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LOUIS E. GITOMER
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July 16, 1999

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

RECORDATION NO. **20800-E** FILED

JUL 16 '99 11-15AM

Dear Secretary Williams:

I have enclosed two originals of the document described below, to be recorded pursuant to 49 U.S.C. § 11301.

The document is an Instrument of Partial Lease Termination, a secondary document, dated as of July 14, 1999. The primary document to which this is connected is recorded under Recordation No. 20800. We request that one copy of this document be recorded under Recordation No. 20800-E.

The names and addresses of the parties to the Instrument of Partial Lease Termination are:

Lessor:

KeyCorp Leasing, a Division of Key Corporate Capital, Inc., successor to KeyCorp Leasing Ltd.
54 State Street
Albany, NY 12207

Lessee:

Sperry Rail, Inc.
46 Shelter Rock Road
Danbury, CT 06810

A description of the equipment covered by the Instrument of Partial Lease Termination consists of 43 Hi-Rail cars numbered SRS 118, 119, 123-132, inclusive, 134-139, inclusive, 141-147, inclusive, 149, 403, 701, and 803-817, inclusive.

BALL JANIK LLP

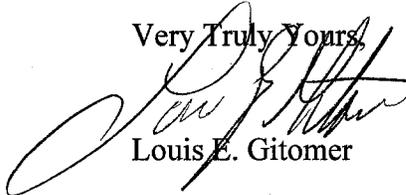
Honorable Vernon A. Williams
July 16, 1999
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A fee of \$26.00 is enclosed. Please return one original to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the document to appear in the index follows: an Instrument of Partial Lease Termination by KeyCorp Leasing, a Division of Key Corporate Capital, Inc., successor to KeyCorp Leasing Ltd., 54 State Street, Albany, NY 12207, and Sperry Rail, Inc., 46 Shelter Rock Road, Danbury, CT 06810, covering 43 Hi-Rail cars numbered SRS 118, 119, 123-132, inclusive, 134-139, inclusive, 141-147, inclusive, 149, 403, 701, and 803-817, inclusive.

Very Truly Yours,



Louis E. Gitomer

Enclosures

JUL 16 '99

11-15AM

INSTRUMENT OF PARTIAL LEASE TERMINATION

KeyCorp Leasing, a Division of Key Corporate Capital Inc., successor to KeyCorp Leasing Ltd. ("KeyCorp"), the Lessor, and Sperry Rail, Inc. ("Sperry"), the Lessee, effective the 14th day of July, 1999, hereby give notice of the termination of the lease for 43 Hi-Rail cars numbered SRS 118, 119, 123-132, inclusive, 134-139, inclusive, 141-147, inclusive, 149, 403, 701, and 803-817, inclusive (the "Equipment") under the Memorandum of Lease Agreement Equipment Schedule 03 dated as of December 16, 1997 between KeyCorp and Sperry, which was recorded at the Surface Transportation Board on December 24, 1997 in Recordation No. 20800-B and recorded at the Office of the Registrar General of Canada on April 3, 1998 in Recordation No. 10826.

WHEREAS, KeyCorp and Sperry desire to execute this Instrument to evidence for the public record the termination of the Memorandum of Lease Agreement Equipment Schedule 03 and of all the rights and obligations of KeyCorp and Sperry with respect to the Equipment under the Memorandum of Lease Agreement Schedule 03.

NOW, THEREFORE, in consideration of the premises, KeyCorp and Sperry do hereby acknowledge and confirm for the public record the termination of the Memorandum of Lease Agreement Equipment Schedule 03, and all rights and obligations arising under the Memorandum of Lease Agreement Equipment Schedule 03 with respect to the Equipment.

This Instrument of Partial Lease Termination may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Instrument of Partial Lease Termination.

IN WITNESS WHEREOF, KeyCorp and Sperry have executed or caused this Instrument to be executed as of the date first above written.

KEYCORP LEASING, A DIVISION OF KEY
CORPORATE CAPITAL INC., successor to
KeyCorp Leasing Ltd.

By: Kelly M. Reale
Kelly M. Reale
Its: Regional Business
Unit Manager

SPERRY RAIL, INC.

