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RECORDATION NO. 24064-K FILED

March 27, 2003

MAR 27 '03 12-15 PM

Recordation No. 24064-K

SURFACE TRANSPORTATION BOARD

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 March 13, 2003.

The parties to the enclosed Partial Release are:

**Royal Bank of Canada** - **RELEASOR/SECURED PARTY**  
9<sup>th</sup> 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 1 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 "-K."

The equipment covered by the instant Partial Release is as identified in Appendix 1 thereto, namely 15 coil steel railcars, LW numbers .

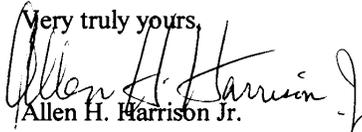
A short summary of the Partial Release to appear in the Surface Transportation Board Index is as follows:

"Released from Security Agreement 15 coil steel railcars, LW numbers, as covered in Appendix 1 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 1**

**Cars**

Fifteen (15) coil steel railcars, numbered:

LW 42050 through LW 42064 inclusive

**ROYAL BANK OF CANADA**  
20 King St. West, 9<sup>th</sup> Floor  
Toronto, Ontario  
M5H 1C4

March 13, 2003

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

Flex Leasing Corporation  
221 Main Street  
Suite 730  
San Francisco, California 94105  
Attention: Desmond P. Hayes

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MAR 27 '03 12-15 PM

SURFACE TRANSPORTATION BOARD

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 NSC intends to sell to Flex Leasing Corporation ("Flex") and Flex intends to purchase from NSC, fifteen (15) coil steel railcars, manufactured or to be manufactured by NSC (the "Cars").

RBC hereby irrevocably releases the Cars listed on Appendix 1 hereto from any security interest or claim under the Security Agreement.

Sincerely,

ROYAL BANK OF CANADA

By:   
Name: Nazmine 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 Flex Leasing Corporation dated March  
13, 2003

On this 13<sup>th</sup> day of March, 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 March 13<sup>th</sup>, 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**

**Cars**

Fifteen (15) coil steel railcars, numbered:

LW 42050 through LW 42064 inclusive