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OF COUNSEL
URBAN A LESTER

October 7, 2008

RECORDATION NO. 24129-1 FILED

Anne K. Quinlan, Esquire
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

OCT 07 '08 -9 30 AM

SURFACE TRANSPORTATION BOARD

Dear Ms. Quinlan:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are four (4) copies of a Memorandum of Termination of Lease and Evidence of Sale (Schedule 4), dated as of October 1, 2008, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the documents previously filed with the Board under Recordation Number 24129.

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

Lessor: M&T Credit Services, LLC (successor-in-interest to
M&T Credit Corporation, successor-in-interest to
Manufacturers and Trust Company, successor to
Allfirst Bank)
25 South Charles Street
Baltimore, MD 21202

Lessee: Waterloo Railway Company
c/o Canadian National Railway Company
935 de La Gauchetiere Street West
Montreal, Quebec
Canada H3B 2M9

Anne K. Quinlan, Esquire
October 7, 2008
Page Two

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

236 boxcars within the series WLO 554001 - WLO 554296 and CNA 554024 - CNA 554176 as more particularly set forth in the attachment to the document

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

Memorandum of Termination of Lease and Evidence of Sale (Schedule 4).

Also enclosed is a check in the amount of \$41.00 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,

A handwritten signature in black ink, appearing to read "Alvord", followed by a horizontal line extending to the right.

Robert W. Alvord

RWA/sem
Enclosures

REGISTRATION NO. 24129-D FILED

**MEMORANDUM
OF
TERMINATION OF LEASE AND EVIDENCE OF SALE
(Schedule 4)**

OCT 07 '08 -9 30 AM

SURFACE TRANSPORTATION BOARD

dated as of October 1, 2008

between

**M&T CREDIT SERVICES LLC,
as Lessor**

and

**WATERLOO RAILWAY COMPANY,
as Lessee**

MEMORANDUM OF TERMINATION OF LEASE AND EVIDENCE OF SALE

(Schedule 4)

THIS MEMORANDUM is made and entered into as of October 1, 2008 by and between **M&T CREDIT SERVICES, LLC** (the "Lessor"), and **WATERLOO RAILWAY COMPANY** (the "Lessee").

WITNESSETH:

1. **Allfirst Bank** (the "Original Lessor") and **Illinois Central Railroad Company** (the "Original Lessee") entered into a Master Equipment Lease Agreement dated as of September 15, 2001, and Schedule No. 4 dated as of September 26, 2002 thereto, (collectively, the "Original Lease") originally covering two-hundred thirty-six boxcars as more particularly described in Schedule A hereto (the "Cars");
2. To evidence the Original Lease, a Memorandum of Schedule No. 4 to Master Equipment Lease Agreement dated as of September 26, 2002 was (i) filed at the Surface Transportation Board (the "STB") on September 26, 2002 at 12:36 P.M. with primary recordation number 24129 and (ii) deposited at the Registrar General of Canada (the "RGC") on on September 26, 2002 at 11:19 A.M.;
3. On September 26, 2002, Original Lessee executed a Bill of Sale for the Cars in favor of Original Lessor;
4. Such Bill of Sale was (i) filed at the STB on September 26, 2002 at 12:36 P.M. with secondary recordation number 24129-A and (ii) deposited at the RGC on September 26, 2002 at 11:19 A.M.;
5. Original Lessor (then known as **Manufacturers and Traders Trust Company**) assigned all its right, title and interest in the Original Lease and the Cars to **M&T Credit Corporation** (now known as Lessor);
6. Original Lessee executed a Notice of Railcar Remarketing dated as of January 1, 2004 in respect of the Cars;
7. Such Notice of Railcar Remarketing was (i) filed at the STB on January 27, 2004 at 3:31 P.M. with secondary recordation number 24129-B and (ii) deposited at the RGC on January 20, 2004 at 9:35 A.M.;
8. Lessor, Original Lessee and Lessee entered into a First Amendment to Schedule No. 4 dated as of April 30, 2004 (collectively, with the Original Lease, the "Lease");

9. Such First Amendment was (i) filed at the STB on April 29, 2004 at 4:24 P.M. with secondary recordation number 24129-C and (ii) deposited at the RGC on April 29, 2004 at 3:00 P.M.;
10. As of the date hereof, Lessor and Lessee desire to terminate the Lease of the Cars and evidence the transfer in title to the Cars to Lessee.

