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RECORDATION NO. 22383-E FILED

DEC 27 '01 2-57 PM

SURFACE TRANSPORTATION BOARD

December 27, 2001

Recordation No 22383-E.

Dear Mr. Williams:

On behalf of Wells Fargo Bank Northwest, National Association (f/k/a First Security Bank, National Association), 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 Amendment and Supplement to Memorandum of Security Agreement - Chattel Mortgage ("Amendment/Supplement"), made as of December 20, 2001.

The parties to the enclosed Amendment/Supplement are:

Wells Fargo Bank Northwest, National Association - SECURED PARTY/for Indexing
(f/k/a First Security Bank, National Association), MORTGAGEE
as trustee, as Administrative Agent for
the Lenders and as Secured Party.
79 South Main Street
Salt Lake City, UT 84111

Flex Leasing II, LLC - BORROWER/for Indexing
Suite 300 MORTGAGOR
234 Front Street
San Francisco, CA 94111

The said Amendment/Supplement, among other things, grants a security interest by the Borrower to the Secured Party in ALL EQUIPMENT NOW OWNED OR HEREAFTER ACQUIRED and in the leases/use agreements of the said equipment. The specific units of equipment in the instant filing in which a security interest is granted are covered in Schedules A and B to the Amendment/Supplement, and a security interest is granted in the lease and use agreement respectively covering the said equipment in Schedules A and B to the Amendment/Supplement.

The equipment encumbered by the instant Amendment/Supplement is ALL EQUIPMENT NOW OWNED OR HEREAFTER ACQUIRED and the specific units of equipment in the instant filing are as identified in Schedules A and B to the Amendment/Supplement, namely FLCX98421-

98650, LW50000-50051, 50100, 50102, 50114, 50116, 50117, 50122-50149, 50151-50158, 50160, 50161, 50163, 50165, 50167, 50168, 50173, 50175, 50350-50384 and 74165-74224.

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

“Covers ALL EQUIPMENT NOW OWNED OR HEREAFTER ACQUIRED and the leases/use agreements thereof. The units of equipment in the instant filing are as listed in Schedules A and B to the Amendment/Supplement.”

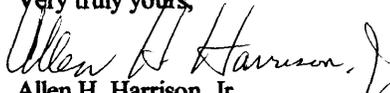
Please enter under this Recordation No. the following cross index reference:

“See Recordation Nos. 21708 and 22381.”

Enclosed is a check in the amount of fifty-six dollars (\$56.00) in payment of the filing fee (\$28.00) and the cross indexing fee (\$28.00).

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,



Allen H. Harrison, Jr.
Attorney for Wells Fargo Bank Northwest, National Association (f/k/a First Security Bank, National Association), for the purpose of this filing.

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

Enclosures

BY HAND

8213-020

22383-E

RECORDATION NO. 22383-E FILED

DEC 27 '01 2-57 PM

SURFACE TRANSPORTATION BOARD

**AMENDMENT AND SUPPLEMENT TO MEMORANDUM OF SECURITY
AGREEMENT - CHATTEL MORTGAGE**

BETWEEN

**WELLS FARGO BANK NORTHWEST, NATIONAL ASSOCIATION
(formerly known as First Security Bank, National Association)
("SECURED PARTY")**

AND

**FLEX LEASING II, LLC
("BORROWER")**

December 20, 2001

This Amendment and Supplement to the Memorandum of Security Agreement-Chattel Mortgage (this "Amendment No. 5"), is made and entered into as of December 20, 2001, by and between Wells Fargo Bank Northwest, National Association (formerly known as First Security Bank, National Association), a national banking association, not in its individual capacity, but solely as trustee and administrative agent ("Secured Party"), and FLEX Leasing II, LLC, a Delaware limited liability company ("Borrower"), and amends and supplements that certain Memorandum of Security Agreement-Chattel Mortgage, dated as of August 31, 1999, by and between Secured Party and Borrower.

