



DONELAN CLEARY
WOOD & MASER, P.C.

September 29, 1999

RECORDATION NO. 21688-A FILED

SEP 29 '99

2-10 PM

Recordation No. 21688-A

Dear Mr. Williams:

On behalf of Flex Leasing II, LLC I submit for filing and recording under 49 U.S.C. § 11301(a) and the regulations applicable thereunder, executed counterparts of a secondary document, not previously recorded, entitled Memorandum of Partial Assignment of Lease ("Partial Assignment") dated as of September 29 1999.

The parties to the enclosed Partial Assignment are:

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

Flex Leasing II, LLC - ASSIGNEE/SUCCESSOR
Suite 300
234 Front Street
San Francisco, CA 94111
LESSOR ONLY AS TO
DESIGNATED UNITS

The said Partial Assignment, among other things, acts to assign from the Assignor to the Assignee the Assignor's right, title and interest in the said lease only as to the units of equipment covered in the Partial Assignment.

The equipment covered by the Partial Assignment is only the equipment covered in Annex A therein, copy attached.

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

"Assigns only the 40 railcars, identified LW 74125-74164, as listed in Annex A."

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

"See Recordation No. 22383-A."

ATTORNEYS AND COUNSELORS AT LAW

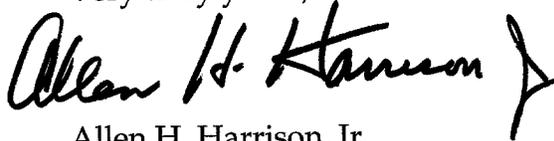
1100 New York Avenue, N.W., Suite 750, Washington, D.C. 20005-3934, Tel: 202-371-9500, Fax: 202-371-0900

Counter part to 4. H. Harrison

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,

A handwritten signature in black ink that reads "Allen H. Harrison, Jr." with a stylized flourish at the end.

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

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

BY HAND

8207-020

ANNEX A

Description of Equipment

Forty (40) 73' centerbeam railcars, 110-ton capacity,
286,000 lb. gross rail load numbered:

LW 74125 through 74164 inclusive

[Pope & Talbot]

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MEMORANDUM OF PARTIAL ASSIGNMENT OF LEASE

FLEX LEASING CORPORATION filed (i) that certain Memorandum of Lease with (a) the Surface Transportation Board, Recordation No. 21688 on September 30, 1998, at 2:05 p.m., and (b) the Registrar General of Canada on the 1st day of October, A.D. 1998, at 3:22 p.m., relating to the lease described below:

That certain lease (the "Lease") dated as of August 31, 1998, between **FLEX LEASING CORPORATION**, a Delaware corporation ("Flex"), 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 and Schedule No.01 ("Schedule 1") dated as of August 31, 1998 by and between Flex and Lessee.

On September 29, 1999, Flex assigned all of its right, title and interest in, to and arising under the Lease (with respect to only Schedule 1 and all equipment leased thereunder), Schedule 1 and all equipment leased thereunder to **FLEX LEASING II, LLC**, a Delaware limited liability company ("Lessor") having its chief executive office at 234 Front Street, Suite 300, San Francisco, California 94111, pursuant to the Contribution, Assignment and Assumption Agreement (the "Assignment") by and between Flex and Lessor, which Lease and Assignment cover the railcars listed on Annex A attached hereto.

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[Pope & Talbot]