

LAW OFFICES
ALLEN H. HARRISON, JR.
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RECORDATION NO. 24064-C FILED

JAN 17 '03

1:43 PM

SURFACE TRANSPORTATION BOARD

January 17, 2003

Recordation No. 24064-C

Dear Mr. Williams:

On behalf of Royal Bank of Canada I submit for filing and recording under 49 U.S.C. § 11301 (a) and the regulations applicable thereunder, executed counterparts of a secondary document, not previously recorded, in the nature of a letter of partial release ("Partial Release") dated as of January 14, 2003.

The parties to the enclosed Partial Release are:

Royal Bank of Canada - **RELEASOR/SECURED PARTY**
9th Floor
20 King Street West
Toronto, Ontario, M5H 1C4
CANADA

National Steel Car Limited - **RELEASEE/DEBTOR**
602 Kenilworth Avenue North
Hamilton, Ontario L8N 3J4
CANADA

The said Partial Release, among other things, acts to release ONLY those units in Appendix 2 thereto (copy attached) from that certain Security Agreement between National Steel Car Limited, as Debtor, and Royal Bank of Canada, as Secured Party, recorded under Recordation No. 24064. The Partial Release should be recorded under the next available letter under Recordation No. 24064, which letter we believe to be "-C."

The equipment covered by the instant Partial Release is as identified in Appendix 2 thereto, namely thirty-five coil steel railcars, NSCX numbers .

A short summary of the Partial Release to appear in the Surface Transportation Board Index is as follows:

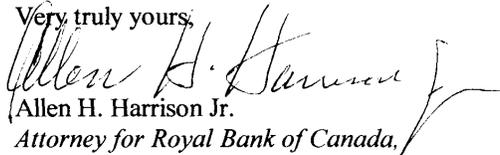
"Released from Security Agreement thirty-five coil steel railcars, NSCX numbers, as covered in Appendix 2 to Partial Release."

-2-

Enclosed is a check in the amount of thirty dollars (\$30.00) in payment of the filing fee.

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the letter from the Surface Transportation Board acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,



Allen H. Harrison Jr.
*Attorney for Royal Bank of Canada,
for the purpose of this filing.*

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Enclosures

BY HAND

8212-020

APPENDIX 2

Cars

Thirty Five (35) coil steel railcars, numbered:

- NSCX 7016
- NSCX 7022
- NSCX 7049
- NSCX 7060
- NSCX 7098 through NSCX 7099 inclusive
- NSCX 7102
- NSCX 7140
- NSCX 7142
- NSCX 7165
- NSCX 7177
- NSCX 7180
- NSCX 7217
- NSCX 7268 through NSCX 7269 inclusive
- NSCX 7271
- NSCX 7278
- NSCX 7284
- NSCX 7303
- NSCX 7305
- NSCX 7322
- NSCX 7327
- NSCX 7331
- NSCX 7336
- NSCX 7340
- NSCX 7345 through NSCX 7346 inclusive
- NSCX 7353 through NSCX 7354 inclusive
- NSCX 7360 through NSCX 7361 inclusive
- NSCX 7364
- NSCX 7386
- NSCX 7403 through NSCX 7404 inclusive

ROYAL BANK OF CANADA
20 King St. West, 9th Floor
Toronto, Ontario
M5H 1C4

RECORDATION NO. 24064-C FILED
JAN 17 '03 1-43 PM
SURFACE TRANSPORTATION BOARD

January 14, 2003

National Steel Car Limited
P.O. Box 2450 LCD 1
600 Kenilworth Avenue North
Hamilton, Ontario L8N 3J4
Canada
Attention: Cecil Mosselman

CIT Leasing Corporation
3 First National Plaza
Suite 5300
70 West Madison Street
Chicago, Illinois 60602
Attention: Michael D. Calomino
Vice President – Purchasing and Technology

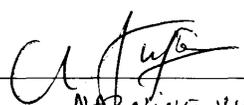
Re: Release of interest in coil steel railcars in favour of CIT Leasing Corporation ("CIT")

Dear Sirs:

We refer to our letter dated January 2, 2003 concerning the above-referenced matter, a copy of which is attached hereto as Appendix 1, and we now confirm that we irrevocably release the coil steel railcars manufactured or to be manufactured by National Steel Car Limited ("NSC") and to be sold by NSC to CIT (the "Cars") described in the list of Cars attached to this letter as Appendix 2, from any security interest or claim under the Security Agreement described in Appendix 1.

Sincerely,

ROYAL BANK OF CANADA

By: 
Name: NARNINE VIRJEE
Title: SENIOR MANAGER

PROVINCE OF ONTARIO)
)
CITY OF TORONTO)
)
)
)
)
)

In the matter of a letter from Royal Bank of Canada
to National Steel Car Limited and CIT Leasing
Corporation, dated January 14, 2003

On this 14th day of January, 2003, before me personally appeared Naznine Virjee to me personally known, who, being by me duly sworn, says that she is a Senior Manager of Royal Bank of Canada, that she signed the said instrument on January 14, 2003 on behalf of said Bank, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said Bank.



