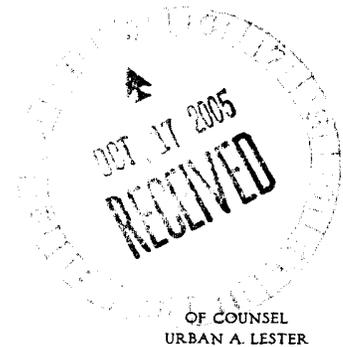


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October 17, 2005

RECORDATION NO. 22492-A FILED

OCT 17 '05 5-05 PM

SURFACE TRANSPORTATION BOARD

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 #3 dated as of September 30, 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 which was previously filed with the Board under Recordation Number 22492 and is a complete termination of the lease relationship described therein.

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

Lessor: Key Equipment Finance Canada Ltd.
(successor to TD Asset Finance Corp.)
P. O. Box 1
Toronto-Dominion Centre
Toronto, Ontario
Canada M5K 1A2

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

Mr. Vernon A. Williams

October 17, 2005

Page 2

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

All railcars currently covered by the lease on file under Recordation Number 22492 (which are listed on the exhibit attached to the document) are RELEASED.

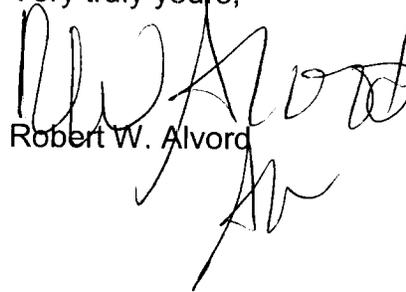
A short summary of the document to appear in the index is:

Memorandum of Lease Termination and Equipment Disposition #3.

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

(TDAF / CN # 3)

OCT 17 '05 5-05 PM

MEMORANDUM OF LEASE TERMINATION AND EQUIPMENT DISPOSITION # 3 dated as of September 30, 2005 between **Key Equipment Finance Canada Ltd.** (the "Lessor") and **Canadian National Railway Company** (the "Lessee").

WHEREAS, TD Asset Finance Corp. (predecessor-in-interest to the Lessor) and Lessee entered into a Lease Schedule # 3 dated as of October 27, 1999 to that certain Railcar Master Lease Agreement dated as of September 15, 1999 (collectively, the "Lease") covering the five-hundred twenty (520) units of railroad rolling stock more particularly described in Exhibit A hereto (the "Equipment");

WHEREAS, to evidence the Lease, on October 26, 1999 at 3:25 P.M., a Memorandum of Lease Schedule # 3 (the "Memorandum") was filed with the Surface Transportation Board pursuant to Section 11301 of Title 49 of the *United States Code* and assigned recordation number 22492;

AND WHEREAS, to further evidence the Lease, on October 22, 1999 at 11:17 A.M., a Memorandum was deposited in the Office of the Registrar General of Canada pursuant to Section 105 of the *Canada Transportation Act*.

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

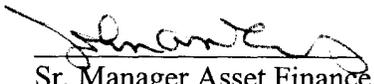
- 1) The Lease was terminated by the Lessor and the Lessee;
- 2) The Equipment was sold, by the Lessor, to the Lessee;

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

KEY EQUIPMENT FINANCE CANADA LTD.,
as owner and lessor

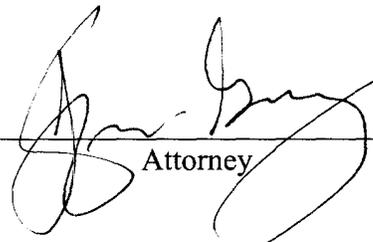
CANADIAN NATIONAL RAILWAY COMPANY,
as lessee and buyer

By: 
Its: Director

By: 
Its: Sr. Manager Asset Finance

PROVINCE OF QUEBEC)
) SS.:
DISTRICT OF MONTREAL)

On this 13th day of October, 2005, 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 Finance of CANADIAN NATIONAL RAILWAY COMPANY, that the 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.



Attorney

Bar number: 188726-2

PROVINCE OF ONTARIO)
) SS.:
CITY OF BURLINGTON)

On this 12th day of October, 2005, before me personally appeared Mark Reichling, to me personally known, who, being by me duly sworn, says that he is Director of KEY EQUIPMENT FINANCE CANADA LTD., that the 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.



Notary Public

My commission expires: N/A



(TDAF / CN # 3)

Exhibit A

- 172 Steel Boxcars in A.A.R. Class XP (10' Sliding Door, 100-ton, 50'6" Length) built between 1979 to 1981 bearing the following marks and numbers:**

CN 415310 to CN 415315 inclusive;
CN 415317 to CN 415373 inclusive;
CN 415378 to CN 415407 inclusive;
CN 415409 to CN 415456 inclusive;
CN 415458 to CN 415484 inclusive; and
CN 415919 to CN 415922 inclusive.

- 170 Steel Boxcars in A.A.R. Class XP (10' Sliding Door, 70-ton, 50'5" Length) built in 1972 and 1973 bearing the following marks and numbers:**

CN 416385 to CN 416415 inclusive;
CN 416417 to CN 416419 inclusive;
CN 416421 to CN 416433 inclusive;
CN 416435 to CN 416443 inclusive;
CN 416445 to CN 416447 inclusive;
CN 416449 to CN 416456 inclusive;
CN 416458 to CN 416461 inclusive;
CN 416463 to CN 416464 inclusive;
CN 416466 to CN 416536 inclusive;
CN 416538 to CN 416542 inclusive;
CN 416544 to CN 416545 inclusive;
CN 416547;
CN 416550 to CN 416558 inclusive;
CN 416560 to CN 416562 inclusive;
CN 416564 to CN 416566 inclusive;
CN 416586;
CN 416607; and
CN 416658.

- 178 Steel Boxcars in A.A.R. Class XP (18' Double Door, 70-ton, 52'8" Length) built in 1974 bearing the following marks and numbers:**

CN 557440 to CN 557444 inclusive;
CN 557446 to CN 557449 inclusive;
CN 557451 to CN 557454 inclusive;
CN 557456;
CN 557458;
CN 557461;
CN 557463 to CN 557464 inclusive;

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CN 557466 to CN 557467 inclusive;
CN 557470 to CN 557497 inclusive;
CN 557499 to CN 557500 inclusive;
CN 557502 to CN 557505 inclusive;
CN 557507 to CN 557511 inclusive;
CN 557513 to CN 557514 inclusive;
CN 557516 to CN 557519 inclusive;
CN 557521 to CN 557532 inclusive;
CN 557534 to CN 557545 inclusive;
CN 557547;
CN 557551 to CN 557553 inclusive;
CN 557555 to CN 557557 inclusive;
CN 557559;
CN 557562 to CN 557563 inclusive;
CN 557565 to CN 557571 inclusive;
CN 557573 to CN 557574 inclusive;
CN 557576 to CN 557587 inclusive;
CN 557590 to CN 557592 inclusive;
CN 557594 to CN 557600 inclusive;
CN 557602 to CN 557604 inclusive;
CN 557606 to CN 557614 inclusive;
CN 557616;
CN 557618;
CN 557620 to CN 557622 inclusive;
CN 557624 to CN 557625 inclusive;
CN 557628 to CN 557629 inclusive;
CN 557631 to CN 557642 inclusive;
CN 557644 to CN 557647 inclusive;
CN 557649 to CN 557654 inclusive;
CN 557656 to CN 557659 inclusive; and
CN 557661.

520 Total

112