Law Offices of

CHAPMAN AND CUTLER

111 West Monroe Street, Chicago, Illinois 60603-4080
TWX 910-221-2103 Telex 206281
FAX (312) 701-2361
Telephone (312) 845-3000

Theodore S. Chapman
1877-1943
Henry E. Cutler
1879-1959

2 North Central Avenue
Phoenix, Arizona 85004
(602) 256-4060

50 South Main Street
Salt Lake City, Utah 84144
(801) 533-0066

RECORDATION NO. 20836 FILED
AUG 26 '97 11-20AM

August 26, 1997

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street, N.W., Room 704
Washington, D.C. 20423-0001

RECORDATION NO. 20836-A,B,C,E,F FILED
AUG 26 '97 11-20AM

RECEIVED
SURFACE TRANSPORTATION BOARD
AUG 25 11 16 AM '97

Re: Union Pacific Railroad Company
Leveraged Lease Locomotive Financing
UPRR 1997-E

Dear Mr. Williams:

I am enclosing for recording pursuant to Section 11301 of Title 49 of the United States Code, three copies of each of the primary documents and the secondary documents described below. As one of the attorneys representing the Lessee in this transaction, I have knowledge of the matters described in this letter.

The primary documents are as follows:

(1) Memorandum of Lease Agreement (UPRR 1997-E), dated August 27, 1997, between Dia Prairie Ltd., as lessor (the *"Lessor"*), and Union Pacific Railroad Company, as lessee (the *"Lessee"*); and

(2) Memorandum of Mortgage and Security Agreement (UPRR 1997-E), dated August 27, 1997, between the Lessor, as borrower (the *"Borrower"*), and Harris Trust and Savings Bank, as security trustee (the *"Security Trustee"*).

The secondary documents are as follows:

(1) Memorandum of Lease Supplement No. 1 (UPRR 1997-E), dated August 27, 1997, between the Lessee and the Lessor;

(2) Memorandum of Mortgage Supplement No. 1 (UPRR 1997-E), dated August 27, 1997, between the Lessor, as Borrower, and the Security Trustee;

(3) Memorandum of Dollar Account Pledge Agreement (UPRR 1997-E), dated August 27, 1997, between Kreditanstalt für Wiederaufbau (*"KfW"*), as agent (the *"Agent"*), and the Lessor, as Borrower; and

(4) Memorandum of Yen Assignment Agreement (UPRR 1997-E), dated August 27, 1997, between the Lessor, as assignor (the *"Assignor"*), and The Bank of Tokyo-Mitsubishi, Ltd., as assignee (the *"Assignee"*).

Kim Bartman

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The primary documents to which Memorandum of Lease Supplement No. 1 (UPRR 1997-E) and Memorandum of Mortgage Supplement No. 1 (UPRR 1997-E) are connected are the Memorandum of Lease Agreement (UPRR 1997-E) and the Memorandum of Mortgage and Security Agreement (UPRR 1997-E), respectively, referred to above, which are being submitted for recording concurrently therewith.

The names and addresses of the parties to the enclosed documents are as follows:

MEMORANDUM OF LEASE AGREEMENT

Lessee: Union Pacific Railroad Company
1717 Main Street, Suite 5900
Dallas, Texas 75201-4605

Lessor: Dia Prairie Ltd.
c/o Diamond Lease Company Ltd.
Business Development Department
7-2 Yaesu 2-chome
Chuo-ku, Tokyo 104
Japan

MEMORANDUM OF MORTGAGE AND SECURITY AGREEMENT

Borrower: Dia Prairie Ltd.
c/o Diamond Lease Company Ltd.
Business Development Department
7-2 Yaesu 2-chome
Chuo-ku, Tokyo 104
Japan

Security Trustee: Harris Trust and Savings Bank,
as Security Trustee
311 West Monroe Street
Chicago, Illinois 60690

MEMORANDUM OF LEASE SUPPLEMENT NO. 1

Lessee: Union Pacific Railroad Company
1717 Main Street, Suite 5900
Dallas, Texas 75201-4605

