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SURFACE TRANSPORTATION BOARD

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November 16, 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 Termination of Lease, dated October 31, 2006, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Master Lease and Assignment Agreement previously filed with the Board under Recordation Number 25126.

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

Lessor: Cypress Tankcar Lease III, LLC
188 The Embarcadero, Suite 420
San Francisco, CA 94105

Lessee: Cypress Canada Management, Inc.
Bayside Plaza
188 The Embarcadero, Suite 420
San Francisco, CA 94105

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

62 chlorine railcars within the following series: CITX 27505 – CITX 27534 and DCTX 27410 – DCTX 27499 as more particularly set forth in the equipment schedule attached to the document.

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

Termination of Lease.

Also enclosed is a check in the amount of \$34.00 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/sem
Enclosures

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TERMINATION OF LEASE

SURFACE TRANSPORTATION BOARD

The undersigned confirm that with respect to that certain Memorandum of Master Lease and Assignment Agreement dated as of August 4, 2004 (the "Lease") between Cypress Tankcar Leasing III, LLC, a California limited liability company, as lessor ("Lessor"), and Cypress Canada Management, Inc., a California corporation, as ("Lessee"), which was recorded with (i) the Surface Transportation Board on August 4, 2004 and assigned Recordation Number 25126 and (ii) the Office of the Registrar General of Canada on August 4, 2004, the leasehold interest of Lessee under the Lease, with respect only to the railcars described on Schedule A hereto (the "Terminated Cars"), has been terminated effective as of the date hereof, provided, however, that all rights and obligations of Lessor and Lessee under the Lease with respect to the Terminated Cars which accrued on or prior to of the date hereof shall remain in full force and effect and shall not be affected by the execution and delivery of this Termination of Lease.

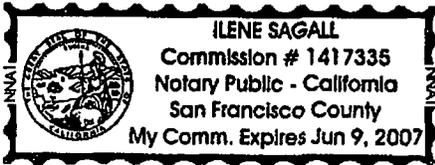
Dated: October 31, 2006

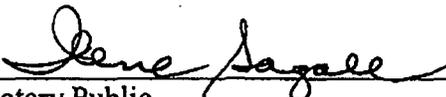
Cypress Canada Management Inc.,
a California corporationBy: _____
Stephen R. Harwood, PresidentCypress Tankcar Leasing III, LLC
By Cypress Equipment Management
Corporation II, a California corporationBy: _____
Stephen R. Harwood, President

State of California }
 }
County of San Francisco }

On November 15, 2006, before me, Ilene Sagall, a Notary Public, personally appeared Stephen R. Harwood, personally known to me (~~or proved to me on the basis of satisfactory evidence~~) to be the person(s) whose name(s) is/~~are~~ subscribed to the within instrument, and acknowledged to me that he/~~she/they~~ executed the same in his/~~her/their~~ authorized capacity(ies), and that by his/~~her/their~~ signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.





Notary Public

SCHEDULE A
 PCI Chemicals Canada Inc.
 Car Marks and Numbers

Item #	Car Mark	Number
1	DCTX	027475
2	DCTX	027477
3	DCTX	027479
4	DCTX	027480
5	DCTX	027483
6	DCTX	027484
7	DCTX	027485
8	DCTX	027487
9	DCTX	027488
10	DCTX	027489
11	DCTX	027491
12	DCTX	027492
13	DCTX	027494
14	DCTX	027495
15	DCTX	027496
16	DCTX	027497
17	DCTX	027499
18	CITX	027505
19	CITX	027506
20	CITX	027514
21	CITX	027524
22	CITX	027526
23	CITX	027529
24	CITX	027531
25	CITX	027532
26	CITX	027533
27	CITX	027534
28	DCTX	027410
29	DCTX	027411
30	DCTX	027412
31	DCTX	027413

Item #	Car Mark	Number
32	DCTX	027414
33	DCTX	027415
34	DCTX	027416
35	DCTX	027417
36	DCTX	027418
37	DCTX	027419
38	DCTX	027420
39	DCTX	027421
40	DCTX	027422
41	DCTX	027425
42	DCTX	027426
43	DCTX	027427
44	DCTX	027428
45	DCTX	027430
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56	DCTX	027442
57	DCTX	027443
58	DCTX	027445
59	DCTX	027446
60	DCTX	027447
61	DCTX	027448
62	DCTX	027449

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: 11/16/06



Robert W. Alvord