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**MEMORANDUM OF
ASSIGNMENT OF LEASE**

MEMORANDUM OF ASSIGNMENT OF LEASE made as of November 29, 1995, by Northern Railcar Trust (hereinafter the "Trust"), a trust established under the laws of the Province of Ontario pursuant to a declaration of trust made as of April 7, 1995 by Montreal Trust Company of Canada, a trust company established under the laws of Canada, to and in favor of The Bank of Tokyo Canada (hereinafter the "Agent"), as agent for and on behalf of itself, Fuji Bank Canada and Sakura Bank (Canada), each of which is a Canadian chartered bank (collectively, with their respective successors and permitted assigns, hereinafter referred to as the "Secured Creditors").

WHEREAS pursuant to a loan agreement dated as of June 1, 1995 (hereinafter the "Loan Agreement") between the Trust and the Secured Creditors, the Secured Creditors have made credit facilities available to the Trust;

WHEREAS such credit facilities were used by the Trust to purchase certain Covered Hopper Railcars;

WHEREAS pursuant to the Lease of Railroad Equipment dated as of June 1, 1995 between the Trust, as lessor, and Canadian National Railway Company, as lessee, (hereinafter the "Lessee"), the Trust has leased certain Covered Hopper Railcars to the Lessee;

WHEREAS it is a condition of the Loan Agreement that the Trust execute and deliver an assignment of the said Lease;

AND WHEREAS the Trust entered into that certain Assignment of Lease made as of June 1, 1995 to and in favor of the Agent, as agent for and on behalf of the Secured Creditors.

IN WITNESS WHEREOF, the parties wish to show for the public record the assignment of the aforesaid Lease to and in favor of the Agent, as agent for and on behalf of the Secured Creditors, and accordingly the Trust has caused this memorandum to be executed on its behalf by The Bank of Tokyo Canada, as administrative agent.

NORTHERN RAILCAR TRUST
By The Bank of Tokyo Canada, as Administrative Agent

By: Amos W. Simpson
Name: Amos W. Simpson
Title: Vice President and General Manager

SCHEDULE A

DESCRIPTION OF UNITS

TYPE OF UNITS:	Steel Covered Hopper with 100-ton trucks and 5250 cubic foot capacity.
DETAILED SPECIFICATIONS OF UNITS:	A.A.R. Mechanical Designation "LO". All steel construction, curved side, trough hatches and three center discharge gates. Designed for a maximum gross weight on rail of 286,000 pounds, A.A.R. Equipment Diagram Plate "C". 36" one-wear Class C wheels.
BUILDER:	TrentonWorks Ltd. Trenton, Nova Scotia
BUILT:	June, 1995 to June, 1996
IDENTIFICATION NUMBERS (INCLUSIVE):	CN 388000 - 388999
QUANTITY OF UNITS:	1000

AFFIDAVIT OF EXECUTION

PROVINCE OF QUEBEC)
) ss.
CITY OF MONTREAL)
)

On this 29th day of November, 1995, before me personally appeared
 AMOS W. SIMPSON personally known to me, who being by me
duly sworn, says that he is the Vice President and General Manager
of The Bank of Tokyo Canada and that the foregoing instrument was
signed on behalf of said corporation by authority of its Board of
Directors and he acknowledges that the execution of the foregoing
instrument was the free act and deed of said corporation.

Elizabeth Frost
Commissioner for Oaths
Province of Quebec, Canada



My commission expires at Her Majesty's pleasure.