

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
1050 SEVENTEENTH STREET, N.W.  
SUITE 301  
WASHINGTON, D.C.  
20036  
—  
(202) 393-2266  
FAX (202) 393-2156  
E-MAIL alvordlaw@aol.com

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

RECORDATION NO: 24056-A FILED  
AUG 1 '02 2:58 PM  
SURFACE TRANSPORTATION BOARD  
OF COUNSEL  
URBAN A. LESTER

July 31, 2002

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 of Lease, dated as of July 31, 2002, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Railcar Lease which is being filed with Board under Recordation Number 24056.

Assignor: JAIX Leasing Company  
20 North Wacker Drive, Suite 2200  
Chicago, Illinois 60606

Assignee: Cypress Equipment Fund VI, LLC  
c/o Cypress Equipment Management  
Corporation II  
One Sansome Street, Suite 1900  
San Francisco, CA 94194

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

120 open top hopper railcars within the series JAIX 700 – JAIX 1936

Mr. Vernon A. Williams  
July 31, 2002  
Page Two

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

Assignment Lease

Also enclosed is a check in the amount of \$30.00 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,

A handwritten signature in black ink, appearing to read "Robert W. Alvord", with a stylized flourish at the end.

Robert W. Alvord

RWA/anr  
Enclosures

RECORDATION NO. 24056-A FILED  
AUG 1 '02 2-58 PM  
SURFACE TRANSPORTATION BOARD

**ASSIGNMENT OF LEASE**

This ASSIGNMENT OF LEASE (this "Assignment") is made and entered into effective as of the 31st day of July, 2002, by JAIX LEASING COMPANY, a Delaware corporation ("Assignor"), in favor of CYPRESS EQUIPMENT FUND VI, LLC, a California limited liability company ("Assignee").

**Recital**

Assignor and Assignee are parties to that certain Purchase and Sale Agreement (the "Purchase Agreement") dated as of even date herewith, whereby (i) Assignor has agreed to sell to Assignee 120 railcars identified on Exhibit A hereto (the "Equipment") which Assignor has leased to The City of Lansing, by its Board of Water and Light (the "Lessee") under the lease agreements set forth in Exhibit B hereto (collectively, the "Sublease") and (ii) Assignee has agreed to lease the Cars to Assignor pursuant to the terms and conditions set forth in the Railcar Equipment Lease dated as of July 31, 2002 between Assignee, as lessor, and Assignor, as lessee (the "Head Lease").

**Agreement**

NOW, THEREFORE, in consideration of the mutual promises and obligations contained herein and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Purchase Agreement.
2. Assignment of Sublease. Assignor hereby grants, transfers and assigns to Assignee, all rents, issues and profits from Assignor's leasehold interest in the Sublease, free and clear of all liens, security interests and encumbrances of whatsoever kind or nature.
3. Security. This Assignment is made for the purpose of securing the payment of rent and performance of the obligations of Assignor under the Head Lease and the payment of all other sums becoming due and payable to Assignee from Assignor under the provisions of the Head Lease.
4. Performance of Obligations. Assignor covenants with Assignee to observe and perform all the obligations imposed upon the sublessor under the Sublease and not to do or permit to be done anything to impair the security thereof, nor permit or suffer any lien, security interest or encumbrance upon, nor execute any other assignment of Assignor's interest in, the Sublease or any rents arising or accruing from the Sublease, and to execute and deliver at the request of Assignee, and at Assignor's cost, all such further assurances and assignments as Assignee shall from time to time reasonably require.

5. Collection of Rents. So long as no Event of Default shall have occurred and be continuing under the Head Lease, Assignor shall be entitled to collect and retain all rentals and other sums payable by the Lessee under the Sublease, excepting any indemnification payments for the benefit of Lessor as an indemnified party pursuant to Section 9 of the Sublease. After the occurrence and during the continuation of an Event of Default under the Head Lease, Assignee, upon notice of Assignor, shall have the right and license to receive directly from the Lessee, on the date provided for the payment thereof, all rents, income and profits arising under the Sublease, provided that any amounts so received by Assignee shall be applied to discharge any liability of Assignor to Assignee under the Head Lease, and any excess shall be paid over to Assignor.

6. Sublease. The term "Sublease" as used herein means (i) the sublease hereby assigned, any extension or renewal thereof and (ii) any subleases in which Assignor is the sublessor, subsequently executed during the term of the Head Lease, covering the Equipment described above, or any portion thereof.

7. Waiver. Nothing contained in this Assignment and no act done or omitted by Assignee pursuant to the powers and rights granted it hereunder shall be deemed to be a waiver by Assignee of its rights and remedies under the Head Lease and this Assignment is made and accepted without prejudice to any of the rights and remedies possessed by Assignee under the terms of said Head Lease.

8. Governing Law. THIS ASSIGNMENT SHALL BE GOVERNED BY AND CONSTRUED ACCORDING TO THE LAWS OF THE STATE OF ILLINOIS EXCEPT WITH RESPECT TO THE CHOICE OF LAW PRINCIPLES OF SUCH STATE.

9. Successors and Assigns. This Assignment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Assignor may not assign its rights or obligations hereunder with the prior written consent of Assignee.

IN WITNESS WHEREOF, Assignee has executed this Assignment of Lease to be effective as of the day and year first above written.

**JAIX LEASING COMPANY**

By:   
Name: EDWARD J. WHALEN  
Title: VICE PRESIDENT

STATE OF ILLINOIS

COUNTY OF COOK

On this 30 day of July, 2002, before me personally appeared Edward J. Whelan to me personally known, who, being by me duly sworn, says that he is a Vice President of JAIX LEASING COMPANY, and that the foregoing Assignment of Lease was signed on behalf of said corporation by authority of its Board of Directors. Further, he acknowledged that the execution of the foregoing Assignment of Lease was the free act and deed of said corporation.



Joel Friend  
Notary Public

My Commission Expires: \_\_\_\_\_  
(SEAL)

**EXHIBIT A**

**The Equipment**

<b><u>Type of Equipment</u></b>	<b><u>No. of Railcars</u></b>	<b><u>Car Mark</u></b>	<b><u>Car Numbers (all inclusive)</u></b>
Open Top Hoppers	120	JAIX	700 703 705 706 707 708 709 710 711 712 713 715 716 717 718 721 722 724 725 727 729 730 731 736 737 739 740 741 742 743 747 749 750 751 752 756 760 761 764 774 778 780 782 792 793 810 811 812

**Car Numbers**

813  
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1911  
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**Car Numbers**

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**EXHIBIT B**

**The Sublease**

1. Full Service Railcar Equipment Lease, dated as of September 4, 2001, between JAIX Leasing Company ("JAIX"), as lessor, and The City of Lansing, by its Board of Water and Light ("Lansing"), as lessee (the "Lease Agreement")
2. Rider 1 to the Lease Agreement, dated September 4, 2001 between JAIX and Lansing ("Rider 1").
3. Amendment No. 1 to Rider 1, dated as of November 1, 2001, between JAIX and Lansing.
4. Amendment No. 2 to Rider 1, dated as of June 10, 2002, between JAIX and Lansing.
5. Amendment No. 3 to Rider 1, dated as of July 19, 2002, between JAIX and Lansing.