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July 19, 2000

RECORDATION NO. 7597-D FILED

JUL 19 '00 12-37 PM

SURFACE TRANSPORTATION BOARD

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 a Memorandum Lease of Termination, dated February 29, 2000, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Lease of Equipment which was previously filed with the Commission under Recordation Number 7597.

The name and address of the party to the enclosed document are:

Lessee: Canadian National Railway Co.
935 de la Gauchetiere Street West
Montreal, Quebec
Canada H3B 2M9

[Lessor: Canat Limited]

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

180 boxcars CNA 404400 - CNA 404579.

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

Termination of Lease between Canat Limited, Lessor, and Canadian National Railway Company, Lessee, covering 180 boxcars CNA 404400 - CNA 404579.

Also enclosed is a check in the amount of $26.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of the enclosed document to the undersigned.

Very truly yours,

Robert W. Alvord anm

Robert W. Alvord

RWA/anm
Enclosures

**MEMORANDUM OF LEASE TERMINATION dated as of February 29, 2000** among **Canat Limited** ("Canat"), **Grand Trunk Corporation** ("GTC") and **Canadian National Railway Company** ("CN").

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**WHEREAS**, the following agreements were entered into among the parties hereto:

i) **Lease of Equipment dated as of June 28, 1974** between Canat as lessor and CN as lessee covering the 180 100-ton 50"6" boxcars marked **CNA 404400 to CNA 404579** inclusive which terminated on November 15, 1989 ***[Recordation Number: 7597]***;

ii) **Lease of Equipment dated as of September 1, 1977**, as amended, between Canat (predecessor-in-interest to Grand Trunk) as lessor and CN as lessee covering the 100 100-ton 50"6" boxcars marked **CNA 404800 to CNA 404899** inclusive which terminated on October 28, 1997 ***[Recordation Number: 9029]***;

iii) **Lease of Equipment dated as of October 1, 1978** between Canat (predecessor-in-interest to Grand Trunk) as lessor and CN as lessee covering the 35 70-ton 50"6" boxcars marked **CNA 404900 to CNA 404934** inclusive which terminated on December 1, 1993 ***[Recordation Number: 9766]***;

iv) **Lease of Equipment dated as of December 1, 1980** between Canat (predecessor-in-interest to Grand Trunk) as lessor and CN as lessee covering the 90 70-ton 50"6" boxcars marked **CNA 405000 to CNA 405089** inclusive which terminated on May 1, 1996 ***[Recordation Number: 12692]***;

**WHEREAS**, each of the foregoing documents was a) filed at the Interstate Commerce Commission (predecessor to the Surface Transportation Board), with reference to the Recordation Number(s) set forth above, pursuant to the now 49 U.S.C. 11301 and b) deposited in the Office of the Registrar General of Canada pursuant to the now Section 105 of the Canada Transportation Act;

**AND WHEREAS**, Grand Trunk and Canat, are direct and indirect, respectively, wholly owned subsidiaries of CN.

**IN WITNESS WHEREOF**, the parties hereto, as their interests may appear, wish to show for the public record i) the respective termination of each Lease of Equipment described in the recitals to this Memorandum and ii) the purchase by CN, at each such

termination, of the boxcars thereunder; and accordingly have caused this Memorandum to be executed by their officer(s) thereunto duly authorized as of the year and day first above written.

**CANADIAN NATIONAL RAILWAY COMPANY**, as lessee under all four of the leases;

**CANAT LIMITED**, as lessor under one of the leases; and

**GRAND TRUNK CORPORATION**, as lessor under three of the leases.

By: _____
Its: Sr. Manager Asset Finance

*CN File References: 2049-01, -03, -05 & -07*

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PROVINCE OF QUEBEC )
) *In the matter of a Memorandum*
) *dated as of February 29, 2000.*
DISTRICT OF MONTREAL )

On this 13th day of July, 2000, before me personally appeared John A.N. Lamont, to me personally known, who, being by me duly sworn, says that he is Sr. Manager Asset Finance of each of Canadian National Railway Company, Grand Trunk Corporation and Canat Limited., that the foregoing instrument was signed on behalf of said corporations by authority of each of their Boards of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of each corporation.

_____
Attorney

Bar Number: 190021-8