WITNESSETH:

WHEREAS, Secured Party, filed that certain Memorandum of Security Agreement - Chattel Mortgage, made and entered into as of August 31, 1999, by and between Secured Party and Borrower with (i) the Surface Transportation Board ("STB"), Recordation No. 22383, on the 31st day of August, 1999 at 3:15 p.m. and (ii) the Registrar General of Canada ("RGC"), on the 1st day of September, 1999 at 1:15 p.m.; that certain Memorandum of Supplement, dated as of September 29, 1999 with (i) the STB, Recordation No. 22383-A, on the 29th day of September, 1999 at 2:10 p.m. and (ii) the RGC, on the 30th day of September, 1999 at 11:26 a.m.; that certain Memorandum of Supplement, dated as of December 27, 1999 with (i) the STB, Recordation No. 22383-B, on the 27th day of December, 1999 at 3:59 p.m. and (ii) the RGC, on the 29th day of December, 1999 at 2:00 p.m.; that certain Amendment and Supplement to Memorandum of Security Agreement - Chattel Mortgage, dated as of April 10, 2000 with (i) the STB, Recordation No. 22383-C, on the 10th day of April, 2000 at 12:20 p.m. and (ii) the RGC, on the 12th day of April, 2000 at 11:59 a.m.; and that certain Amendment and Supplement to Memorandum of Security Agreement - Chattel Mortgage, dated as of October 5, 2000 with (i) the STB, Recordation No. 22383-D, on the 5th day of October, 2000 at 9:57 a.m. and (ii) the RGC, on the 6th day of October, 2000 at 11:23 a.m. (collectively, the "Memorandum of Security Agreement");

WHEREAS, Borrower has terminated Schedule Nos. 1 and 2 (the "Terminated Schedules") to the Master Car Lease Agreement, each dated July 30, 1999, by and between Georgia Power Company ("Georgia Power"), as Lessee, and Borrower, as Lessor, and has placed the railcars formerly under the Terminated Schedules under lease to Georgia Power, pursuant to Schedule No. 03 (the "Replacement Schedule") to the Master Car Lease Agreement, dated January 31, 2001, by and between Borrower, as Lessor, and Georgia Power, as Lessee;

WHEREAS, Borrower, Le Groupe Forex, Inc. and Canadian National Railway, Inc. have entered into a letter agreement, dated January 31, 2001 (the "Letter Agreement"), and Schedule A, Schedule B and Schedule C, each to the Letter Agreement, dated January 31, 2001; and

WHEREAS, the Secured Party and Borrower wish to amend and supplement the Memorandum of Security Agreement as set forth below;

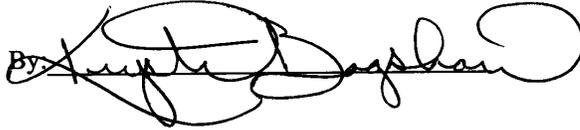
NOW THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, intending to be legally bound, the Secured Party and Borrower hereby agree as follows:

1. The Terminated Schedules are hereby deleted from Schedule B to the Memorandum of Security Agreement, and the Replacement Schedule listed on Exhibit A hereto is hereby added in lieu thereof to Schedule B to the Memorandum of Security Agreement.
2. The Letter Agreement listed on Exhibit B hereto is hereby added to Schedule B to the Memorandum of Security Agreement.
3. The Replacement Schedule and Letter Agreement listed on Exhibits A and B hereto are hereby added to Schedule B to the Memorandum of Security Agreement and are subjected to all terms and conditions of the Memorandum of Security Agreement, to the same extent and with the same effect as if the Replacement Schedule and Letter Agreement had been originally described in the Memorandum of Security Agreement.
4. From and after the date hereof, each reference in the Memorandum of Security Agreement, and in the documents delivered in connection therewith, to the Memorandum of Security Agreement shall be deemed a reference to the Memorandum of Security Agreement as amended by this Amendment No. 5. Except as expressly amended hereby, the Memorandum of Security Agreement shall continue in full force and effect.
5. This Amendment No. 5 may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

[Signatures appear on the following page.]

