County and State, personally appeared William N. Conlin, an Executive Vice President of SC Capital Corp., a Pennsylvania corporation, the sole member of SC Asset Management-II, LLC, a Delaware limited liability company, who acknowledged himself/herself to be a duly authorized officer of SC Capital Corp., and that, as such officer, being authorized to do so, he/she executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.



Carolyn V. Mason  
Name: Carolyn V. Mason  
Notary Public  
My Commission Expires: Oct. 7, 2003

**EXHIBIT I**

**FORM OF BILL OF SALE**

For good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, J.P. Morgan Business Credit Corp. ("Seller"), does hereby sell, transfer and assign to SC Asset Management-II, LLC ("Purchaser") all of Seller's rights, title and interest in and to the equipment described in Exhibit A hereto, subject to the terms and conditions of the Purchase Agreement, dated as of May \_\_\_\_, 2001, between Seller and Purchaser, and the Assignment and Assumption Agreement, dated May \_\_\_\_, 2001, between Seller and Purchaser.

Purchaser has inspected the Equipment. Except as expressly set forth in the above-described Purchase Agreement, Seller makes no representations or warranties, express or implied, as to any matter whatsoever concerning such equipment, including, without limitation, the selection, quality, or condition thereof, or merchantability, fitness for any particular purpose, or the operation, performance or maintenance thereof, which shall be considered for all purposes "as is, where is, with all faults" or as to the transaction contemplated hereby, the anticipated or expected results thereof to Purchaser, including, without limitation, the tax consequences to Purchaser of such transaction under federal, state, local or foreign laws, or any other matter whatsoever and Seller shall not be deemed to have made any such representation or warranty by virtue of having sold any interest or estate to Purchaser or having done or failed to do any other act. Seller has not made and shall not make any warranties, expressed or implied, as to any matter relating to such equipment, except as expressly set forth in the above-described Purchase Agreement. Any prior representation or statements whether oral or written, as to the condition or fitness of such equipment or such equipment's capability or capacity, are merged herein and any such representations or statements not specifically included herein are hereby withdrawn by Seller, and Purchaser acknowledges that it is not relying on them.

**J.P. MORGAN BUSINESS CREDIT CORP.**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Schedule 1 to  
Assignment and  
Assumption Agreement**

**CASUALTY OCCURRENCES**

The railcars with the following marks, each having suffered a Casualty Occurrence (as defined in the Lease) prior to the date of the Purchase Agreement, are not a part of the Equipment that is being assigned pursuant to the Assignment and Assumption Agreement.

|    |            |
|----|------------|
| 1  | GALX 86025 |
| 2  | GALX 86046 |
| 3  | GALX 86279 |
| 4  | GALX 86284 |
| 5  | GALX 86302 |
| 6  | GALX 86315 |
| 7  | GALX 86369 |
| 8  | GALX 86429 |
| 9  | GALX 86440 |
| 10 | GALX 86518 |
| 11 | GALX 86578 |
| 12 | GALX 86032 |
| 13 | GALX 86143 |
| 14 | GALX 86183 |
| 15 | GALX 86199 |
| 16 | GALX 86269 |
| 17 | GALX 86307 |
| 18 | GALX 86008 |
| 19 | GALX 86238 |
| 20 | GALX 86293 |
| 21 | GALX 86378 |
| 22 | GALX 86571 |
| 23 | GALX 86063 |
| 24 | GALX 86065 |
| 25 | GALX 86073 |
| 26 | GALX 86105 |
| 27 | GALX 86205 |
| 28 | GALX 86245 |
| 29 | GALX 86254 |
| 30 | GALX 86326 |
| 31 | GALX 86334 |
| 32 | GALX 86348 |
| 33 | GALX 86385 |
| 34 | GALX 86411 |
| 35 | GALX 86525 |
| 36 | GALX 86565 |

37 GALX 86584  
38 GALX 86086  
39 GALX 86396  
40 GALX 86483  
41 GALX 86496  
42 GALX 86543  
43 GALX 86204  
44 GALX 86232  
45 GALX 86384  
46 GALX 86415  
47 GALX 86421  
48 GALX 86433  
49 GALX 86439  
50 GALX 86449  
51 GALX 86464  
52 GALX 86545  
53 GALX 86572  
54 GALX 86061  
55 GALX 86093  
56 GALX 86096  
57 GALX 86176  
58 GALX 86184  
59 GALX 86225  
60 GALX 86294  
61 GALX 86412

**Schedule 2 to  
Assignment and  
Assumption Agreement**

**OPERATIVE AGREEMENTS**

1. **Participation Agreement**, dated as of December 15, 1985, among Assignor, Georgia Power Company (“Lessee”), The Bank of New York (“Agent”) and NationsBanc Leasing Corporation (as successor in interest to the Investors described in Schedule A thereto) (“Investor”).
2. **Lease of Railroad Equipment**, dated as of December 15, 1985, between Lessee and Assignor (the “Lease”) (filed with the ICC on December 30, 1985 as recordation number 14873-B).
3. **Conditional Sale Agreement**, dated as of December 15, 1985, among Assignor and Avondale Industries, Inc. (Ortner Freight Car Division) (“Builder”) (filed with the ICC on December 30, 1985 as recordation number 14873).
4. **Certificate of Interest**, dated June 29, 1998, executed by Agent.
5. **Agreement and Assignment**, dated as of December 15, 1985, between Builder and Agent (filed with the ICC on December 30, 1985 as recordation number 14873-A).
6. **Assignment of Lease and Agreement**, dated December 15, 1985, by and between Assignor and Agent (filed with the ICC on December 30, 1985 as recordation number 14873-C).
7. **Omnibus Amendment Agreement**, dated as of June 29, 1998, among Lessee, Assignor, Agent and Investor.
8. **Assignment and Assumption Agreement**, dated as of June 30, 1998, among State of Wisconsin Investment Board and Investor.
9. **Assignment and Assumption Agreement**, dated as of June 30, 1998, among Sun Life Assurance Company of Canada and Investor.
10. **Memorandum of Amendment**, dated as of June 29, 1998, among Lessor and Agent (filed with the Surface Transportation Board on August 24, 1998 as recordation number 14873-D).