NOW THEREFORE, for good and valuable consideration, Lessor and Lessor hereby agree and acknowledge for the public record that (i) the Lease is terminated and (ii) Lessee is now the owner of the Cars.

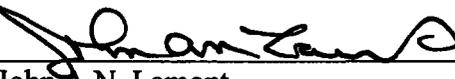
Lessee agrees to cooperate with Lessor, at Lessor's expense, in order to accommodate the desire of Lessor to treat the sale to Lessee as part of a tax deferred exchange by Lessor under the Internal Revenue Code Section 1031 (including, without limitation, consent to and accept notice of, and agree to acknowledge to Lessor in writing of its receipt of such notice of, the assignment of Lessor to one or more "qualified intermediaries" on the closing date or such other date as determined by Lessor of all of its rights (but not its obligations) hereunder regarding the transfer of the Cars in whole or in part); provided, however, Lessor acknowledges and agrees that Lessee has no responsibility for such tax treatment to Lessor. Notwithstanding this assignment, Lessor will transfer the Cars directly to Lessee.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Memorandum to be executed as of the date first above written.

M&T CREDIT SERVICES, LLC,
Lessor

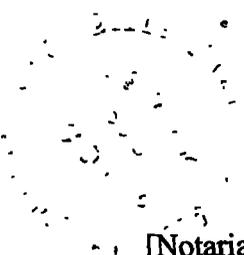
By: 
Jeffrey A. Millard
Vice President

WATERLOO RAILWAY COMPANY,
Lessee

By: 
John A.N. Lamont
Senior Manager Asset Finance

STATE OF MARYLAND, CITY OF BALTIMORE, TO WIT:

On this 1st day of October, 2008 before me personally appeared, Jeffrey A. Millard, to me personally known, who being by me duly sworn, says that he is a Vice President of M&T CREDIT SERVICES, LLC, that said 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.


Diane Klasmeyer
Notary Public

Diane Klasmeyer
Notary Public, A.A. Co., MD
My Commission Expires 7-14-12

[Notarial Seal]

My commission expires: 7-14-12

PROVINCE OF QUEBEC, DISTRICT OF MONTREAL, TO WIT:

On this 1st day of October, 2008 before me personally appeared John A.N. Lamont to me personally known, who being by me duly sworn, says that he is the Senior Manager Asset Finance of WATERLOO RAILWAY COMPANY, that said 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.

[Signature]
Attorney

Bar Number: 188726-2

SCHEDULE ADescription of Units of Equipment

Two-hundred thirty-six (236) 50' 70-ton (16' double sliding door) XM boxcars built by PACCAR in 1978-79 bearing the marks and numbers set forth below:

#	Mark and Number	#	Mark and Number
1	WLO 554001	41	WLO 554052
2	WLO 554002	42	WLO 554053
3	WLO 554004	43	WLO 554054
4	WLO 554006	44	WLO 554055
5	WLO 554007	45	CNA 554056
6	WLO 554009	46	WLO 554058
7	WLO 554012	47	WLO 554059
8	WLO 554013	48	WLO 554060
9	WLO 554014	49	WLO 554061
10	WLO 554016	50	WLO 554063
11	WLO 554017	51	WLO 554064
12	WLO 554018	52	WLO 554065
13	WLO 554019	53	WLO 554066
14	WLO 554020	54	WLO 554067
15	WLO 554021	55	CNA 554068
16	WLO 554022	56	WLO 554069
17	CNA 554024	57	WLO 554071
18	WLO 554025	58	CNA 554073
19	WLO 554026	59	WLO 554074
20	WLO 554027	60	WLO 554076
21	WLO 554028	61	WLO 554077
22	WLO 554030	62	WLO 554078
23	CNA 554031	63	WLO 554079
24	WLO 554033	64	CNA 554080
25	WLO 554035	65	WLO 554081
26	WLO 554036	66	WLO 554082
27	WLO 554037	67	WLO 554084
28	WLO 554038	68	WLO 554085
29	WLO 554039	69	WLO 554086
30	WLO 554040	70	WLO 554087
31	WLO 554041	71	CNA 554088
32	WLO 554042	72	WLO 554089
33	WLO 554043	73	WLO 554090
34	WLO 554044	74	WLO 554091
35	WLO 554045	75	WLO 554092
36	WLO 554047	76	WLO 554093
37	WLO 554048	77	WLO 554094
38	WLO 554049	78	WLO 554095
39	WLO 554050	79	WLO 554096
40	WLO 554051	80	CNA 554098