Lessor: Dia Prairie Ltd.
c/o Diamond Lease Company Ltd.
Business Development Department
7-2 Yaesu 2-chome
Chuo-ku, Tokyo 104
Japan

MEMORANDUM OF MORTGAGE SUPPLEMENT NO. 1

Borrower: Dia Prairie Ltd.
c/o Diamond Lease Company Ltd.
Business Development Department
7-2 Yaesu 2-chome
Chuo-ku, Tokyo 104
Japan

Security Trustee: Harris Trust and Savings Bank,
as Security Trustee
311 West Monroe Street
Chicago, Illinois 60690

MEMORANDUM OF DOLLAR ACCOUNT PLEDGE AGREEMENT

Borrower: Dia Prairie Ltd.
c/o Diamond Lease Company Ltd.
Business Development Department
7-2 Yaesu 2-chome
Chuo-ku, Tokyo 104
Japan

Agent: Kreditanstalt für Wiederaufbau
Palmengartenstrasse 5-9
60325 Frankfurt am Main, Germany

MEMORANDUM OF YEN ASSIGNMENT AGREEMENT

Assignor: Dia Prairie Ltd.
c/o Diamond Lease Company Ltd.
Business Development Department
7-2 Yaesu 2-chome
Chuo-ku, Tokyo 104
Japan

Assignee: The Bank of Tokyo-Mitsubishi, Ltd.
1251 Avenue of the Americas
New York, New York 10020-1104

The description of the equipment covered as of the date hereof by the aforesaid Memorandum of Lease Agreement, Memorandum of Mortgage and Security Agreement, Memorandum of Lease Supplement No. 1, Memorandum of Mortgage Supplement No. 1,

Memorandum of Dollar Account Pledge Agreement and the Memorandum of Yen Assignment Agreement is as set forth on Exhibit A hereto.

A fee of one hundred forty-four dollars ($144.00) is enclosed. Please time and date stamp the enclosed copies of each of the enclosed documents along with the extra copy of this letter as proof of filing and recordation of the enclosed documents and return the original and any extra copies of such documents and this letter not needed by the Board for recordation to:

Karl T. Williams, Esq.
Chapman and Cutler
111 West Monroe
Chicago, Illinois 60603

A short summary of each of the documents to appear in the index follows:

(1) MEMORANDUM OF LEASE AGREEMENT:

Memorandum of Lease Agreement (UPRR 1997-E) between Dia Prairie Ltd., as Lessor, c/o Diamond Lease Company Ltd., Business Development Department, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, and Union Pacific Railroad Company, as Lessee, 1717 Main Sttreet, Suite 5900, Dallas, Texas 75401-4605, dated August 27, 1997, covering diesel electric locomotives bearing the road numbers listed in the exhibit attached thereto.

(2) MEMORANDUM OF MORTGAGE AND SECURITY AGREEMENT:

Memorandum of Mortgage and Security Agreement (UPRR 1997-E) between Dia Prairie Ltd., as Borrower, c/o Diamond Lease Company Ltd., Business Development Department, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, and Harris Trust and Savings Bank, as Security Trustee, 311 West Monroe Street, Chicago, Illinois 60690, dated August 27, 1997, covering the obligations of the Borrower and the Lessee relating to diesel electric locomotives bearing the road numbers listed in the exhibit attached thereto.

(3) MEMORANDUM OF LEASE SUPPLEMENT NO. 1:

Memorandum of Lease Supplement No. 1 (UPRR 1997-E) between Dia Prairie Ltd., as Lessor, c/o Diamond Lease Company Ltd., Business Development Department, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, and Union Pacific Railroad Company, as Lessee, 1717 Main Street, Suite 5900, Dallas, Texas 75201-4605, dated August 27, 1997, covering diesel electric locomotives bearing the road numbers listed in the exhibit attached thereto. Memorandum of Lease Supplement No. 1 is related to the Memorandum of Lease Agreement between the Lessor and the Lessee, dated August 27, 1997, which is filed concurrently herewith.

