



DONELAN CLEARY
WOOD & MASER, P.C.

Counter part - P. H. [unclear]

September 30, 1998

RECORDATION NO. 21688 FILED

SEP 30 '98

2-05 PM

RECEIVED
FACE TRANSPORTATION
BOARD
SEP 30 2 05 PM '98

New Recordation No.

Dear Mr. Williams:

On behalf of Flex Leasing Corporation, I submit for filing and recording under 49 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 September ~~30~~, 1998.

The parties to the enclosed Lease are:

Flex Leasing Corporation - LESSOR
Suite 300
234 Front Street
San Francisco, CA 94111

Pope & Talbot, Inc. - LESSEE
1500 SW First Avenue
Portland, OR 97201

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 40, 110 ton 73' Centerbeam Railcars, LW 74125-74164."

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

"See Recordation No. 21092 -H."

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).

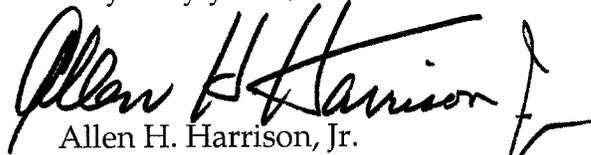
Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the

ATTORNEYS AND COUNSELORS AT LAW

1100 New York Avenue, Suite 750, N.W., Washington, D.C. 20005-3934, Tel: 202-371-9500, Fax: 202-371-0900

letter/fee receipt from the Surface Transportation Board acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,

A handwritten signature in black ink, appearing to read "Allen H. Harrison, Jr.", with a stylized flourish extending from the end.

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

Forty (40) 110 ton 73' Centerbeam Railcars, all of which have the following car initials and numbers (all numbers are inclusive):

LW 74125 - LW 74164

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MEMORANDUM OF LEASE

SEP 30 '98

2-05 PM

On August 31, 1998, **FLEX LEASING CORPORATION**, a Delaware corporation ("Lessor"), having its chief executive office at 234 Front Street, Suite 300, San Francisco, California 94111, and **POPE & TALBOT, INC.**, a Delaware corporation ("Lessee"), having its chief executive office at 1500 SW First Avenue, Portland, Oregon 97201 entered into a lease dated as of August 31, 1998 covering the railcars as identified in the attached Annex A.

[Remainder of page intentionally left blank]

IN WITNESS THEREOF, this Memorandum of Lease has been duly executed on this the 30th day of SEPTEMBER, 1998.

FLEX LEASING CORPORATION

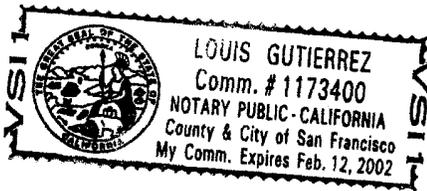
By: Ross Sullivan
Printed Name Ross Sullivan
Title Treasurer

STATE OF CALIFORNIA)
) SS:
COUNTY OF SAN FRANCISCO)

On this the 25th day of September, 1998, personally came before me Ross Sullivan, who, being by me duly sworn, says he is Treasurer of FLEX LEASING CORPORATION and that said writing was signed on the date hereof by him on behalf of said corporation by its authority duly given. And the said Treasurer acknowledged the said writing to be the act and deed of said corporation.

WITNESS my hand and notarial seal, this the 25th day of September, 1998.

SEAL



Louis Gutierrez
Notary Public
My commission expires: 2/12/2002

ANNEX A

Description of Equipment

Forty (40) 110 ton 73' Centerbeam Railcars, all of which have the following car initials and numbers (all numbers are inclusive):

LW 74125 - LW 74164