

RECORDATION NO. 20926 - E FILED

MAY 31 '05 12:36 PM

SURFACE TRANSPORTATION BOARD

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

May 31, 2005

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Final Termination, dated as of April 28, 2005, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Lease Agreement previously filed with the Board under Recordation Number 20926.

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

Final Lessor: Progress Rail Services Corporation
1600 Progress Drive
Albertville, Alabama 35950

Lessee: Canadian National Railway Company
935 de la Gauchetiere Street West
Montreal, Quebec
Canada H3B 2M9

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A description of the railroad equipment covered by the enclosed document is:

196 railcars within the series SLGG 19447 – SLGG 19999, SLGG 38285 – SLGG 38442 and SLGG 40991 – SLGG 41397 as more particularly set forth in the equipment schedule attached to the document.

A short summary of the document to appear in the index is:

Memorandum of Final Termination.

Also enclosed is a check in the amount of \$33.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/anm
Enclosures

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SURFACE TRANSPORTATION BOARD

**MEMORANDUM
OF
FINAL TERMINATION**

dated as of April 28, 2005

between

**PROGRESS RAIL SERVICES CORPORATION,
as Final Lessor**

and

**CANADIAN NATIONAL RAILWAY COMPANY,
as Lessee**

MEMORANDUM OF FINAL TERMINATION

THIS MEMORANDUM is made and entered into as of April 28, 2005 by and between PROGRESS RAIL SERVICES CORPORATION ("Final Lessor"), and CANADIAN NATIONAL RAILWAY COMPANY ("Lessee").

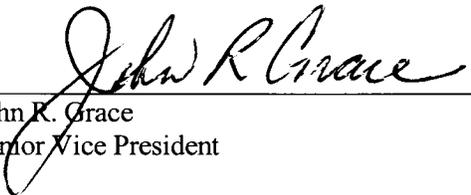
WITNESSETH:

1. Railcar, Ltd. (the "Original Lessor") and Lessee entered into a Lease Agreement dated as of April 1, 1997 (the "Lease") originally covering five-hundred (500) boxcars (individually a "Car" and collectively, the "Cars") as more particularly set forth therein;
2. To evidence the Lease, a Memorandum of Lease Agreement dated as of September 30, 1997 was i) filed at the Surface Transportation Board (the "STB") on October 8, 1997 with primary recordation number 20926 and ii) deposited at the Registrar General of Canada (the "RGC") on October 21, 1997;
3. As of September 30, 1997, Original Lessor assigned all its right, title and interest in the Lease and the Cars to M&T Credit Services, LLC (successor to Manufacturers and Traders Trust Company (successor-by merger to Allfirst Bank (formerly known as The First National Bank of Maryland))) (the "Second Lessor");
4. To evidence the aforementioned assignment, an Assignment of Lessor's Interest in Lease dated as of September 30, 1997 was i) filed at the STB on October 8, 1997 with secondary recordation number 20926-A and ii) deposited at the RGC on October 21, 1997;
5. As of December 15, 2000, Second Lessor and Lessee partially terminated the Lease in respect of one-hundred fifty (150) of the Cars and, Second Lessor then sold them to Original Lessor;
6. To evidence the aforementioned partial termination, a Memorandum of Partial Termination dated as of December 15, 2000 was i) filed at the STB on December 29, 2000 with secondary recordation number 20926-B and ii) deposited at the RGC on December 22, 2000;
7. As of May 1, 2003, Second Lessor and Lessee partially terminated the Lease in respect of one-hundred thirty-nine (139) of the Cars and, Second Lessor then sold them to Lessee;
8. To evidence the aforementioned partial termination, a Memorandum of Partial Termination and Restatement of Cars under Lease dated as of May 1, 2003 was i) filed at the STB on May 6, 2003 with secondary recordation number 20926-C and ii) deposited at the RGC on May 5, 2003;
9. As of October 29, 2004, Second Lessor assigned all its right, title and interest in the Lease and the remaining Cars (as set forth in Exhibit B-3 attached hereto) thereunder to Final Lessor; and
10. Lessee has returned each of such remaining Cars to Final Lessor or heretofore paid the casualty value therefore, as the case may be.

NOW THEREFORE, for good and valuable consideration, Lessor and Lessor hereby agree and acknowledge for the public record that the Lease is terminated.

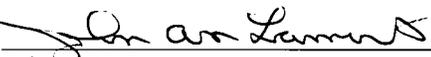
IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum to be executed as of the date first above written.

PROGRESS RAIL SERVICES CORPORATION,
Final Lessor

By: 

John R. Grace
Senior Vice President

CANADIAN NATIONAL RAILWAY COMPANY,
Lessee

By: 

John A.N. Lamont
Senior Manager Asset Finance

STATE OF ALABAMA, CITY OF ALBERTVILLE, TO WIT:

On this 5th day of May, 2005 before me personally appeared, John R. Grace, to me personally known, who being by me duly sworn, says that he is a Senior Vice President of PROGRESS RAIL SERVICES CORPORATION, that said instrument was signed on behalf of said corporation 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 corporation.

Deane W. Eakin

Notary Public

[Notarial Seal]

My commission expires: June 30, 2005

PROVINCE OF QUEBEC, DISTRICT OF MONTREAL, TO WIT:

On this 28th day of April, 2005 before me personally appeared John A.N. Lamont to me personally known, who being by me duly sworn, says that he is the Senior Manager Asset Finance of CANADIAN NATIONAL RAILWAY COMPANY, that said instrument was signed on behalf of said corporation 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 corporation.

