

RECORDATION NO.

16291 ^C FILED

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APR 13 '04 12-14 PM

SURFACE TRANSPORTATION BOARD

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

OF COUNSEL
URBAN A. LESTER

April 13, 2004

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 Lease Termination and Equipment Disposition dated as of April 1, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Lease Agreement which was previously filed with the Board under Recordation Number 16291 and is a complete termination of the lease relationship described therein.

The name and address of the party to the enclosed document are:

Lessor: Sun Life Assurance Company of Canada
(successor in interest to SLX Canada Inc.)
225 King St West
Toronto, Ontario
Canada M5V 3C5

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

Mr. Vernon A. Williams
April 13, 2004
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A description of the railroad equipment covered by the enclosed document
is:

5 locomotives: CN 5509 – CN 5513.

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

Memorandum of Lease Termination and Equipment Disposition.

Also enclosed is a check in the amount of \$30.00 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

RECORDATION NO.

16291-C FILED

(SLX / CN Lease # 8)

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SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF LEASE TERMINATION
AND EQUIPMENT DISPOSITION** dated as of
April 1, 2004 between **Sun Life Assurance
Company of Canada ("SUN")** and **Canadian
National Railway Company ("CN")**.

WHEREAS, SLX Canada Inc. ("SLX") as lessor and CN as lessee entered into that certain Lease of Equipment # 8 dated as of February 16, 1989 (the "Lease") covering five (5) SD-60F 3,800 h.p. diesel-electric locomotives marked CN 5509 to CN 5513 inclusive (the "Equipment");

WHEREAS, SLX as assignor conveyed its interest in the Lease to SUN as assignee pursuant to a Lease Assignment Agreement dated as of March 29, 1989 (the "Assignment");

WHEREAS, the sale of the Equipment was evidenced by a Bill of Sale dated March 29, 1989, by SLX in favour of SUN, covering the Equipment (the "SUN Bill of Sale");

AND WHEREAS, SUN acknowledges that CN has fully performed its obligations under the Lease.

IN WITNESS WHEREOF, the parties wish to show for the public record that on the date first above written:

- 1) The Lease was terminated, by SUN and CN, in accordance with its terms;
- 2) SUN and CN acknowledge that certain indemnity provisions of the Lease survive the termination thereof, as more particularly specified therein;
- 3) The Equipment was sold, by SUN to CN, free and clear of all encumbrances arising through SUN pursuant to a 'Bill of Sale' of even date herewith;

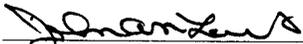
8

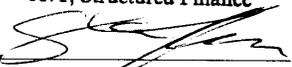
and accordingly have caused this Memorandum to be executed by their officers thereunto duly authorized.

**SUN LIFE ASSURANCE
COMPANY OF CANADA,**
as lessor and seller

**CANADIAN NATIONAL
RAILWAY COMPANY,**
as lessee and buyer

By: 
Its: **Paul C. Sinclair**
AVP, Structured Finance

By: 
Its: Sr. Manager, Asset Financing

By: 
Its: **Steve Theofanis**
Director, Structured Finance

Note: Recordation Particulars

Interstate Commerce Commission

On April 17, 1989 at 1:50 P.M., the Lease, the Assignment and the Sun Bill of Sale were filed with the Interstate Commerce Commission (predecessor to the Surface Transportation Board) pursuant to 49 U.S.C. S11303 (now S11301) with assigned recordation numbers 16291, 16291-A and 16291-B, respectively.

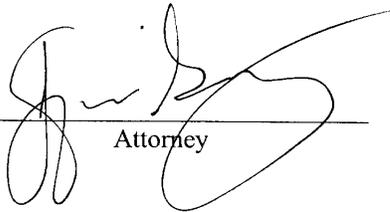
Registrar General of Canada

On April 7, 1989, the Lease, the Assignment and the Sun Bill of Sale were deposited in the Office of the Registrar General of Canada pursuant to Section 90 of the Railway Act of Canada (now Section 105 of the Canada Transportation Act).

PROVINCE OF QUEBEC)
) ss:
DISTRICT OF MONTREAL)

*In the matter of a Memorandum
dated as of April 1, 2004
between SUN and CN.*

On this 2nd day of April, 2004, before me personally appeared John A.N. Lamont, to me personally known, who, being by me duly sworn, says that he is Sr. Manager Asset Financing of Canadian National Railway Company, that the foregoing 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.



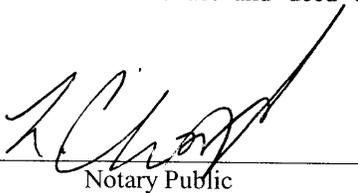
Attorney

Bar # 188726-2

PROVINCE OF ONTARIO)
) ss:
CITY OF TORONTO)

*In the matter of a Memorandum
dated as of April 1, 2004
between SUN and CN.*

On this 29th day of ~~April~~ ^{March}, 2004, before me personally appeared PAUL SINCLAIR, to me personally known, who, being by me duly sworn, says that such person is a AVP, STRUCTURED FINANCE of Sun Life Assurance Company of Canada, that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and such person acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Notary Public

[Notarial Seal]