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RECORDATION NO. 24455 FILED

MAY 15 '03 12:30 PM

SURFACE TRANSPORTATION BOARD

May 15, 2003

New Recordation No.

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 primary document, not previously recorded, entitled Memorandum of Lease ("Lease") dated as of May 13, 2003.

The parties to the enclosed Lease are:

Flex Leasing II, LLC Suite 730 221 Main Street San Francisco, CA 94105	-	LESSOR
H. Heller & Co. Inc. 707 Westchester White Plains, NY 10604	-	LESSEE

The said Lease, among other things, acts to lease the equipment listed in Annex A to the Lessee by the Lessor and should be recorded under a new number.

The equipment covered by the instant Lease is as identified in Annex A thereto, copy attached, namely 20 Covered Hoppers, FLOX numbers.

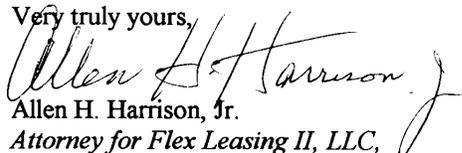
A short summary of the Lease to appear in the Surface Transportation Board Index is as follows:

"Covers 20 Covered Hopper Cars, FLOX numbers. "

Enclosed is a check in the amount of thirty dollars (\$30.00) in payment of the filing fee.

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 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

8213-020

ANNEX A

Description of Equipment

Twenty (20) 110-ton capacity, 286,000 lb. gross rail load, 6,245 cubic foot capacity lined covered hopper cars, numbered:

FLOX 9201
FLOX 9203
FLOX 9207 through FLOX 9208 inclusive
FLOX 9213
FLOX 9215
FLOX 9223 through FLOX 9224 inclusive
FLOX 9228
FLOX 9230 through FLOX 9231 inclusive
FLOX 9236
FLOX 9238 through FLOX 9239 inclusive
FLOX 9241
FLOX 9243
FLOX 9245
FLOX 9247
FLOX 9249 through FLOX 9250 inclusive

[H. Heller & Co. Inc.]

NY01/STADD/822615.1

** TOTAL PAGE.08 **

MEMORANDUM OF LEASE

FLEX LEASING II, LLC, a Delaware limited liability company ("Lessor"), having its chief executive office at 221 Main Street, Suite 730, San Francisco, California 94105, as successor lessor by assignment from Flex Leasing Corporation, a Delaware corporation ("Flex"), having its chief executive office at 221 Main Street, Suite 730, San Francisco, California 94105, is a party to a certain (unfiled) lease agreement dated as of February 13, 2003 (the "Lease") with **H. HELLER & CO. INC.**, having its principal office at 707 Westchester Avenue, White Plains, New York 10604 ("Lessee"), covering the railcars listed on Annex A attached hereto.

Dated as of May 13, 2003

FLEX LEASING II, LLC

**By: FLEX Asset Management Corporation,
as Asset Manager**

RECORDATION NO. 24455 FILED

By: Janice Wickham
Name: Janice Wickham
Title: Vice President

MAY 15 03 1:30 PM

SURFACE TRANSPORTATION BOARD

STATE OF New York)
) ss:
COUNTY OF New York)

On this 13th day of May, 2003, personally came before me, Janice Wickham, who, being by me duly sworn, says she is a vice president of FLEX Asset Management 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 Janice Wickham acknowledged the said writing to be the act and deed of said corporation.

Witness my hand and notarial seal this 13th day of May, 2003.

SEAL [Signature]

RICHARD D'ANNUNZIO
Notary Public, State of New York
No. 43-4693159
Qualified in Richmond County
Notary Commission Expires March 30, 2007
My Commission Expires: _____

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[H. Heller & Co. Inc.]