

ALVORD AND ALVORD
ATTORNEYS AT LAW
918 SIXTEENTH STREET, N.W.
SUITE 200
WASHINGTON, D.C.

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

20006-2973

OF COUNSEL
URBAN A. LESTER

(202) 393-2266

FAX (202) 393-2156

RECORDATION NO. 18097-A FILED 1425

MAY 12 1993 10:10 AM

INTERSTATE COMMERCE COMMISSION

MOTOR OPERATING UNIT

MAY 12 10 05 AM '93

18097-A

May 12, 1993

Mr. Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Dear Mr. Strickland:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11303(a) are two (2) fully executed and acknowledged copies of a First Amending Agreement-Lease of Equipment #42 dated as of April 12, 1993, a secondary document as defined in the Commission's Rules for the Recordation of Documents under 49 C.F.R. Section.

The enclosed document relates to the Lease of Equipment #42 dated as of November 5, 1992 and executed on December 22 and December 23, 1992, which was filed and recorded with the Commission on January 14, 1993 under Recordation Number 18097.

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

Lessor: SLX Canada Inc.
1500 Bow Valley Square IV
250 6th Avenue S.W.
Calgary, Alberta T2P 3H7
CANADA

Lessee: Canadian National Railway Company
935 de La Gauchetiere West
Montreal, Quebec H3B 2M9
CANADA

Countryman

Mr. Sidney L. Strickland, Jr.
May 12, 1993
Page 2

A description of the railroad equipment covered by the enclosed document is twenty-five (25) DASH 8-40CM 4000 hp diesel electric locomotives built by General Electric Canada Inc. bearing identification numbers CN 2430 - CN 2454.

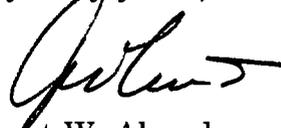
Also enclosed is a check in the amount of \$16 payable to the order of the Interstate Commerce Commission covering the required recordation fee.

Kindly return a stamped copy of the enclosed document to bearer of this letter.

A short summary of the enclosed secondary document to appear in the Commission's Index is:

First Amending Agreement - Lease of Equipment #42 dated as of April 12, 1993 covering 25 Dash 8-40CM 4000 hp diesel electric locomotives, CN 2430 - CN 2454.

Very truly yours,



Robert W. Alvord

RWA/bg
Enclosures

FIRST AMENDING AGREEMENT - LEASE OF EQUIPMENT #42

THIS FIRST AMENDING AGREEMENT made as of April 12, 1993.

BETWEEN:

SLX CANADA INC.
("SLX")

RECORDATION NO. 18097 FILED 1428 ^A

MAY 12 1993 10-10 AM

INTERSTATE TRADING COMMISSION

- and -

CANADIAN NATIONAL RAILWAY COMPANY
("CN")

OF THE SECOND PART

WHEREAS SLX and CN have entered into an agreement entitled "Lease of Equipment #42" made as of November 5, 1992 (the "Lease");

AND WHEREAS SLX and CN have agreed to amend the Lease as hereinafter set forth;

WITNESSES that for valuable consideration, the parties agree as follows:

1. **Definitions:**

"Group 1 Units" means the Units listed under the heading "Group 1 Units" in Schedule A1 annexed hereto, and includes any Units hereafter substituted therefor in accordance with Section 3 of this First Amending Agreement or Section 6.3 of the Lease.

"Group 2 Units" means the Units listed under the heading "Group 2 Units" in Schedule A1 annexed hereto, and includes any Units hereafter substituted therefor in accordance with Section 6.3 of the Lease and any Group 1 Unit for which a Group 2 Unit has been substituted in accordance with Section 3 of this First Amending Agreement.

"Trust Indenture" means the trust indenture formally dated September 15, 1988 between the SLX and The Royal Trust Company as amended or supplemented.

2. **Amendment:** The Lease shall be and is hereby amended by deleting Schedules A, B and D to the Lease and substituting therefor respectively, Schedules A1, B1 and D1 annexed to this First Amending Agreement.

