

HOPKINS & SUTTER

(A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS)

1333 Brewery Park Boulevard, Suite 101, Detroit, MI 48207-2699
Telephone 313.396.6600 Facsimile 313.396.6117

WITH OFFICES IN
CHICAGO • WASHINGTON • DALLAS

RECORDATION NO. 15102-A
FILED 4695

FEB 7 1997 9 52 AM

Mary P. Sclawy
Direct line: 313.396.6357

February 6, 1997

Secretary
Surface Transportation Board
Room 2215
12th and Constitution Ave. N.W.
Washington, DC 20423

Dear Secretary:

Enclosed for recordation pursuant to statute and 49 CFR 1177 are two counterparts of a Memorandum of Lease Termination and Equipment Disposition, dated as of January 31, 1997 and executed by First Security Bank, N.A., The Chase Manhattan Bank of Canada and Canadian National Railway Company pursuant to a certain Lease Agreement, dated as of November 7, 1986 (the "Lease"). The equipment covered by this Lease is 363 covered hopper cars as more specifically identified on Exhibit A, attached hereto, and linings.

The Lease was recorded on November 20, 1986 and assigned recordation number 15102.

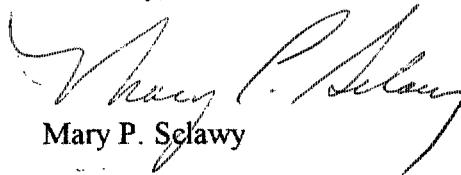
The parties to the Lease are:

Lessee:	Canadian National Railway Company
Owner Trustee/ Lessor of hoppers:	First Security Bank of Utah, N.A., nka First Security Bank, N.A.
Lessor of linings:	Chemical Bank Canada Leasing Limited, predecessor in interest to Chase Manhattan Bank of Canada

Enclosed is our check in the amount of \$22.

Please accept one counterpart of this document for filing, stamp the remaining counterpart with your recordation number and return it and the fee receipt to the undersigned.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mary P. Selawy".

Mary P. Selawy

C: John A. N. Lamont

CN lease of 11/7/86

Exhibit A

Covered Hopper Cars with AAR mechanical designation LO built by Pullman Standard of Butler, PA in 1979 and 1980

in the numbers, and bearing the marks, as specified below:

Group I Cars (98 units)

CN 383000 to CN 383097 inclusive;

Group II Cars (215 units)

CN 383100 to CN 383314 inclusive; and

Group III Cars (50 units)

CN 383318 to CN 383367 inclusive.

Note: Certain units (more particularly CN 383017, 383090, 383150, 383180, 383204, 383248, 383294, 383326, 383329, 383338 and 383355) have heretofore suffered a casualty occurrence, for which the stipulated loss value was paid, pursuant to the terms of that certain Lease referenced herein.

MEMORANDUM OF LEASE TERMINATION AND EQUIPMENT DISPOSITION dated as of January 31, 1997 between *First Security Bank, N.A.* not in its individual capacity but solely as owner-trustee ("First Security"), *The Chase Manhattan Bank of Canada* ("Chase Manhattan") and *Canadian National Railway Company* ("CN").

15702-A
1997-01-30

WHEREAS, First Security Bank of Utah, N.A. (now known as First Security Bank, N.A.), is the owner-trustee under a Trust Agreement dated as of November 7, 1986 with various beneficial owners as more particularly specified in Schedule A thereto) is lessor of the hopper cars more particularly described in Exhibit A attached hereto and made a part hereof (the "Equipment"), **Chemical Bank Canada Leasing Limited** (predecessor-in-interest to Chase Manhattan) is lessor of the Linings (as defined in Exhibit D to that certain Lease specified below) of the Equipment and CN is the lessee of the Linings and the Equipment, all under that certain Lease Agreement dated as of November 7, 1986 (the "Lease").

