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RECORDATION NO. 23524-B FILED :

AUG 17 '04 3-35 PM

SURFACE TRANSPORTATION BOARD

August 17, 2004

Recordation No. 23524-B

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 Partial Termination of Lease ("Partial Termination") dated as of AUGUST 11, 2004.

The parties to the enclosed Partial Termination are:

Flex Leasing I, LLC Suite 730 221 Main Street San Francisco, CA 94105	-	LESSOR/TERMINATOR
The Indiana Rail Road Company Suite 1600 101 West Ohio Street Indianapolis, IN 46204	-	LESSEE

The said Partial Termination, among other things, acts to terminate ONLY those units in Annex A thereto, namely 56 gondolas, MS numbers as listed in Annex A (attached), from the Memorandum of Lease between the above parties, recorded under Recordation No. 23524. The Partial Termination should be recorded under the next available letter under Recordation No. 23524, which letter we believe to be "-B."

The equipment covered by the instant Partial Termination is as identified in Annex A thereto, namely 56 gondolas, MS numbers.

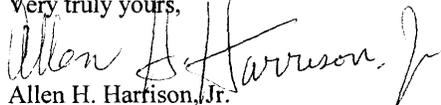
A short summary of the Partial Termination to appear in the Surface Transportation Board Index is as follows:

“Termination from Lease 56 gondolas, MS numbers, see Annex A.”

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 I, LLC,
for the purpose of this filing.*

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

Enclosures

BY HAND

8212-020

ANNEX A

Description of Equipment

Fifty-Six (56) 52', 110 ton mill gondolas, 5'6" sides, 2743 cu. ft. capacity
and 286,000 gross rail load, numbered:

MS 3001 through MS 3010 inclusive

MS 3012 through MS 3013 inclusive

MS 3016 through MS 3029 inclusive

MS 3031 through MS 3034 inclusive

MS 3036 through MS 3038 inclusive

MS 3041 through MS 3045 inclusive

MS 3047

MS 3050

MS 3052 through MS 3056 inclusive

MS 3058 through MS 3062 inclusive

MS 3064 through MS 3065 inclusive

MS 3067 through MS 3070 inclusive

[Indiana Rail Road Company]

RECORDATION NO.

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FILED

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MEMORANDUM OF PARTIAL TERMINATION OF LEASE

SURFACE TRANSPORTATION BOARD

FLEX LEASING I, LLC filed (i) that certain Memorandum of Lease with (a) the Surface Transportation Board (the "STB"), Recordation No. 23524, on June 27, 2001 at 1:17 p.m. and (b) the Registrar General of Canada (the "RGC") on the 29th day of June, A.D. 2001 at 1:48 p.m., and (ii) that certain Memorandum of Partial Termination of Lease with (a) the STB, Recordation No. 23524-A, on June 17, 2004 at 11:06 a.m. and (b) the RGC on the 18th day of June, A.D. 2004 at 2:08 p.m., relating to the lease described below:

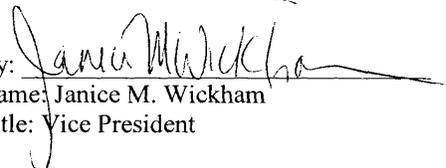
That certain lease (the "Lease"), dated as of January 5, 2001, between **FLEX LEASING CORPORATION**, a Delaware corporation ("Flex"), having its chief executive office at 221 Main Street, Suite 730, San Francisco, California 94105, and **THE INDIANA RAIL ROAD COMPANY** ("Lessee"), having its chief executive office at 101 West Ohio Street, Suite 1600, Indianapolis, Indiana 46204.

The duties and obligations of the parties to the Lease have been satisfied and discharged only with respect to the railcars listed on Annex A attached hereto. The terms of the said Lease, only with respect to the railcars listed on Annex A attached hereto, have run, have not been renewed, and have therefore expired. Wherefore, this filing hereby partially terminates of record the Lease, only with respect to the railcars listed on Annex A attached hereto. The remainder of the Lease is in full force and effect as of the date hereof.

Dated as of August 11, 2004

FLEX LEASING I, LLC

By:


Name: Janice M. Wickham

Title: Vice President

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

On this 11th day of August, 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 11th day of August, 2004.

SEAL



Notary Public
My Commission Expires: _____

RICHARD D'ANNUNZIO
Notary Public, State of New York
No. 43-4693159
Qualified in Richmond County
Commission Expires March 30, 20 07

ANNEX A

Description of Equipment

Fifty-Six (56) 52', 110 ton mill gondolas, 5'6" sides, 2743 cu. ft. capacity
and 286,000 gross rail load, numbered:

MS 3001 through MS 3010 inclusive
MS 3012 through MS 3013 inclusive
MS 3016 through MS 3029 inclusive
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MS 3047
MS 3050
MS 3052 through MS 3056 inclusive
MS 3058 through MS 3062 inclusive
MS 3064 through MS 3065 inclusive
MS 3067 through MS 3070 inclusive

[Indiana Rail Road Company]