(4) MEMORANDUM OF MORTGAGE SUPPLEMENT NO. 1:

Memorandum of Mortgage Supplement No. 1 (UPRR 1997-E) between Dia Prairie Ltd., as Borrower, c/o Diamond Lease Company Ltd., Business Development Department, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, and Harris Trust and Savings Bank, as Security Trustee, 311 West Monroe Street, Chicago, Illinois 60690, dated August 27, 1997, covering the

obligations of the Borrower and the Lessee relating to diesel electric locomotives bearing road numbers listed in the exhibit attached thereto. The Memorandum of Mortgage Supplement No. 1 is related to the Memorandum of Mortgage and Security Agreement between the Borrower and the Security Trustee, dated August 27, 1997, which is filed concurrently herewith.

(5) MEMORANDUM OF DOLLAR ACCOUNT PLEDGE AGREEMENT:

Memorandum of Dollar Account Pledge Agreement (UPRR 1997-E) between Kreditanstalt für Wiederaufbau, as Agent, Palmengartenstrasse 5-9, 60325 Frankfurt am Main, Germany, and Dia Prairie Ltd., as Borrower, c/o Diamond Lease Company Ltd., Business Development Department, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, dated August 27, 1997, relating to the grant by the Borrower to the Agent of a security interest in the Borrower's right, title and interest in and to the Dollar Account described in the Dollar Account Pledge Agreement, dated August 13, 1997, between the Agent and the Borrower.

(6) MEMORANDUM OF YEN ASSIGNMENT AGREEMENT:

Memorandum of Yen Assignment Agreement (UPRR 1997-E) between Dia Prairie Ltd., as Assignor, c/o Diamond Lease Company Ltd., Business Development Department, 7-2 Yaesu 2-chome, Chuo-ku, Tokyo 104, Japan, and The Bank of Tokyo-Mitsubishi, Ltd., as Assignee, 1251 Avenue of the Americas, New York, New York 10020-1104, dated August 27, 1997, relating to the grant by the Assignor to the Assignee of all of the Assignor's right, title and interest in and to the Assigned Rights described in the Yen Assignment Agreement, dated August 27, 1997, between the Assignor and the Assignee.

If you have any questions or need further information, please do not hesitate to contact the undersigned (312-845-3892).

Sincerely,

CHAPMAN AND CUTLER

By Karl T. Williams
Karl T. Williams

KTW/dml
Enclosures

EXHIBIT A

UNITS

EQUIPMENT	QUANTITY	ROAD NUMBERS
General Electric Company AC 4400 CW Diesel Electric Locomotives	4	6696 through 6699, inclusive
General Motors Corporation (Electro-Motive Division) Model SD-90 MAC Diesel Electric Locomotives	13	8165 and 8167 through 8178, inclusive

RECORDATION NO. 20836-E FILED

AUG 26 '97 11-20AM

MEMORANDUM OF DOLLAR ACCOUNT PLEDGE AGREEMENT
(UPRR 1997-E)

Memorandum of Dollar Account Pledge Agreement, made and entered into on August 27, 1997 by and between DIA PRAIRIE LTD., a Japanese corporation (*"Borrower"*), and Kreditanstalt für Wiederaufbau (*"Agent"*).

WITNESSETH:

The undersigned have entered into that certain Dollar Account Pledge Agreement (UPRR 1997-E) (the *"Pledge Agreement"*), dated August 13, 1997, by which the Borrower has pledged, assigned, and granted to the Agent a security interest in, all of the Borrower's right, title and interest in and to the Dollar Account described in said Pledge Agreement.

IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

RECORDATION NO. 20836-E FILED

AUG 26 '97 11-20AM

DIA PRAIRIE LTD.

By_____
Name: Yoichi Hara
Title: Attorney-in-Fact

Executed on this 18th day of August, 1997.

KREDITANSTALT FÜR WIEDERAUFBAU

By_____
Name:
Title:

Executed on this ____ day of August, 1997.