[Signature]
Attorney

Bar Number: 188726-2

DESCRIPTION OF RAILCARS

One hundred ninety-six (196) 50'6" 70-ton Plate C XP boxcars bearing the following car marks and numbers:

<u>MARK NUMBER</u>			<u>MARK NUMBER</u>			<u>MARK NUMBER</u>		
1	SLGG	19447	67	SLGG	19655	133	SLGG	19824
2	SLGG	19449	68	SLGG	19656	134	SLGG	19827
3	SLGG	19450	69	SLGG	19659	135	SLGG	19833
4	SLGG	19452	70	SLGG	19663	136	SLGG	19840
5	SLGG	19461	71	SLGG	19666	137	SLGG	19841
6	SLGG	19471	72	SLGG	19667	138	SLGG	19847
7	SLGG	19472	73	SLGG	19671	139	SLGG	19849
8	SLGG	19474	74	SLGG	19673	140	SLGG	19861
9	SLGG	19475	75	SLGG	19675	141	SLGG	19864
10	SLGG	19476	76	SLGG	19682	142	SLGG	19866
11	SLGG	19478	77	SLGG	19687	143	SLGG	19868
12	SLGG	19479	78	SLGG	19690	144	SLGG	19870
13	SLGG	19481	79	SLGG	19696	145	SLGG	19871
14	SLGG	19482	80	SLGG	19697	146	SLGG	19876
15	SLGG	19496	81	SLGG	19698	147	SLGG	19878
16	SLGG	19497	82	SLGG	19702	148	SLGG	19882
17	SLGG	19505	83	SLGG	19705	149	SLGG	19889
18	SLGG	19506	84	SLGG	19707	150	SLGG	19891
19	SLGG	19507	85	SLGG	19709	151	SLGG	19898
20	SLGG	19508	86	SLGG	19711	152	SLGG	19899
21	SLGG	19513	87	SLGG	19712	153	SLGG	19900
22	SLGG	19515	88	SLGG	19714	154	SLGG	19906
23	SLGG	19517	89	SLGG	19717	155	SLGG	19907
24	SLGG	19522	90	SLGG	19725	156	SLGG	19908
25	SLGG	19523	91	SLGG	19726	157	SLGG	19909
26	SLGG	19524	92	SLGG	19735	158	SLGG	19911
27	SLGG	19525	93	SLGG	19736	159	SLGG	19912
28	SLGG	19527	94	SLGG	19737	160	SLGG	19914
29	SLGG	19531	95	SLGG	19738	161	SLGG	19915
30	SLGG	19533	96	SLGG	19746	162	SLGG	19917
31	SLGG	19534	97	SLGG	19747	163	SLGG	19922
32	SLGG	19535	98	SLGG	19750	164	SLGG	19929
33	SLGG	19541	99	SLGG	19754	165	SLGG	19930
34	SLGG	19542	100	SLGG	19756	166	SLGG	19932
35	SLGG	19550	101	SLGG	19758	167	SLGG	19937
36	SLGG	19551	102	SLGG	19759	168	SLGG	19939
37	SLGG	19552	103	SLGG	19760	169	SLGG	19943
38	SLGG	19563	104	SLGG	19762	170	SLGG	19944
39	SLGG	19564	105	SLGG	19766	171	SLGG	19952

MARK NUMBER			MARK NUMBER			MARK NUMBER		
40	SLGG	19567	106	SLGG	19768	172	SLGG	19953
41	SLGG	19568	107	SLGG	19777	173	SLGG	19959
42	SLGG	19569	108	SLGG	19778	174	SLGG	19961
43	SLGG	19570	109	SLGG	19779	175	SLGG	19962
44	SLGG	19576	110	SLGG	19780	176	SLGG	19967
45	SLGG	19589	111	SLGG	19782	177	SLGG	19970
46	SLGG	19592	112	SLGG	19784	178	SLGG	19974
47	SLGG	19595	113	SLGG	19785	179	SLGG	19975
48	SLGG	19596	114	SLGG	19786	180	SLGG	19977
49	SLGG	19598	115	SLGG	19787	181	SLGG	19978
50	SLGG	19601	116	SLGG	19788	182	SLGG	19979
51	SLGG	19602	117	SLGG	19790	183	SLGG	19982
52	SLGG	19605	118	SLGG	19793	184	SLGG	19985
53	SLGG	19608	119	SLGG	19794	185	SLGG	19989
54	SLGG	19612	120	SLGG	19796	186	SLGG	19992
55	SLGG	19620	121	SLGG	19798	187	SLGG	19998
56	SLGG	19623	122	SLGG	19799	188	SLGG	19999
57	SLGG	19629	123	SLGG	19802	189	SLGG	38285
58	SLGG	19633	124	SLGG	19803	190	SLGG	38347
59	SLGG	19634	125	SLGG	19806	191	SLGG	38348
60	SLGG	19642	126	SLGG	19808	192	SLGG	38381
61	SLGG	19644	127	SLGG	19811	193	SLGG	38442
62	SLGG	19645	128	SLGG	19813	194	SLGG	40991
63	SLGG	19646	129	SLGG	19816	195	SLGG	41304
64	SLGG	19647	130	SLGG	19817	196	SLGG	41397
65	SLGG	19650	131	SLGG	19820			
66	SLGG	19652	132	SLGG	19821			