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RECORDATION NO. 22377-C FILED
JAN 28 '04 2:19 PM
SURFACE TRANSPORTATION BOARD

January ~~27~~²⁸, 2004

- c
Recordation No. 22377-A

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 secondary document, not previously recorded, entitled Memorandum of Supplement ("Supplement") dated as of January ~~27~~²⁸, 2004.

The parties to the enclosed Supplement are:

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

Union Pacific Railroad Company - LESSEE
1416 Dodge Street
Omaha, NE 68179

The said Supplement, among other things, acts to lease ONLY the equipment listed in Annex A thereto by Flex Leasing I, LLC as Lessor as to the instant units ONLY to the Lessee.

The equipment covered by the instant Supplement is as identified in Annex A thereto, namely 100 gondolas, LW66450-66549.

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

"Lease ONLY of 100 gondolas, LW66450-66549, by Flex Lease I, LLC, see Annex A."

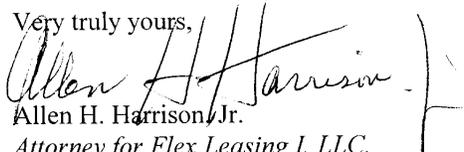
Please enter under this Recordation No. the following cross index reference:

"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,


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, DC 20423

Enclosures

BY HAND

8212-020

JAN 28 '04 2-19 PM

MEMORANDUM OF SUPPLEMENT SURFACE TRANSPORTATION BOARD

FLEX LEASING CORPORATION and FLEX LEASING II, LLC filed that certain Memorandum of Lease with (a) the Surface Transportation Board (the "STB"), Recordation No. 22377, on August 31, 1999 at 3:00 p.m. and (b) the Registrar General of Canada (the "RGC") on the 31st day of August, A.D. 1999 at _____, relating to the lease described below:

That certain lease (the "Lease"), dated as of June 29, 1999, between FLEX LEASING CORPORATION, a Delaware corporation ("Flex"), having its chief executive office at 221 Main Street, Suite 730, San Francisco, California 94105, and UNION PACIFIC RAILROAD COMPANY ("Lessee"), having its chief executive office at 1416 Dodge Street, Omaha, Nebraska 68179.

The new lessor, FLEX LEASING I, LLC, only as to the railcars listed on Annex A attached hereto, and Lessee have added the additional railcars listed on Annex A attached hereto to the Lease and wish to supplement the Memorandum of Lease.

Dated as of January 22, 2004

FLEX LEASING I, LLC

Janice M. Wickham
Name: Janice M. Wickham
Title: Vice President

STATE OF NEW YORK)
) ss:
COUNTY OF NEW YORK)

On this 22nd day of January, 2004, personally came before me, Janice M. Wickham, who, being by me duly sworn, says she is a Vice President of Flex Leasing I, LLC and that said writing was signed on the date hereof by her on behalf of said company by its authority duly given. The said Vice President acknowledged the execution of the said writing to be the act and deed of said company.

Witness my hand and notarial seal this 22nd day of January, 2004.

SEAL RICHARD D'ANNUNZIO
Notary Public, State of New York
No. 43-4693159
Qualified in Richmond County
Commission Expires March 30, 2007
Richard D'Annunzio
Notary Public
My Commission Expires: 3/30/07

ANNEX A

Description of Equipment

One Hundred (100) 66'-6'0" sided mill gondolas, numbered:

LW 66450 through 66549 inclusive

[Union Pacific]