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RECORDATION NO. 24206 FILED

NOV 08 '02 12-06 PM

SURFACE TRANSPORTATION BOARD

November 8, 2002

New Recordation No.

Dear Mr. Williams:

On behalf of Flex Leasing I, LLC, 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 Use Agreement ("Lease") dated as of October 31, 2002.

The parties to the enclosed Lease are:

Flex Leasing I, LLC - LESSOR
Suite 730
221 Main Street
San Francisco, CA 94105

CSX Transportation, Inc. - LESSEE
J-220, Treasury Department
500 Water Street
Jacksonville, FL 32202

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

The equipment covered by the instant Lease is as identified in Annex A thereto, copy attached, namely 70 gondolas, MS 6600-6669.

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

"Lease of 70 gondolas, MS 6600-6669."

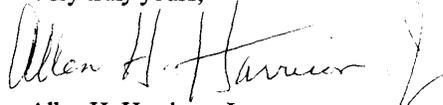
Please enter under this Recordation No. the following cross index reference:

"See Recordation No. 21888-U."

Enclosed is a check in the amount of sixty dollars (\$60.00) in payment of the filing fee (\$30.00) and the cross indexing fee (\$30.00).

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 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 cursive script that reads "Allen H. Harrison, Jr." with a large, sweeping flourish at the end.

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

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

Enclosures

BY HAND

8212-020

ANNEX A

Description of Equipment

Seventy (70) 66' mill gondolas, numbered:

MS 6600 through 6669 inclusive

[CSX]

MEMORANDUM OF USE AGREEMENT

FLEX LEASING I, LLC, a Delaware limited liability company ("Lessor"), having its chief executive office at 221 Main Street, Suite 730, San Francisco, California 94105, is a party to a certain (unfiled) letter agreement for the use of railcars, dated November 29, 2001 (the "Use Agreement"), with **CSX TRANSPORTATION, INC.** ("Lessee"), located at 500 Water Street, J-220, Treasury Department, Jacksonville, Florida 32202, covering the railcars listed on Annex A attached hereto.

Dated as of October 31, 2002

FLEX LEASING I, LLC



Desmond Hayes
President

RECORDATION NO. 24206 FILED

STATE OF CA)
) ss:
COUNTY OF SF)

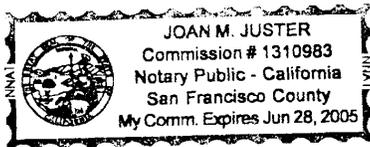
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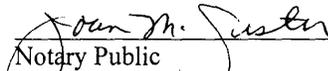
SURFACE TRANSPORTATION BOARD

On this 5th day of November, 2002, personally came before me, Desmond P. Hayes, who, being by me duly sworn, says he is President of Flex Leasing I, LLC and that said writing was signed on the date hereof by him on behalf of said company by its authority duly given. The said President acknowledged the said writing to be the act and deed of said company.

Witness my hand and notarial seal this 5th day of November, 2002.

SEAL





Notary Public
My Commission Expires: June 28, 2005

ANNEX A

Description of Equipment

Seventy (70) 66' mill gondolas, numbered:

MS 6600 through 6669 inclusive

[CSX]