By: _____

Its: _____

STATE OF NEW YORK)
) ss.
COUNTY OF ALBANY)

On this 13 day of July, 1999, before me, a Notary Public in and for the State of New York, personally appeared Kelly M. Reale, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument, on oath stated that She was authorized to execute the instrument, and acknowledged it as the Regional Business Unit Manager of KeyCorp Leasing, a Division of Key Corporate Capital Inc. to be the free and voluntary act and deed of said corporation for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

RICHARD J. NELSON, SR.
Notary Public, State of New York
No. 01NE6006617
Qualified in Rensselaer County
Commission Expires May 04, 2000



NOTARY PUBLIC in and for the State of
New York, residing at _____
My appointment expires _____
Print Name _____

STATE OF CONNECTICUT)
) ss.
COUNTY OF _____)

On this _____ day of July, 1999, before me, a Notary Public in and for the State of Connecticut, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument, on oath stated that _____ was authorized to execute the instrument, and acknowledged it as the _____ of Sperry Rail, Inc. to be the free and voluntary act and deed of said corporation for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

NOTARY PUBLIC in and for the State of
Connecticut, residing at _____
My appointment expires _____
Print Name _____

INSTRUMENT OF PARTIAL LEASE TERMINATION

KeyCorp Leasing, a Division of Key Corporate Capital Inc., successor to KeyCorp Leasing Ltd. ("KeyCorp"), the Lessor, and Sperry Rail, Inc. ("Sperry"), the Lessee, effective the 14th day of July, 1999, hereby give notice of the termination of the lease for 43 Hi-Rail cars numbered SRS 118, 119, 123-132, inclusive, 134-139, inclusive, 141-147, inclusive, 149, 403, 701, and 803-817, inclusive (the "Equipment") under the Memorandum of Lease Agreement Equipment Schedule 03 dated as of December 16, 1997 between KeyCorp and Sperry, which was recorded at the Surface Transportation Board on December 24, 1997 in Recordation No. 20800-B and recorded at the Office of the Registrar General of Canada on April 3, 1998 in Recordation No. 10826.

WHEREAS, KeyCorp and Sperry desire to execute this Instrument to evidence for the public record the termination of the Memorandum of Lease Agreement Equipment Schedule 03 and of all the rights and obligations of KeyCorp and Sperry with respect to the Equipment under the Memorandum of Lease Agreement Schedule 03.

NOW, THEREFORE, in consideration of the premises, KeyCorp and Sperry do hereby acknowledge and confirm for the public record the termination of the Memorandum of Lease Agreement Equipment Schedule 03, and all rights and obligations arising under the Memorandum of Lease Agreement Equipment Schedule 03 with respect to the Equipment.

This Instrument of Partial Lease Termination may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Instrument of Partial Lease Termination.

IN WITNESS WHEREOF, KeyCorp and Sperry have executed or caused this Instrument to be executed as of the date first above written.

KEYCORP LEASING, A DIVISION OF KEY
CORPORATE CAPITAL INC., successor to
KeyCorp Leasing Ltd.

By: _____

Its: _____

SPERRY RAIL, INC.

By: Frederick B Findlay

Its: SECRETARY / TREAS.

STATE OF NEW YORK)
) ss.
COUNTY OF ALBANY)

On this ____ day of July, 1999, before me, a Notary Public in and for the State of New York, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument, on oath stated that _____ was authorized to execute the instrument, and acknowledged it as the _____ of KeyCorp Leasing, a Division of Key Corporate Capital Inc. to be the free and voluntary act and deed of said corporation for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

NOTARY PUBLIC in and for the State of
New York, residing at _____
My appointment expires _____
Print Name _____

STATE OF CONNECTICUT)
) ss.
COUNTY OF _____)

On this ____ day of July, 1999, before me, a Notary Public in and for the State of Connecticut, personally appeared _____, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person who executed this instrument, on oath stated that _____ was authorized to execute the instrument, and acknowledged it as the _____ of Sperry Rail, Inc. to be the free and voluntary act and deed of said corporation for the uses and purposes mentioned in the instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal the day and year first above written.

NOTARY PUBLIC in and for the State of
Connecticut, residing at _____
My appointment expires _____
Print Name _____

BARBARA M. HICKS
NOTARY PUBLIC
MY COMMISSION EXPIRES MAR. 31, 2000