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October 17, 2005

RECORDATION NO. 17992 - C FILED

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

OCT 17 '05 5-08 PM

SURFACE TRANSPORTATION BOARD

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 October 3, 2005, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Lease of Equipment #40 which was previously filed with the Board under Recordation Number 17992 and is a complete termination of the lease relationship described therein.

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

Lessor:	Royal Bank of Canada 320 Front Street 11th Floor Toronto, Ontario Canada M5V 3B6
Lessee:	Canadian National Railway Company 935 de la Gauchetiere Street West Montreal, Quebec Canada H3B 2M9

Mr. Vernon A. Williams
October 17, 2005
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A description of the railroad equipment covered by the enclosed document is:

240 flatcars: CN 704550 - CN 704675 and CN 710807 – CN 710920.

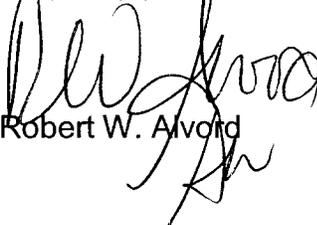
A short summary of the document to appear in the index is:

Memorandum of Lease Termination and Equipment Disposition.

Also enclosed is a check in the amount of \$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

(SLX / CN Lease # 40)

OCT 17 '05

5-08 PM

MEMORANDUM OF LEASE TERMINATION AND EQUIPMENT DISPOSITION dated as of October 3, 2005 between **Royal Bank of Canada** ("Royal") and **Canadian National Railway Company** ("CN").

SURFACE TRANSPORTATION BOARD

WHEREAS, SLX Canada Inc. (predecessor-in-interest to **Royal Bank Leasing Inc.** [which corporation was subsequently merged into Royal]) is the lessor, of the following two-hundred forty (240) units of railroad rolling stock: (i) one-hundred fourteen (114) bi-level flatcars marked **CN 710807 to CN 710920 inclusive** and (ii) one-hundred twenty-six (126) tri-level flatcars marked **CN 704550 to CN 704675 inclusive** (collectively, the "Equipment), under that certain Lease of Equipment # 40 dated as of June 1, 1992 and amended and re-executed as of October 27, 1992, as amended by an Amending Agreement – Lease of Equipment # 40 dated as of October 1, 2002, (collectively, the "Lease") with CN as lessee;

AND WHEREAS, Royal 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:

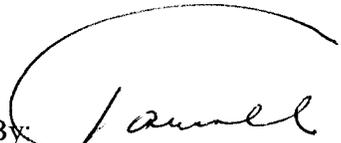
- 1) The Lease was terminated, by Royal and CN, in accordance with its terms;
- 2) The Equipment was sold, by Royal to CN, free and clear of all encumbrances arising through Royal pursuant to a Bill of Sale of even date herewith;

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

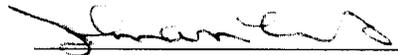
[Execution on next page.]

Execution – Memorandum of Lease Termination and Equipment Disposition

ROYAL BANK OF CANADA,
as lessor and seller

By: 
Its: Regional Manager,
Equipment Leasing

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

By: 
Its: Sr. Manager, Asset Financing

Note: Surface Transportation Board

On November 6, 1992 at 12:10 P.M., the Lease of Equipment # 40 was filed with the Interstate Commerce Commission (predecessor to the Surface Transportation Board) pursuant to 49 U.S.C. S11303 (now S11301) under primary recordation number 17992;

On October 17, 2002 at 2:41 P.M., a memorandum of the Amending Agreement was similarly filed as 17992-B;

Registrar General of Canada

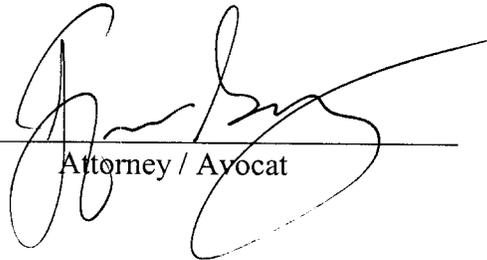
On November 4, 1992 at 2:15 P.M., the Lease of Equipment # 40 was deposited in the Office of the Registrar General of Canada pursuant to Section 90 of the Railway Act of Canada (now Section 105 of the Canada Transportation Act); and

On October 4, 2002 at 4:02 P.M., a memorandum of the Amending Agreement was similarly deposited.

PROVINCE OF QUEBEC)
) ss:
DISTRICT OF MONTREAL)

*In the matter of a Memorandum
dated as of October 3, 2005
between Royal Bank and CN.*

On this 6th 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 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.



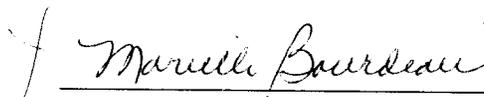
Attorney / Avocat

Bar # 188726-2

PROVINCE OF QUEBEC)
) ss:
DISTRICT OF MONTREAL)

*In the matter of a Memorandum
dated as of October 3, 2005
between Royal Bank and CN.*

On this 6th day of October, 2005, before me personally appeared Wendy Carroll, to me personally known, who, being by me duly sworn, says that such person is a Regional Manager, Equipment Leasing of Royal Bank 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.



Commissioner for Oaths /or/ Attorney



[Seal]