IN WITNESS WHEREOF, the parties wish to show for the public record that on the date first above written:

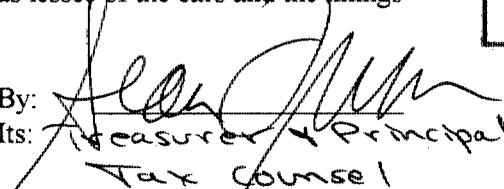
- 1) The Lease was terminated by First Security, Chase Manhattan and CN;
- 2) The Equipment was sold by First Security to CN;
- 3) Chase Manhattan acknowledges that CN has acquired its interest in the Linings of the Equipment;

and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized.

FIRST SECURITY BANK, N.A.,
not in its individual capacity but solely
as owner-trustee and lessor of the cars

By: 
Its Asst. Trust Officer

CANADIAN NATIONAL RAILWAY COMPANY,
as lessee of the cars and the linings

By: 
Its: Treasurer & Principal Tax Counsel



THE CHASE MANHATTAN BANK OF CANADA,
as lessor of the linings

By:
Its:



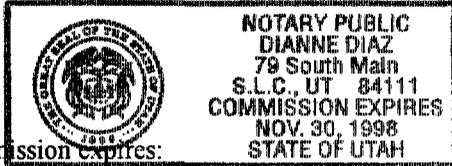
Owen G. Roberts
Vice President

Note: On November 20, 1986 at 2:45 P.M., the Lease was filed with the Interstate Commerce Commission (predecessor to the Surface Transportation Board) pursuant to 49 U.S.C. S11303 (now S11301) and assigned recordation number 15102. On November 20, 1986 at 10:00 A.M., the Lease was also deposited in the Office of the Registrar General of Canada pursuant to Section 86 (which became Section 90) of the Railway Act of Canada (now Section 105 of the Canada Transportation Act).

STATE OF UTAH)
)
CITY OF SALT LAKE)

*In the matter of a Memorandum dated
as of January 31, 1997.*

On this 31st day of January, 1997, before me personally appeared Janeen Higgs, to me personally known, who, being by me duly sworn, says that he / she is Asst. Post Officer of First Security Bank, N.A., that the foregoing memorandum was signed on behalf of said national association by authority of its Board of Directors, and he / she acknowledged that the execution of the foregoing memorandum was the free act and deed of said national association.



[Signature]
Notary Public
[Notarial Seal]

My commission expires: _____

PROVINCE OF QUEBEC)
)
DISTRICT OF MONTREAL)

*In the matter of a Memorandum dated
as of January 31, 1997.*

On this 29th day of January, 1997, before me personally appeared Sean Finn, to me personally known, who, being by me duly sworn, says that he / she is Treasurer + P.S.C. of Canadian National Railway Company, that the foregoing memorandum was signed on behalf of said corporation by authority of its Board of Directors, and he / she acknowledged that the execution of the foregoing memorandum was the free act and deed of said corporation.

JOHN LAMONT
Commissioner for Oaths
Commissaire à l'Assermentation
Province of Quebec
Expires September 14, 1997

[Signature]
Commissioner for Oaths

My commission expires: _____

[Seal]

PROVINCE OF ONTARIO)
)
CITY OF TORONTO)

*In the matter of a Memorandum dated
as of January 31, 1997.*

On this 29th day of January, 1997, before me personally appeared Owen Roberts, to me personally known, who, being by me duly sworn, says that he / she is Vice President Corporate Finance of The Chase Manhattan Bank of Canada, that the foregoing memorandum was signed on behalf of said bank by authority of its Board of Directors, and he / she acknowledged that the execution of the foregoing memorandum was the free act and deed of said bank.

[Signature]
Commissioner for Oaths

My commission expires: _____

[Notarial Seal]

Exhibit A

Covered Hopper Cars with AAR mechanical designation LO built by Pullman Standard of Butler, PA in 1979 and 1980

in the numbers, and bearing the marks, as specified below:

Group I Cars (98 units)

CN 383000 to CN 383097 inclusive;

Group II Cars (215 units)

CN 383100 to CN 383314 inclusive; and

Group III Cars (50 units)

CN 383318 to CN 383367 inclusive.

Note: Certain units (more particularly CN 383017, 383090, 383150, 383180, 383204, 383248, 383294, 383326, 383329, 383338 and 383355) have heretofore suffered a casualty occurrence, for which the stipulated loss value was paid, pursuant to the terms of that certain Lease referenced herein.