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

WELLS FARGO BANK NORTHWEST,
NATIONAL ASSOCIATION (formerly known as First Security Bank, National Association), not in its individual capacity, but solely as trustee and administrative agent

By: 

Name: Krystal Bagshaw
Assistant Trust Officer
Title: _____

FLEX LEASING II, LLC, a Delaware limited liability company, as Borrower

By: Its Asset Manager,
FLEX Asset Management Corporation,
a Delaware corporation

By: _____

Name: _____

Title: _____

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

WELLS FARGO BANK NORTHWEST,
NATIONAL ASSOCIATION (formerly known as First
Security Bank, National Association), not in its individual
capacity, but solely as trustee and administrative agent

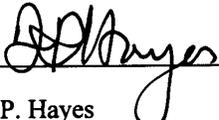
By: _____

Name: _____

Title: _____

FLEX LEASING II, LLC, a Delaware limited liability
company, as Borrower

By: Its Asset Manager,
FLEX Asset Management Corporation,
a Delaware corporation

By:  _____

Name: D. P. Hayes _____

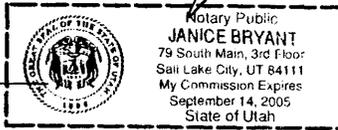
Title: President _____

STATE OF UTAH)
) ss.
COUNTY OF SALT LAKE)

On this 10 day of December, 2001, before me personally appeared Krystal Bagshaw, to me personally known, who being by me duly sworn, says that he is the ~~Assistant Trust Officer~~ Assistant Trust Officer of WELLS FARGO BANK NORTHWEST, NATIONAL ASSOCIATION, that the foregoing instrument was signed on behalf of said national banking association, and he acknowledged that the execution of the said instrument was his free act and deed.


NOTARY PUBLIC

My commission expires: _____



STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN FRANCISCO)

On this _____ day of December, 2001, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of FLEX ASSET MANAGEMENT CORPORATION, the asset manager of FLEX LEASING II, LLC, that the foregoing instrument was signed on behalf of said corporation as asset manager of FLEX LEASING II, LLC, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC

My commission expires: _____

STATE OF UTAH)
) ss.
COUNTY OF SALT LAKE)

On this ____ day of December, 2001, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of WELLS FARGO BANK NORTHWEST, NATIONAL ASSOCIATION, that the foregoing instrument was signed on behalf of said national banking association, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC

My commission expires: _____

STATE OF CALIFORNIA)
) ss.
COUNTY OF SAN FRANCISCO)

On this 19th day of December, 2001, before me personally appeared Desmond P. Hayes, to me personally known, who being by me duly sworn, says that he is the President of FLEX ASSET MANAGEMENT CORPORATION, the asset manager of FLEX LEASING II, LLC, that the foregoing instrument was signed on behalf of said corporation as asset manager of FLEX LEASING II, LLC, and he acknowledged that the execution of the said instrument was his free act and deed.

Joan M. Juster

NOTARY PUBLIC

My commission expires: June 28, 2005



Exhibit A

Schedule No. 03 (covering 230 4,200 cubic feet aluminum rapid discharge open top hoppers, 117 ton capacity, numbered FLCX 98421 through FLCX 98650 inclusive) to the Master Car Lease Agreement, dated January 31, 2001, by and between Flex II and Georgia Power.

Exhibit B

1. Letter Agreement for the use of freight cars, dated January 31, 2001, by and among Flex II, Canadian National Railway, Inc. ("CN") and Forex, Schedule A (covering 49 103-ton capacity, 60' inside length Plate E boxcars with double 8' plug doors, numbered LW 50100, LW 50102, LW 50114, LW 50116, LW 50117, LW 50122 through LW 50149 inclusive, LW 50151 through LW 50158 inclusive, LW 50160, LW 50161, LW 50163, LW 50165, LW 50167, LW 50168, LW 50173 and LW 50175) to the Letter Agreement, dated January 31, 2001, among Forex, CN and Flex II, Schedule B (covering 87 102-ton capacity, 60' inside length Plate F boxcars with double 8' plug doors, numbered LW 50000 through LW 50051 inclusive and LW 50350 through LW 50384 inclusive) to the Letter Agreement, dated January 31, 2001, among Forex, CN and Flex II and Schedule C (covering 60 73' centerbeam flatcars, numbered LW 74165 through LW 74224 inclusive) to the Letter Agreement, dated January 31, 2001, among Forex, CN and Flex II.