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RECORDATION NO. 18764-B FILED 1425

JUL 6 1994 - 9 30 AM

July 6, 1994

INTERSTATE COMMERCE COMMISSION

Union Pacific Railroad Company
Lease Financing Dated as of March 31, 1994

Dear Mr. Strickland:

Pursuant to 49 U.S.C. § 11303 and the Commission's rules and regulations thereunder, as amended, I enclose herewith on behalf of Union Pacific Railroad Company, for filing and recordation counterparts of the following document:

Amendment No. 1 to Lease Agreement (ICC Recordation No. 18764) dated as of June 1, 1994, between NationsBank of South Carolina, National Association, as Lessor, and Union Pacific Railroad Company, as Lessee.

The names and addresses of the parties to the aforementioned agreement are as follows:

1. Lessor-Owner Trustee:
NationsBank of South Carolina, National Association
1901 Main Street
Columbia, SC 29201-2434
2. Lessee:
Union Pacific Railroad Company
Martin Tower
Eighth and Eaton
Bethlehem, PA 18018

LICENSING BRANCH

JUL 6 9 30 AM '94

RECEIVED
OFFICE OF THE
SECRETARY

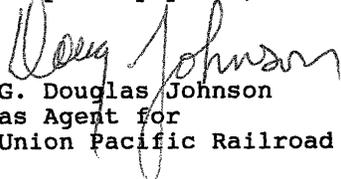
18764-B
OK Harvey

Please file and record the documents referred to in this letter and index them under the names of the Lessor-Owner Trustee.

There is also enclosed a check of \$18 payable to the Interstate Commerce Commission, representing the fee for recording the Amendment No. 1.

Please stamp all counterparts of the enclosed document with your official recording stamp. You will wish to retain one copy of the instruments for your files. It is requested that the remaining counterparts be delivered to the bearer of this letter.

Very truly yours,


G. Douglas Johnson
as Agent for
Union Pacific Railroad Company

Mr. Sidney L. Strickland, Jr.
Interstate Commerce Commission
Washington, D.C. 20423

Encls.

120A

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

JULY 6, 1994

ALLEN H. HARRISON, JR.
DONELAN, CLEARY, WOOD & MASER
1275 K ST., NW SUITE 850
WASHINGTON DC 20006-4078

Dear MR. HARRISON:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 7/6/94 at 9:30AM, and assigned recordation number(s). 18764-B

Sincerely yours,

Sidney L. Strickland, Jr.
Secretary

Enclosure(s)

\$ 18.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one stamped on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature

Saludia M. Stokes

RECORDATION NO. 18764-B FILED 1425

JUL 6 1994 -9 30 AM

INTERSTATE COMMERCE COMMISSION

AMENDMENT NO. 1

to Lease Agreement dated as of June 1, 1994

between

NATIONSBANK OF SOUTH CAROLINA, NATIONAL ASSOCIATION,
not in its individual capacity
but solely as Owner Trustee,
as Lessor

and

UNION PACIFIC RAILROAD COMPANY,
as Lessee

LOCOMOTIVES

CERTAIN RIGHTS, TITLE AND INTEREST COVERED HEREBY HAVE BEEN ASSIGNED TO HARRIS TRUST AND SAVINGS BANK, AS INDENTURE TRUSTEE, UNDER AN INDENTURE AND SECURITY AGREEMENT DATED AS OF MARCH 31, 1994. NO SECURITY INTEREST IN THIS AMENDMENT MAY BE CREATED THROUGH THE TRANSFER OR POSSESSION OF ANY COUNTERPART OTHER THAN THE ORIGINAL COUNTERPART THAT CONTAINS THE RECEIPT THEREFOR EXECUTED BY HARRIS TRUST AND SAVINGS BANK ON OR IMMEDIATELY FOLLOWING THE SIGNATURE PAGE THEREOF. THIS IS NOT THE ORIGINAL COUNTERPART.

THIS AMENDMENT NO. 1
HAS BEEN FILED WITH THE INTERSTATE COMMERCE
COMMISSION PURSUANT TO 49 U.S.C. § 11303
AND DEPOSITED IN THE OFFICE OF THE
REGISTRAR GENERAL OF CANADA PURSUANT TO
SECTION 90 OF THE RAILWAY ACT OF CANADA

AMENDMENT NO. 1, dated as of June 1, 1994, to Lease Agreement between NATIONSBANK OF SOUTH CAROLINA, NATIONAL ASSOCIATION, not in its individual capacity but solely as Owner Trustee, and UNION PACIFIC RAILROAD COMPANY, a Utah Corporation.

Lessor, Lessee and Indenture Trustee have, with the other parties thereto, heretofore entered into a Participation Agreement, Lessor and Lessee have heretofore entered into a Lease Agreement and Indenture Trustee and Owner Trustee have heretofore entered into an Indenture and Security Agreement, each dated as of March 31, 1994 (capitalized terms used herein without definitions having the meanings set forth in Schedule X to the Lease). The Lease provides that it may be amended by written instrument signed by the party or parties to be charged and Indenture Trustee.

