

RECORDATION NO. 18097-E FILED

APR 04 '06

1-01 PM

SURFACE TRANSPORTATION BOARD

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

OF COUNSEL
URBAN A. LESTER

April 4, 2006

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 March 31, 2006, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Lease of Equipment No. 42 which was previously filed with the Commission under Recordation Number 18097.

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

- Lessor/Seller: SLX Canada Inc.
1500 Bow Valley Square IV
250 6th Avenue SW
Calgary Alberta
Canada T2P 3H7]

- Lessee/Buyer: Canadian National Railway Company
935 de la Gauchetiere Street West
Montreal, Quebec H3W 2N1
Canada

Mr. Vernon A. Williams
April 4, 2006
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A description of the railroad equipment covered by the enclosed document is:

25 Dash 8-40C locomotives: CN 2430 – CN 2454.

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

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SURFACE TRANSPORTATION BOARD

(SLX / CN Lease # 42)

**MEMORANDUM OF LEASE TERMINATION AND
EQUIPMENT DISPOSITION** dated as of March 31,
2006 between **SLX Canada Inc.** ("SLX") and **Canadian
National Railway Company** ("CN").

WHEREAS, SLX is the lessor, of the twenty-five (25) GE Dash 8-40C 4,000 h.p. diesel-electric locomotives marked CN 2430 through CN 2454 inclusive (collectively, the "Equipment), under that certain Lease of Equipment # 42 dated as of November 5, 1992, as amended by (i) a First Amending Agreement dated as of April 12, 1993, ii) a Second Amending Agreement dated as of May 17, 1993, iii) a Third Amending Agreement dated as of June 21, 1993, iv) a Fourth Amending Agreement dated as of October 27, 1993 and (v) a Lease Termination Agreement dated as of March 31, 2006, (collectively, the "Lease") with CN as lessee (*which Lease of Equipment # 42 was i) filed at the Surface Transportation Board (the "STB") on January 14, 1993 at 11:55 A.M. with recordation number ("RN") 18097 and ii) deposited at the Registrar General of Canada (the "RGC") on January 18, 1993 at 2:00 P.M., which First Amending Agreement was i) filed at the STB on May 12, 1993 at 10:10 A.M. with RN 18097-A and ii) deposited at the RGC on April 30, 1993 at 2:05 P.M., which Second Amending Agreement was i) filed at the STB on June 22, 1993 at 3:30 P.M. with RN 18097-B and ii) deposited at the RGC on June 17, 1993 at 3:00 P.M., which Third Amending Agreement was i) filed at the STB on July 9, 1993 at 2:35 P.M. with RN 18097-C and ii) deposited at the RGC on July 9, 1993 at 1:50 P.M. and which Fourth Amending Agreement was i) filed at the STB on November 19, 1993 at 10:50 A.M. with RN 18097-D and ii) deposited at the RGC on November 18, 1993 at 1:40 P.M.*);

AND WHEREAS, SLX 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 SLX and CN, in accordance with its terms;
- 2) SLX 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 SLX to CN, free and clear of all encumbrances arising through SLX pursuant to a Bill of Sale of even date herewith;

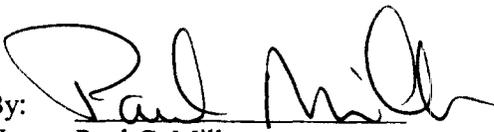
and accordingly have caused this Memorandum to be executed by their officers thereunto duly authorized.

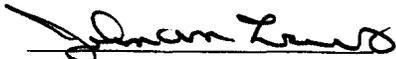
[Execution on next page.]

[Execution of Memorandum - SLX / CN Lease # 42]

SLX CANADA INC.,
as lessor and seller

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

By: 
Name: Paul C. Miller
Its: Director

By: 
Name: John A.N. Lamont
Its: Sr. Manager, Asset Financing

By: _____
Name: Bruce C. Barker
Its: Director

[Execution of Memorandum - SLX / CN Lease # 42]

SLX CANADA INC.,
as lessor and seller

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

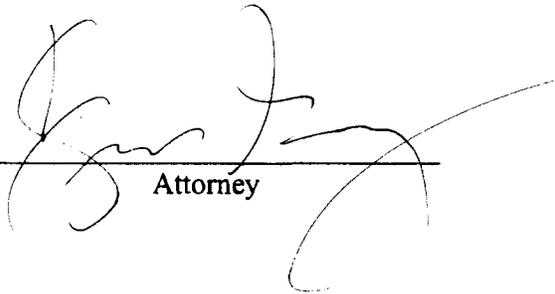
By: _____
Name: Paul C. Miller
Its: Director

By: _____
Name: John A.N. Lamont
Its: Sr. Manager, Asset Financing

By:  _____
Name: Bruce C. Barker
Its: Director

PROVINCE OF QUEBEC)
) ss:
DISTRICT OF MONTREAL)

On this 30th day of March, 2006, 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)

On this _____ day of March, 2006, before me personally appeared Bruce C. Barker, to me personally known, who, being by me duly sworn, says that such person is a Director of SLX Canada Inc., 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]

PROVINCE OF QUEBEC)
) ss:
DISTRICT OF MONTREAL)

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Attorney

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Notary Public

[Notarial Seal]