3. **Substitution:** SLX and CN agree that, in the event of a Casualty Occurrence in respect of a Group 1 Unit, CN may, at its option, substitute a Group 2 Unit for such Group 1 Unit upon giving prior written notice of such substitution to SLX on or before the Casualty Notice Date applicable in respect of that Casualty Occurrence. The notice shall set out the identification number of the Group 1 Unit which has suffered the Casualty Occurrence and the identification number of the Group 2 Unit which is to be substituted therefor. Any such substitution shall be deemed to have occurred immediately prior to the happening of such Casualty Occurrence such that such Casualty Occurrence shall be treated as having occurred with respect to a Group 2 Unit and not a Group 1 Unit, and thereafter the provisions of Article VI of the Lease shall apply accordingly. For greater certainty, following any such substitution the Rental in respect of the Group 1 Units shall continue unabated and without interruption as if the substitution has been made under Section 6.3 of the Lease and notwithstanding that the Rental payable prior to any such substitution in respect of the Group 2 Unit so substituted may have been greater or lesser than the Rental payable for the Group 1 Unit that suffered the Casualty Occurrence. Notwithstanding the foregoing, CN may not substitute a Group 2 Unit for a Group 1 Unit which has suffered a Casualty Occurrence if the Lease, to the extent it applies to such Group 2 Unit, has been designated as a Related Lease (as defined in the Trust Indenture) in respect of any debenture or series of debentures issued or hereafter issued under the Trust Indenture.

4. **Remaining Provisions of Lease:** Except to the extent expressly amended by the terms of this First Amending Agreement, all terms and provisions contained in the Lease and all covenants, undertakings, representations, warranties and conditions of the parties therein contained shall continue and remain in full force and effect, unamended. Terms used in this First Amending Agreement and which are defined in the Lease shall have the same respective meanings for the purposes hereof as are attributed thereto in the Lease, except as specifically set forth herein or amended hereby.

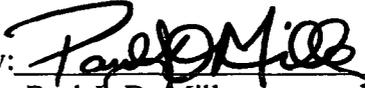
5. **Governing Law:** This First Amending Agreement shall be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. With respect to any suit, action or proceedings relating to this First Amending Agreement, each of the parties hereby irrevocably submits to the non-exclusive jurisdiction of the courts of Ontario.

Handwritten signature

6. **Counterparts:** This First Amending Agreement may be executed in several counterparts, each of which so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

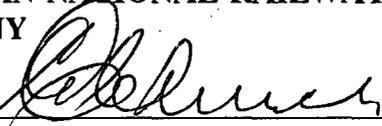
IN WITNESS WHEREOF the parties have executed this First Amending Agreement as of the day and year first written above.

SLX CANADA INC.

By: 
Paul J. D. Miller
Director

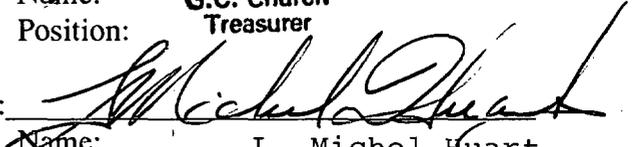
By: 
Bruce C. Barker
Director

CANADIAN NATIONAL RAILWAY
COMPANY

By: 
Name: **G.C. Church**
Position: **Treasurer**

Approved
as to form only

Attorney

By: 
Name: **L. Michel Huart**
Position: **General Solicitor**

SCHEDULE A1

DESCRIPTION OF UNITS

GROUP 1 UNITS

<u>TYPE</u>	<u>SPECIFICATIONS</u>	<u>BUILDER</u>	<u>IDENTIFICATION NUMBERS (INCLUSIVE)</u>	<u>QUANTITY</u>	<u>UNIT PRICE</u>
Locomotives	DASH 8-40CM, 4000 hp GE FDL16 Diesel Electric Engines, 26LUM Dynamic Braking System, 390,000 lb nominal weight, 3,830 imperial gallon fuel tank capacity with refurbished trucks and airbrake LUM racks.	Locomotives built by General Electric Canada Inc. in 1992; refurbished trucks and airbrake LUM racks provided by Canadian National Railway Company	CN 2430 - CN 2437	8	\$1,682,345.04

GROUP 2 UNITS

Locomotives	DASH 8-40CM, 4000 hp GE FDL16 Diesel Electric Engines, 26LUM Dynamic Braking System, 390,000 lb nominal weight, 3,830 imperial gallon fuel tank capacity with refurbished trucks and airbrake LUM racks.	Locomotives built by General Electric Canada Inc. in 1992; refurbished trucks and airbrake LUM racks provided by Canadian National Railway Company	CN 2438 - CN 2454	17	\$1,682,345.04
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SCHEDULE B1
LEASE PARTICULARS

