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WRITER'S DIRECT NUMBER:

3A CHATER ROAD
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November 20, 1997

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
The Mercury Building
1925 K Street, NW
Room 704
Washington, D. C. 20423

RECORDATION NO. 21017 FILED
NOV 21 '97 2-31 PM

Dear Mr. Williams:

In accordance with 49 U.S.C. §11301, we submit herewith for recording with the Surface Transportation Board original counterparts of the document described below.

This document is a Memorandum of Bailment and Delivery Agreement, a "primary document", dated as of September 1, 1997.

The names and addresses of the parties to the primary document are as follows:

- OWNER: FCNBD Leasing II, Inc.
1000 Canterra Tower
400 Third Avenue, S.W.
Calgary, Alberta T2P 4H2
- AGENT: Canadian National Railway Company
935 de La Gauchetiere Street West
Montreal, Quebec H3B 2M9

The equipment covered by the document consists of 80 GE model Dash 9-44CW diesel-electric locomotives constructed by General Electric Canada Inc. marked with serial numbers 50302 through 50381,

Jane Egan

NOV 21 2 30 PM '97
RECEIVED
SURFACE TRANSPORTATION
BOARD

and bearing the road numbers of Canadian National Railway Company 2523 through 2602.

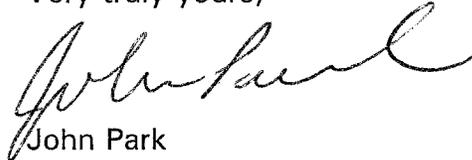
The recordation fee of \$22.00 is enclosed. After recordation, please return the counterparts not needed by the Board, stamped with the recordation data, to Charles A. Spitulnik of Hopkins & Sutter, 888 16th Street Northwest, Washington, D.C. 20006.

A short summary of the document for use in the index follows:

Memorandum of Bailment and Delivery Agreement dated as of September 1, 1997, between FCNBD Leasing II, Inc., as owner, and Canadian National Railway Company, as agent, covering 80 locomotives.

Please acknowledge receipt on the enclosed copy of this letter.

Very truly yours,



John Park

Encl.

NOV 21 '97

2-31 PM

MEMORANDUM OF BAILMENT AND DELIVERY AGREEMENT dated as of September 1, 1997, between CANADIAN NATIONAL RAILWAY COMPANY, a corporation continued under the laws of Canada (hereinafter called the **Agent**), and FCNBD LEASING II, INC., a corporation incorporated under the laws of Alberta (hereinafter called the **Owner**)

WHEREAS the Agent and the Owner are entering into that certain Bailment and Delivery Agreement dated as of the date hereof and supplements thereto, covering certain of the railroad equipment listed in Schedule A hereto, having the serial numbers and bearing the road numbers of Canadian National Railway Company shown in said Schedule A, and all additions and alterations thereof, replacements thereof and substitutions therefor.

This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, all of which together shall constitute a single agreement.

IN WITNESS WHEREOF, the parties wish to show for the public record the ownership of the said railroad equipment by the Owner and the appointment of the Agent to take possession of the Units as its bailee and agent to perform the activities specified in the Bailment and Delivery Agreement, and accordingly have caused this summary to be executed by their officers thereunto duly authorized, as of the date first above written.

FCNBD LEASING II, INC.,

by 

CANADIAN NATIONAL
RAILWAY COMPANY,

by _____

MEMORANDUM OF BAILMENT AND DELIVERY AGREEMENT dated as of September 1, 1997, between CANADIAN NATIONAL RAILWAY COMPANY, a corporation continued under the laws of Canada (hereinafter called the **Agent**), and FCNBD LEASING II, INC., a corporation incorporated under the laws of Alberta (hereinafter called the **Owner**)

WHEREAS the Agent and the Owner are entering into that certain Bailment and Delivery Agreement dated as of the date hereof and supplements thereto, covering certain of the railroad equipment listed in Schedule A hereto, having the serial numbers and bearing the road numbers of Canadian National Railway Company shown in said Schedule A, and all additions and alterations thereof, replacements thereof and substitutions therefor.

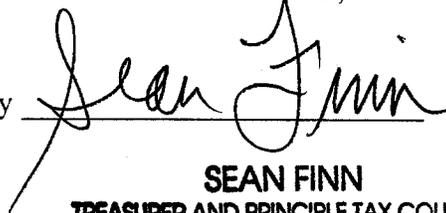
This Agreement may be executed in any number of counterparts and by the different parties hereto on separate counterparts, all of which together shall constitute a single agreement.

IN WITNESS WHEREOF, the parties wish to show for the public record the ownership of the said railroad equipment by the Owner and the appointment of the Agent to take possession of the Units as its bailee and agent to perform the activities specified in the Bailment and Delivery Agreement, and accordingly have caused this summary to be executed by their officers thereunto duly authorized, as of the date first above written.

FCNBD LEASING II, INC.,

by _____

CANADIAN NATIONAL
RAILWAY COMPANY,

by 

SEAN FINN
TREASURER AND PRINCIPLE TAX COUNSEL

PROVINCE OF QUEBEC)
)
DISTRICT OF MONTREAL)

On this 11th day of November, 1997, before me personally appeared Sean Finn, to me personally known, who, being by me duly sworn, says that he is * of CANADIAN NATIONAL RAILWAY COMPANY, that the foregoing instrument was signed on behalf of said company on such day 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 company.

** Treasurer's Principal Tax Counsel*

Gene J. ...
Commissioner for Oaths
Attorney

[Commissioner's Seal]

My commission expires

PROVINCE OF ALBERTA)
)
CITY OF)

On this ___ day of November, 1997, before me personally appeared _____, to me personally known, who, being by me duly sworn, says that he is _____ of FCNBD LEASING II, INC., that the foregoing instrument was signed on behalf of said company on such day 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 company.

Notary Public

[Notarial Seal]

My commission expires

PROVINCE OF QUEBEC)
)
DISTRICT OF MONTREAL)

On this ____ day of November, 1997, before me personally appeared _____, to me personally known, who, being by me duly sworn, says that he is _____ of CANADIAN NATIONAL RAILWAY COMPANY, that the foregoing instrument was signed on behalf of said company on such day 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 company.

Commissioner for Oaths

[Commissioner's Seal]

My commission expires

PROVINCE OF ALBERTA)
)
CITY OF CALGARY)

On this 19th day of November, 1997, before me personally appeared ALLAN NIELSEN, to me personally known, who, being by me duly sworn, says that he is Secretary of FCNBD LEASING II, INC., that the foregoing instrument was signed on behalf of said company on such day 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 company.

Notary Public
(KEITH CHATWIN)

[Notarial Seal]

My commission expires

SCHEDULE A

EQUIPMENT

Eighty GE model Dash 9-44CW diesel-electric locomotives constructed by General Electric Canada Inc. marked with serial numbers 50302 through 50381, and bearing the road numbers of Canadian National Railway Company 2523 through 2602.