By_____
Name:
Title:

Executed on this ____ day of August, 1997.

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MEMORANDUM OF DOLLAR ACCOUNT PLEDGE AGREEMENT
(UPRR 1997-E)

Memorandum of Dollar Account Pledge Agreement, made and entered into on August 27, 1997 by and between DIA PRAIRIE LTD., a Japanese corporation ("*Borrower*"), and Kreditanstalt für Wiederaufbau ("*Agent*").

WITNESSETH:

The undersigned have entered into that certain Dollar Account Pledge Agreement (UPRR 1997-E) (the "*Pledge Agreement*"), dated August 13, 1997, by which the Borrower has pledged, assigned, and granted to the Agent a security interest in, all of the Borrower's right, title and interest in and to the Dollar Account described in said Pledge Agreement.

IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

DIA PRAIRIE LTD.

By_____
Name: Yoichi Hara
Title: Attorney-in-Fact

Executed on this ____ day of August, 1997.

KREDITANSTALT FÜR WIEDERAUFBAU

By_____
Name: Michael Jung
Title: Vice President

Executed on this 14 day of August, 1997.

By_____
Name: Christiane Laibach
Title: Vice President

Executed on this 14 day of August, 1997.

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STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this, the 18th day of August, 1997, before me, a Notary Public in and for said County and State, personally appeared Yoichi Hara, who being by me duly sworn, says that he is the Attorney-in-Fact of DIA PRAIRIE LTD., that said instrument was signed on August 18, 1997 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.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name:
Notary Public
My Commission Expires:
Residing in

MARIO O. MORRONE
Notary Public, State of New York
No. 02MO4811599
Qualified in Kings County
Commission Expires Oct. 31, 1998

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this, the _____ day of August, 1997, before me, a Notary Public in and for said County and State, personally appeared _____, who being by me duly sworn, says that (s)he is the _____ of KREDITANSTALT FÜR WIEDERAUFBAU, that said instrument was signed on August __, 1997 on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name:
Notary Public
My Commission Expires:
Residing in

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this, the _____ day of August, 1997, before me, a Notary Public in and for said County and State, personally appeared Yoichi Hara, who being by me duly sworn, says that he is the Attorney-in-Fact of DIA PRAIRIE LTD., that said instrument was signed on August __, 1997 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.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

_____
Name:
Notary Public
My Commission Expires:
Residing in_____

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this, the 14th day of August, 1997, before me, a Notary Public in and for said County and State, personally appeared Michael Jung, who being by me duly sworn, says that (s)he is the Vice President of KREDITANSTALT FÜR WIEDERAUFBAU, that said instrument was signed on August 14, 1997 on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Bertrand A. Reynolds Jr.
Name:
Notary Public
My Commission Expires:
Residing in

BERTRAND A. REYNOLDS, JR.
Notary Public, State of New York
No. 01RE5023102
Qualified in Queens County
Certificate Filed in New York County
Commission Expires Jan. 31, 1998

STATE OF NEW YORK)
) SS.:
COUNTY OF NEW YORK)

On this, the 14th day of August, 1997, before me, a Notary Public in and for said County and State, personally appeared Christiane Laibach, who being by me duly sworn, says that (s)he is the Vice President of KREDITANSTALT FÜR WIEDERAUFBAU, that said instrument was signed on August 14, 1997 on behalf of said corporation by authority of its Board of Directors, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Bertrand A. Reynolds

Name:
Notary Public
My Commission Expires:
Residing in

BERTRAND A. REYNOLDS, JR.
Notary Public, State of New York
No. 01RE5023102
Qualified in Queens County
Certificate Filed in New York County
Commission Expires Jan. 31, 1998

EXHIBIT A

UNITS

EQUIPMENT	QUANTITY	ROAD NUMBERS
General Electric Company AC 4400 CW Diesel Electric Locomotives	4	6696 through 6699, inclusive
General Motors Corporation (Electro-Motive Division) Model SD-90 MAC Diesel Electric Locomotives	13	8165 and 8167 through 8178, inclusive