

First Union Rail Corporation

One O'Hare Center
6250 River Road, Suite 5000
Rosemont, Illinois 60018-4214
847 318-7575

VIA FEDERAL EXPRESS



January 26, 1999

RECORDATION NO. 21990 FILED

JAN 28 '99

9-30 AM

Surface Transportation Board
Attn: Jan Fort
1925 K Street, N.W., Room 704
Washington, DC 20423-0001

Re: Memorandum of Lease Agreement

Dear Ms. Fort:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are four copies of a Memorandum of Lease Agreement, dated December 15, 1995, a primary document as defined in the Board's Rules for the Recordation of Documents. The names and addresses of the parties to the enclosed document are:

Lessor: First Union Rail Corporation
One O'Hare Center
6250 River Road, Suite 5000
Rosemont, IL 60018

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

A description of the railroad equipment covered by the enclosed document is set forth on Exhibit A, as attached to such Memorandum.

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 (1) stamped original of the enclosed document to the undersigned.

If you have any questions or concerns regarding the above-referenced matter, please feel free to contact me at (847) 384-5355. Thank you for your cooperation in this matter.

Very truly yours,

A handwritten signature in cursive script that reads "Susan Grokulsky".

Susan Grokulsky
Manager - Documents Administration

Enclosures

(CN010)

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20423-0001

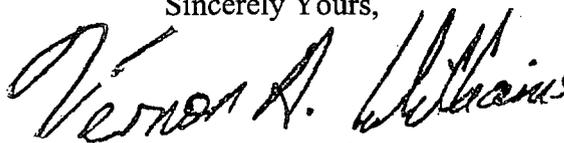
OFFICE OF THE SECRETARY

Susan Grokulsky
First Union Rail Corporation
6250 River Road, Ste. 5000
Rosemont, Illinois 60010

Dear Sir:

The enclosed documents (s) was recorded pursuant to the provisions of 49 U.S.C.
11301 and CFR 1177.3 (c), on 1/28/99 at 9:30 AM, and
assigned recordation numbers (s): 21990, 21991, 21992, 21993, 21994, 21995, 21996,
21997, 21998, 21999 and 22000.

Sincerely Yours,



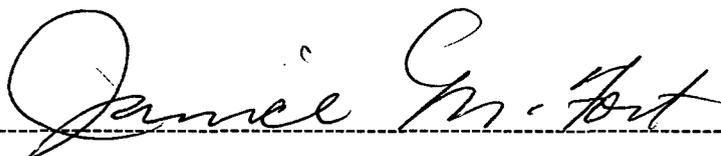
Vernon A. Williams

Enclosure(s) (11)

286.00

\$_____ The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid. In the event of an error or any questions concerning this fee, you will receive a notification after the Surface Transportation Board has an opportunity to examine your document.

Signature



RECORDATION NO. 21990 FILED

9-30 AM

RIDER #3 TO LEASE AGREEMENT JUN 28 '99

MEMORANDUM OF LEASE AGREEMENT dated as of June 16, 1994 (hereinafter called the Lease Agreement) between **FIRST UNION RAIL CORPORATION** (successor-in-interest to First Union Rail, a division of First Union Commercial Corporation), a North Carolina corporation, (hereinafter called the Lessor) and **CANADIAN NATIONAL RAILWAY COMPANY**, a Canadian corporation, (hereinafter called the Lessee).

WHEREAS the Lessor and the Lessee entered into Rider # 3 to the Lease Agreement, dated as of December 15, 1995, covering 425 - 52'8" double door A.A.R. class XP Plate F boxcars, manufactured by Trenton Works, Ltd. in 1995 and 1996, bearing the road numbers CN 558000 to CN 558424 inclusive, and all additions thereto, alterations thereof, replacements thereof and substitutions therefor.

IN WITNESS WHEREOF, the parties wish to show for the public record the ownership of said boxcars by the Lessor, and the leasehold interest therein of the Lessee, and accordingly have caused this memorandum, which by reference incorporates the terms and conditions of the Lease Agreement and Rider # 3 thereto, to be executed by their officers thereunto duly authorized, as of the fifteenth day of December, 1995.

FIRST UNION RAIL CORPORATION, as Lessor

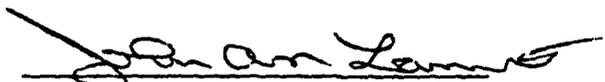
By: SUSAN A. BARRIE
Title: REGIONAL VICE PRESIDENT, SALES
Signature: *Susan A. Barrie*

CANADIAN NATIONAL RAILWAY COMPANY, as Lessee

By: *JPB Beaulieu* JEAN-PAUL BEAULIEU
Title: TREASURER
Signature: *JPB Beaulieu*

PROVINCE OF QUEBEC) In the matter of a Memorandum of Lease
) Agreement between First Union Rail
 CITY OF MONTREAL) Corporation and Canadian National Railway
) Company made as of the fifteenth day of
) December 1995 (with respect to Rider # 3
) to the said Lease Agreement)

On this 15th day of December, 1995, before me personally appeared Jean-Paul Beaulieu, to me personally known, who, being by me duly sworn, says that he is the Treasurer of Canadian National Railway Company, that said instrument was signed on behalf of said Company 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.

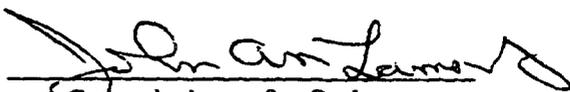

 Commissioner for Oaths

JOHN LAMONT
 Commissioner for Oaths
 Commissaire à l'Assermentation
 Province of Quebec
 Expires September 14, 1998

My commission expires: 14/9/98

PROVINCE OF QUEBEC) In the matter of a Memorandum of Lease
) Agreement between First Union Rail
 CITY OF MONTREAL) Corporation and Canadian National Railway
) Company made as of the fifteenth day of
) December 1995 (with respect to Rider # 3
) to the said Lease Agreement)

On this 15th day of December, 1995, before me personally appeared Susan A. Barrie, to me personally known, who, being by me duly sworn, says that she is the Regional Vice President, Sales of First Union Rail Corporation, that said instrument was signed on behalf of said Company by authority of its Board of Directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said Company.


 Commissioner for Oaths

JOHN LAMONT
 Commissioner for Oaths
 Commissaire à l'Assermentation
 Province of Quebec
 Expires September 14, 1998

My commission expires: 14/9/98