

DONELAN, CLEARY, WOOD & MASER, P.C. MAY 28 '98 4-02 PM

ATTORNEYS AND COUNSELORS AT LAW

SUITE 750
1100 NEW YORK AVENUE, N.W.
WASHINGTON, D.C. 20005-3934

OFFICE: (202) 371-9500

TELECOPIER: (202) 371-0900

May 28, 1998

New Recordation No.

Dear Mr. Williams:

On behalf of Flex Leasing Corporation, I submit for filing and recording under U.S.C. § 11301(a) and the regulations applicable thereunder, executed counterparts of a primary document, not previously recorded, entitled Memorandum of Lease ("Lease"), executed May 28, 1998.

The parties to the enclosed Lease are:

- | | | |
|---|---|--------|
| Flex Leasing Corporation
Suite 300
234 Front Street
San Francisco, CA 94111 | - | LESSOR |
| CSX Transportation, Inc.
J-220, Treasury Department
Jacksonville, Florida 32202 | - | LESSEE |

The said Lease, among other things, acts to lease the equipment listed in Annex A to the Lessee by the Lessor.

The equipment covered by the instant Lease is as identified in Annex A thereto, copy attached.

A short summary of the Lease to appear in the Surface Transportation Board Index is as follows:

"Covers 54 Mill Gondola cars, MS numbers."

Please enter under this Recordation No. the following cross index reference:

"See Recordation No. 21092 -F."

Counterparts - G. Williams

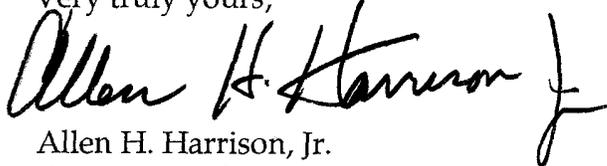
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SURFACE TRANSPORTATION
BOARD

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Enclosed is a check in the amount of fifty-two dollars (\$52.00) in payment of the filing fee (\$26.00) and the cross indexing fee (\$26.00).

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the letter/fee receipt from the Surface Transportation Board acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,



Allen H. Harrison, Jr.
*Attorney for Flex Leasing
Corporation, for the purpose
of this filing.*

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

BY HAND

8357-020

ANNEX A**Description of Equipment**

Fifty Four (54) 66' Mill Gondola Railcars, all of which have the following car initials and numbers (all numbers are inclusive):

MS 6600 - MS 6642
MS 6644 - MS 6648
MS 6650 - MS 6652
MS 6654 - MS 6655
MS 6659

MEMORANDUM OF LEASE

MAY 28 '98

4-02 PM

On MAY 28, 1998, **FLEX LEASING CORPORATION**, a Delaware corporation ("Lessor"), having its chief executive office at 234 Front Street, Suite 300, San Francisco, California 94111, and **CSX TRANSPORTATION, INC.**, a Virginia corporation ("Lessee"), having its chief executive office at 500 Water Street, J-220, Treasury Department, Jacksonville, Florida 32202 entered into a lease dated as of MAY 28, 1998 covering the railcars as identified in the attached Annex A.

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ANNEX A

Description of Equipment

Fifty Four (54) 66' Mill Gondola Railcars, all of which have the following car initials and numbers (all numbers are inclusive):

MS 6600 - MS 6642
MS 6644 - MS 6648
MS 6650 - MS 6652
MS 6654 - MS 6655
MS 6659