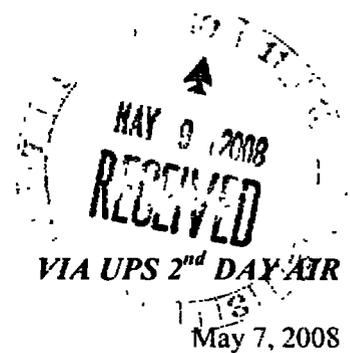


RECORDATION NO. 27252-L FILED

MAY 09 '08

4-53 PM

SURFACE TRANSPORTATION BOARD



FIRST UNION RAIL

One O'Hare Centre
6250 River Road, Suite 5000
Rosemont, IL 60018

Tel 847.318.7575
Fax 847.318.7588
www.firstunionrail.com

Ms. Anne K. Quinlan
Surface Transportation Board
395 E Street, S.W., Suite 100
Washington, DC 20024
Attn: Recordation of Railroad Equipment

Re: Memorandum of Lease Agreement

Dear Ms. Quinlan:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals and one (1) copy of a Memorandum of Lease Agreement, dated June 1, 2006, 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 duly filed with the Surface Transportation Board under Recordation Number 27252.

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

Lessor:	First Union Rail Corporation One O'Hare Centre 6250 River Road, Suite 5000 Rosemont, IL 60018	Lessee:	Canadian National Railway 935 de la Gauchetiere St. West Montreal, Quebec H3B 2M9 Canada
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A description of the railroad equipment covered by the enclosed document is twenty two (22) coil gondola cars; with NOKL marks (see Exhibit A for car numbers).

A short summary of the document to appear in the index follows: **Memorandum of Lease**

Also enclosed is a check in the amount of \$35.00 payable to the order of the Surface Transportation Board covering the required recordation fee. Kindly return one (1) stamped original of the enclosed document to the undersigned along with the additional copies.

If you have any questions regarding the above-referenced matter, please contact me at (847) 384-5397. Thank you for your cooperation in this matter.

Very truly yours,

Marcia Dunne
Rail Sr. Documentation Specialist

Enclosures

(C N127)

ASSGN. NO. CN127

MEMORANDUM OF LEASE - RIDER NO. 10

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LEASE (the "Memorandum of Lease") is made and entered into as of June 1, 2006 by and between the Montreal branch of First Union Rail Corporation ("Lessor"), a North Carolina corporation, and Canadian National Railway Company ("Lessee"), a Canadian corporation.

WITNESSETH:

The undersigned Lessor and Lessee have entered into that certain Master Lease Agreement dated as of January 1, 2004 (the "Agreement") and Rider No. 10 thereto dated as of June 1, 2006 (the "Rider"), whereby Lessor has agreed to lease to Lessee certain railcars as more particularly described in on Exhibit A attached hereto and subject to the terms, conditions and provisions of the above-mentioned Agreement and Rider which are incorporated herein by reference.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum of Lease to be duly executed by their respective officers duly authorized as of the date and year first above written (and each of the undersigned declares under penalty of perjury that he or she holds the title indicated below and that the execution of this Memorandum was the free act and deed of its corporation).

LESSOR:

FIRST UNION RAIL CORPORATION

Name: Susan A. Barrie

Title: Regional Vice President, Sales

Signature: 

LESSEE:

CANADIAN NATIONAL RAILWAY COMPANY

Name: John A.N. Lamont

Title: Sr. Manager, Asset Finance

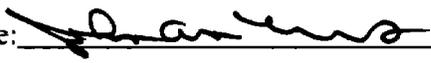
Signature: 

EXHIBIT A to MEMORANDUM OF LEASE

NUMBER OF CARS: Twenty-two (22).

DESCRIPTION OF CARS: Coil gondola cars, 42' interior length, equipped with insulated covers and 4 coil stops, 286 GRL, 116-ton load limit, built in 2000 (E241).

CAR NUMBERS:

- NOKL 380914
- NOKL 380915
- NOKL 380916
- NOKL 380917
- NOKL 380921
- NOKL 380925
- NOKL 380931
- NOKL 380935
- NOKL 380936
- NOKL 380941
- NOKL 380948
- NOKL 380949
- NOKL 380954
- NOKL 380966
- NOKL 380970
- NOKL 380972
- NOKL 380973
- NOKL 380989
- NOKL 380992
- NOKL 380993
- NOKL 380994
- NOKL 380995