RECORDATION NO. 8763-H FILED

AUG - 2 '01 11-29 AM

SURFACE TRANSPORTATION BOARD

ALVORD AND ALVORD
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WASHINGTON, D.C.
20006-2973

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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

August 2, 2001

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

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of an Memorandum of Schedule No. 3 to Master Equipment Lease Agreement, dated as of July 16, 2001, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum Master Equipment Lease Agreement previously filed with the Commission under Recordation Number 8763.

The names and addresses of the parties to the enclosed document are:

Lessor: Allfirst Bank
25 South Charles Street
Baltimore, MD 21202

Lessee: Grand Trunk Western Railroad, Incorporated
935 de la Gauchetiere Street West
Montreal, Quebec
Canada H3B 2M9

A description of the railroad equipment covered by the enclosed document is:

44 100-ton cushioned underframe boxcars: bearing CNA and GTWreporting marks and road numbers attached hereto.

A short summary of the document to appear in the index follows:

Memorandum of Schedule No. 3 to Master Equipment Lease Agreement

Also enclosed is a check in the amount of $28.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

Robert W. Alvord

RWA/anm
Enclosures

Exhibit A

DESCRIPTION OF RAILCARS

44 60'9" 100-ton cushioned underframe boxcars built in 1977 by ACF Industries, Incorporated at St. Louis, Missouri bearing the following marks and numbers:

CNA 598577 to CNA 598579 inclusive;

CNA 598581 to CNA 598587 inclusive;

CNA 598589 to CNA 598590 inclusive;

GTW 375550 to GTW 375552 inclusive;

GTW 375554 to GTW 375556 inclusive;

GTW 375558 to GTW 375562 inclusive;

GTW 375565;

GTW 375568 to GTW 375569 inclusive;

GTW 375571;

GTW 375573 to GTW 375580 inclusive;

GTW 375583;

GTW 375585;

GTW 375587 to GTW 375588 inclusive;

GTW 375592; and

GTW 375596 to GTW 375599 inclusive.

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SURFACE TRANSPORTATION BOARD

ALLFIRST BANK

MEMORANDUM OF SCHEDULE NO. 3
TO MASTER EQUIPMENT LEASE AGREEMENT

dated as of July 16, 2001

between

ALLFIRST BANK ,
as Lessor

and

GRAND TRUNK WESTERN RAILROAD INCORPORATED,
as Lessee

Execution Copy

MEMORANDUM OF SCHEDULE NO. 3 TO MASTER EQUIPMENT LEASE AGREEMENT

THIS MEMORANDUM OF SCHEDULE NO. 3 TO MASTER EQUIPMENT LEASE AGREEMENT is made and entered into as of July 16, 2001 by and between ALLFIRST BANK , a Maryland banking corporation ("Lessor"), and GRAND TRUNK WESTERN RAILROAD INCORPORATED, a Delaware corporation ("Lessee"), with reference to the following:

1. Lessor has agreed to lease to Lessee, and Lessee has agreed to lease from Lessor, certain railcars as described on Exhibit A attached hereto and made a part hereof, all as more particularly described in that certain Schedule No. 3 dated as of July 16, 2001 between Lessor and Lessee to the Master Equipment Lease Agreement dated as of July 15, 2001 between Lessor and Lessee (collectively, the "Lease").

2. The Lease shall be effective as of the later of i) the latest execution date thereof or ii) the execution of that certain Final Termination of Original Lease dated as of the date hereof, and shall be subject to the term of the Lease, as defined in the Lease.

[SIGNATURES APPEAR ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum to be executed as of the date first above written.

ALLFIRST BANK
Lessor

By: _____
Richard M. Folio
Vice President

GRAND TRUNK WESTERN RAILROAD INCORPORATED
Lessee

By: _____
John A.N. Lamont
Senior Manager Asset Finance

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

On this 12th day of July, 2001 before me personally appeared, Richard M. Folio, to me personally known, who being by me duly sworn, says that he is a Vice President of ALLFIRST BANK, a Maryland banking corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

_____
Notary Public

DEBORAH I HOOPER NOTARY PUBLIC ANNE ARUNDEL CO., MD.

[Notarial Seal]

My commission expires: 7/27/02

PROVINCE OF QUEBEC, DISTRICT OF MONTREAL, TO WIT:

On this ____ day of July, 2001 before me personally appeared John A.N. Lamont to me personally known, who being by me duly sworn, says that he is the Senior Manager Asset Finance of GRAND TRUNK WESTERN RAILROAD INCORPORATED, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

_____
Attorney

Bar Number:

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum to be executed as of the date first above written.

ALLFIRST BANK
Lessor

By:_____
Richard M. Folio
Vice President

GRAND TRUNK WESTERN RAILROAD INCORPORATED
Lessee

By:_____
John A.N. Lamont
Senior Manager Asset Finance

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Notary Public

[Notarial Seal]

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_____
Attorney

Bar Number: 190021-8

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