Notary Public in and for the
Province of Ontario

APPENDIX 1

See Attached

ROYAL BANK OF CANADA
20 King St. West, 9th Floor
Toronto, Ontario
M5H 1C4

January 2, 2003

National Steel Car Limited
P.O. Box 2450 LCD 1
600 Kenilworth Avenue North
Hamilton, Ontario L8N 3J4
Canada
Attention: Cecil Mosselman

CIT Leasing Corporation
3 First National Plaza
Suite 5300
70 West Madison Street
Chicago, Illinois 60602
Attention: Michael D. Calomino
Vice President – Purchasing and Technology

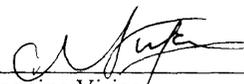
Dear Sirs:

Reference is hereby made to that certain General Security Agreement made and entered into as of July 19, 2002, by National Steel Car Limited ("NSC") in favor of Royal Bank of Canada ("RBC") (the "Security Agreement"), a memorandum of which has been filed with the United States Surface Transportation Board under Recordation No. 24064. RBC understands that pursuant to a Purchase Agreement, dated as of October 16, 2002, NSC intends to sell to CIT Leasing Corporation ("CIT") and CIT intends to purchase from NSC, three hundred (300) coil steel railcars, manufactured or to be manufactured by NSC (the "Cars").

RBC hereby agrees that, it shall, contemporaneously with any release issued by Trilon Bancorp Inc. of any security interest or claim with respect to the Cars, release such Cars from any security interest or claim under the Security Agreement. RBC further agrees that it shall, from time to time, on request by NSC, and at NSC's expense, provide confirmation of the releases (in the form set forth in Annex 1 to this letter) and/or partial discharges with respect to the Cars released from any security interest or claim under the Security Agreement.

Sincerely,

ROYAL BANK OF CANADA

By: 
Name: Naznine Virjee
Title: Senior Manager

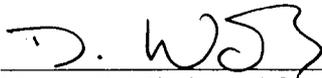
PROVINCE OF ONTARIO

CITY OF TORONTO

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In the matter of a letter from Royal Bank of Canada
to National Steel Car Limited and CIT Leasing
Corporation, dated January 2, 2003

On this 2nd day of January, 2003, before me personally appeared Naznine Virjee to me personally known, who, being by me duly sworn, says that she is a Senior Manager of Royal Bank of Canada, that she signed the said instrument on January 2, 2003 on behalf of said Bank, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said Bank.



Notary Public in and for the
Province of Ontario

ANNEX 1

ROYAL BANK OF CANADA
20 King St. West, 9th Floor
Toronto, Ontario
M5H 1C4

_____, 200__

National Steel Car Limited
P.O. Box 2450 LCD 1
600 Kenilworth Avenue North
Hamilton, Ontario L8N 3J4
Canada
Attention: Cecil Mosselman

CIT Leasing Corporation
3 First National Plaza
Suite 5300
70 West Madison Street
Chicago, Illinois 60602
Attention: Michael D. Calomino
Vice President – Purchasing and Technology

Re: Release of interest in coil steel railcars in favour of CIT Leasing Corporation (“CIT”)

Dear Sirs:

We refer to our letter dated January 2, 2003 concerning the above-referenced matter, a copy of which is attached hereto as Appendix 1, and we now confirm that we irrevocably release the coil steel railcars manufactured or to be manufactured by National Steel Car Limited (“NSC”) and to be sold by NSC to CIT (the “Cars”) described in the list of Cars attached to this letter as Appendix 2, from any security interest or claim under the Security Agreement described in Appendix 1.

Sincerely,

ROYAL BANK OF CANADA

By: _____
Name:
Title:

PROVINCE OF ONTARIO)
)
CITY OF TORONTO)
)
)
)
)
)

In the matter of a letter from Royal Bank of Canada
to National Steel Car Limited and CIT Leasing
Corporation, dated _____, 200__

On this ____ day of _____, 200__, before me personally appeared
_____ to me personally known, who, being by me duly sworn, says that
he/she is a _____ of Royal Bank of Canada, that he/she signed the said instrument
on _____, 200__ on behalf of said Bank, and he/she acknowledged that the
execution of the foregoing instrument was the free act and deed of said Bank.

Notary Public in and for the
Province of Ontario

APPENDIX 1

See Attached

APPENDIX 2

Cars

_____ coil steel railcars, numbered:

APPENDIX 2

Cars

Thirty Five (35) coil steel railcars, numbered:

- NSCX 7016
- NSCX 7022
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- NSCX 7336
- NSCX 7340
- NSCX 7345 through NSCX 7346 inclusive
- NSCX 7353 through NSCX 7354 inclusive
- NSCX 7360 through NSCX 7361 inclusive
- NSCX 7364
- NSCX 7386
- NSCX 7403 through NSCX 7404 inclusive