GROUP 1 UNITS:	CN2430 – CN2437, inclusive
GROUP 2 UNITS:	CN2438 – CN2454, inclusive
LEASE RATE FOR GROUP 1 UNITS:	10%
LEASE RATE FOR GROUP 2 UNITS:	To be determined in accordance with the agreement to lease term sheet dated November 18, 1992 between the Lessor and the Lessee.
RENTAL COMMENCEMENT DATE FOR GROUP 1 UNITS:	April 12, 1993.
RENTAL COMMENCEMENT DATE FOR GROUP 2 UNITS:	April 1, 1993.
INTEREST RATE ON ARREARS:	Lease Rate + 1%
LEASE TERMINATION DATE:	October 1, 2007 or such earlier date as this Lease is terminated pursuant to the provisions hereof.
INTERIM RENTAL FOR GROUP 1 UNITS:	not applicable.
INTERIM RENTAL FOR GROUP 2 UNITS:	To be determined in accordance with the agreement to lease term sheet dated November 18, 1992 between the Lessor and the Lessee.
CASUALTY NOTICE DATE:	January 30 in each year during the term of this Lease or such earlier date as the Lessee may provide written notice of a Casualty Occurrence.
CASUALTY PAYMENT DATE FOR GROUP 1 UNITS:	April 1 in each year during the term of this Lease.
CASUALTY PAYMENT FOR GROUP 2 UNITS:	The next succeeding Rollover Date (as defined in the term sheet dated November 18, 1992 between the Lessor and the Lessee) following receipt of written notice by the Lessor of the Casualty Occurrence.

REGISTRATIONS:

Subject to the Lessor providing the Lessee with the appropriate information, the Lessee shall cause each Unit to be registered in the Official Railway Equipment Register and in the Universal Machine Language Equipment Register (UMLER), and any change therein must be mutually agreed by the parties. The Lessee shall maintain such records as shall be required from time to time by any applicable regulatory agency or any AAR railroad interchange agreement or rule. The Lessee shall, at its own expense, cause this Lease and any assignment hereof to be filed and recorded with the Interstate Commerce Commission in accordance with 49 U.S.C. Section 11303 and deposited with the Registrar General of Canada (with notice of such deposit to be given forthwith in the Canada Gazette) pursuant to Section 90 of the Railway Act of Canada.



SCHEDULE B1 TO LEASE #42
(continued)

RENTAL: GROUP 1 UNITS

<u>Payment Number</u>	<u>Rental Payment Date</u>	<u>Percentage of Unit Price of each Unit</u>	<u>Rental Payment based on aggregate Unit Price as per Schedule A1</u>
1	01-Oct-93	4.00%	
2	01-Apr-94	4.30%	
3	01-Oct-94	4.30%	
4	01-Apr-95	6.00%	
5	01-Oct-95	11.00%	
6	01-Apr-96	7.00%	
7	01-Oct-96	3.10%	
8	01-Apr-97	5.50%	
9	01-Oct-97	17.10%	
10	01-Apr-98	3.10%	
11	01-Oct-98	3.15%	
12	01-Apr-99	3.20%	
13	01-Oct-99	3.20%	
14	01-Apr-2000	3.20%	
15	01-Oct-2000	3.20%	
16	01-Apr-2001	6.00%	
17	01-Oct-2001	3.20%	
18	01-Apr-2002	3.20%	
19	01-Oct-2002	3.20%	
20	01-Apr-2003	17.10%	
21	01-Oct-2003	17.00%	
22	01-Apr-2004	8.36%	
23	01-Oct-2004	8.00%	
24	01-Apr-2005	3.20%	
25	01-Oct-2005	3.20%	
26	01-Apr-2006	3.20%	
27	01-Oct-2006	3.20%	
28	01-Apr-2007	3.20%	
29	01-Oct-2007	3.20%	

SCHEDULE B1 TO LEASE #42
(continued)