#	Mark and Number	#	Mark and Number
81	WLO 554099	121	WLO 554146
82	WLO 554100	122	WLO 554147
83	WLO 554101	123	WLO 554149
84	WLO 554102	124	WLO 554150
85	WLO 554103	125	WLO 554151
86	WLO 554104	126	WLO 554152
87	WLO 554105	127	WLO 554155
88	WLO 554106	128	CNA 554156
89	WLO 554108	129	WLO 554157
90	WLO 554109	130	WLO 554158
91	WLO 554110	131	WLO 554159
92	WLO 554112	132	WLO 554161
93	WLO 554113	133	CNA 554162
94	WLO 554114	134	WLO 554163
95	WLO 554115	135	WLO 554165
96	WLO 554116	136	WLO 554167
97	WLO 554117	137	WLO 554168
98	WLO 554118	138	WLO 554170
99	WLO 554119	139	WLO 554171
100	WLO 554121	140	WLO 554172
101	WLO 554122	141	WLO 554173
102	WLO 554123	142	WLO 554174
103	WLO 554124	143	WLO 554175
104	WLO 554125	144	CNA 554176
105	WLO 554126	145	WLO 554177
106	WLO 554127	146	WLO 554178
107	WLO 554128	147	WLO 554179
108	WLO 554129	148	WLO 554180
109	WLO 554130	149	WLO 554181
110	WLO 554131	150	WLO 554182
111	WLO 554132	151	WLO 554183
112	CNA 554134	152	WLO 554184
113	WLO 554135	153	WLO 554186
114	WLO 554136	154	WLO 554187
115	CNA 554138	155	WLO 554188
116	WLO 554139	156	WLO 554191
117	WLO 554141	157	WLO 554193
118	WLO 554143	158	WLO 554195
119	WLO 554144	159	WLO 554196
120	WLO 554145	160	WLO 554197

#	Mark and Number	#	Mark and Number
161	WLO 554198	201	WLO 554252
162	WLO 554199	202	WLO 554253
163	WLO 554200	203	WLO 554255
164	WLO 554201	204	WLO 554256
165	WLO 554202	205	WLO 554257
166	WLO 554203	206	WLO 554258
167	WLO 554204	207	WLO 554259
168	WLO 554205	208	WLO 554260
169	WLO 554206	209	WLO 554262
170	WLO 554207	210	WLO 554263
171	WLO 554208	211	WLO 554265
172	WLO 554210	212	WLO 554266
173	WLO 554211	213	WLO 554267
174	WLO 554212	214	WLO 554268
175	WLO 554213	215	WLO 554270
176	WLO 554214	216	WLO 554272
177	WLO 554215	217	WLO 554273
178	WLO 554217	218	WLO 554274
179	WLO 554220	219	WLO 554275
180	WLO 554223	220	WLO 554277
181	WLO 554226	221	WLO 554278
182	WLO 554227	222	WLO 554279
183	WLO 554229	223	WLO 554281
184	WLO 554230	224	WLO 554282
185	WLO 554231	225	WLO 554283
186	WLO 554234	226	WLO 554285
187	WLO 554235	227	WLO 554286
188	WLO 554236	228	WLO 554287
189	WLO 554237	229	WLO 554289
190	WLO 554238	230	WLO 554290
191	WLO 554239	231	WLO 554291
192	WLO 554240	232	WLO 554292
193	WLO 554241	233	WLO 554293
194	WLO 554244	234	WLO 554294
195	WLO 554245	235	WLO 554295
196	WLO 554246	236	WLO 554296
197	WLO 554247		
198	WLO 554248		
199	WLO 554249		
200	WLO 554251		