RENTAL: GROUP 2 UNITS

<u>Payment Number</u>	<u>Rental Payment Date</u>	<u>Percentage of Unit Price of each Unit</u>	<u>Rental Payment based on aggregate Unit Price as per Schedule A1</u>
1	01-Apr-93	To be determined in accordance with the agreement to lease term sheet dated November 18, 1992 between the Lessor and the Lessee.	
2	01-Oct-93		
3	01-Apr-94		
4	01-Oct-94		
5	01-Apr-95		
6	01-Oct-95		
7	01-Apr-96		
8	01-Oct-96		
9	01-Apr-97		
10	01-Oct-97		
11	01-Apr-98		
12	01-Oct-98		
13	01-Apr-99		
14	01-Oct-99		
15	01-Apr-2000		
16	01-Oct-2000		
17	01-Apr-2001		
18	01-Oct-2001		
19	01-Apr-2002		
20	01-Oct-2002		
21	01-Apr-2003		
22	01-Oct-2003		
23	01-Apr-2004		
24	01-Oct-2004		
25	01-Apr-2005		
26	01-Oct-2005		
27	01-Apr-2006		
28	01-Oct-2006		
29	01-Apr-2007		
30	01-Oct-2007		

SCHEDULE D1

STIPULATED LOSS VALUE

GROUP 1 UNITS:

<u>Date</u>	<u>%</u>
01-Apr-94	111.7
01-Apr-95	110.8
01-Apr-96	109.5
01-Apr-97	108.9
01-Apr-98	108.4
01-Apr-99	103.4
01-Apr-2000	91.8
01-Apr-2001	90.8
01-Apr-2002	92.2
01-Apr-2003	79.7
01-Apr-2004	60.4
01-Apr-2005	54.3
01-Apr-2006	52.6
01-Apr-2007	50.9
01-Oct-2007	50.0

The Stipulated Loss Value shall be calculated as the applicable percentage of the "Unit Price" referred to in Schedule A1.



SCHEDULE D1
(continued)

STIPULATED LOSS VALUE

GROUP 2 UNITS:

<u>Date</u>	<u>%</u>
01-Apr-93	
01-Apr-94	To be determined in accordance with the agreement to lease term sheet dated November 18, 1992 between the Lessor and the Lessee.
01-Apr-95	
01-Apr-96	
01-Apr-97	
01-Apr-98	
01-Apr-99	
01-Apr-2000	
01-Apr-2001	
01-Apr-2002	
01-Apr-2003	
01-Apr-2004	
01-Apr-2005	
01-Apr-2006	
01-Apr-2007	

The Stipulated Loss Value shall be calculated as the applicable percentage of the "Unit Price" referred to in Schedule A.



PROVINCE OF ONTARIO

CITY OF TORONTO

) In the matter of a First
) Amending Agreement - Lease of
) Equipment #42 between SLX
) Canada Inc. and Canadian
) National Railway Company
) made as of April 12, 1993

On this 12th day of April, 1993, before me personally appeared Bruce C. Barker to me personally known, who, being by as duly sworn, says that he is the Chairman of SLX Canada Inc., that one of the seals affixed to the foregoing instrument is the seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, that he signed the said instrument on April 12, 1993 on behalf of said Corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.



Notary Public in and for the
Province of Ontario

(Notarial Seal)

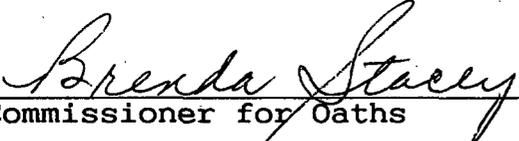
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PROVINCE OF QUEBEC

DISTRICT OF MONTREAL

) In the matter of a First
) Amending Agreement - Lease of
) Equipment #42 between SLX
) Canada Inc. and Canadian
) National Railway Company
) made as of April 12, 1993

On this 28th day of April, 1993, before me personally appeared L. Michel Huart to me personally known, who, being by me duly sworn, says that he/she is the General Solicitor of Canadian National Railway Company, that one of the seals affixed to the foregoing instrument is the seal of said Company, that said instrument was signed and sealed on behalf of said Company by authority of its Board of Directors, that he/she signed the said instrument on 28th, April, 1993 on behalf of said Company, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said Company.


Commissioner for Oaths

BRENDA STACEY
Commissioner for Oaths
Commissaire à l'Assermentation
District - Montreal
Expires May 8, 1995
No. 108 400