ACCORDINGLY, in consideration of the premises and for the good and sufficient consideration, Lessor and Lessee hereby agree as follows:

1. The language of Section 12(b) of the Lease is deleted and replaced with the following:

"(b) Event of Loss. Subject to the provisions of Section 12(c), after an Event of Loss occurs with respect to any Locomotive, Lessee shall pay to Lessor on or prior to the first Payment Date (and for purposes of this Section 12(b), July 1, 1994 and January 1, 1995 shall be deemed to be Payment Dates) following such Event of Loss, unless such first Payment Date shall occur less than 45 days after the occurrence of such Event of Loss, in which event on the second Payment Date after such Event of Loss occurs, (x) the Stipulated Loss Value for such Locomotive (unless Stipulated Loss Value therefor has theretofore been paid), computed as of such Payment Date (or, in the case of an Event of Loss under clause (vii) of the definition of Event of Loss, the higher of Stipulated Loss Value for such Locomotive as of the end of the Lease Term and the Fair Market Sale Value thereof) plus (y) all other unpaid Rent for such Locomotive accrued to the date of the payment described in clause (x) above, except that no payment of Basic Rent for such Locomotive shall be made on such date to the extent Basic Rent is then being paid in advance. Upon the payment in full of such Stipulated Loss Value and such

other amounts, the Lease Term for such Locomotive shall end, Lessee's obligation to pay further Basic Rent therefor shall terminate, Lessor will transfer to Lessee, "as is", "where is" and without recourse or warranty (except as to the absence of Owner Encumbrances), all of Lessor's right, title and interest in and to such Locomotive and Lessee or its designee shall be subrogated to all rights that Lessor shall have with respect to such Locomotive and shall have the right to abandon such Locomotive to underwriters on behalf of Lessor as well as itself (in which case Lessor, at Lessee's expense, shall execute or cause to be executed such documents and take such other action as Lessee shall require to effect the surrender to the insurance underwriters of such Locomotive). All payments received by Lessor or Lessee from any insurer or governmental authority or otherwise as compensation for an Event of Loss with respect to a Locomotive shall be applied to pay the Stipulated Loss Value of such Locomotive, if not already paid by Lessee, or, if already paid by Lessee, shall be applied to reimburse Lessee for its payment of Stipulated Loss Value, and, so long as no Event of Default then exists, the balance, if any, of such payments shall be shared between Lessee and Lessor as their interests may appear, except that the balance of any such payments constituting insurance payments under insurance maintained by Lessee shall be retained by Lessee."

2. This Amendment may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

3. This Amendment shall be governed by and construed in accordance with the internal laws and decisions of the State of Nebraska; provided, however, that Lessor and Lessee shall be entitled to all the rights conferred by any applicable Federal statute, rule or regulation.

4. Any and all notices, requests, certificates and other instruments executed and delivered concurrently with or after the execution and delivery of this Amendment may refer to the "Lease Agreement dated as of March 31, 1994" or the "Lease dated as of March 31, 1994" without making specific reference to this Amendment but nevertheless all such references shall be deemed to include this Amendment unless the context shall otherwise require.

5. Except to the extent hereby amended or modified, the Lease is in all respects hereby ratified, confirmed and approved by the parties hereto.

6. The Stipulated Loss Value percentages, Termination Value percentages and Basic Rent applicable to all Locomotives subjected to the Lease are set forth on schedules to the Lease unless replacement schedules are attached hereto in which case such replacement schedules shall apply to all Locomotives subjected to the Lease.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Amendment to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written, and each of the undersigned signatories hereto declares pursuant to 28 U.S.C. § 1746 under penalty of perjury under the laws of the United States of America that the foregoing is a true and correct document and was executed and delivered on the date first above written.

Attest


Name: L. Collin Proctor

[Seal]

NATIONSBANK OF SOUTH
CAROLINA, NATIONAL
ASSOCIATION,
not in its individual
capacity but solely as
Owner Trustee,

By: 
Name: HOWARD L. SMELLKOFF
Title: VICE PRESIDENT

Attest

Name:

[Seal]

UNION PACIFIC RAILROAD
COMPANY,

By: _____
Name:
Title:

Attest

Name:

[Seal]

HARRIS TRUST AND SAVINGS BANK,
as Indenture Trustee

By: _____
Name:
Title:

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Amendment to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written, and each of the undersigned signatories hereto declares pursuant to 28 U.S.C. § 1746 under penalty of perjury under the laws of the United States of America that the foregoing is a true and correct document and was executed and delivered on the date first above written.

Attest

NATIONSBANK OF SOUTH
CAROLINA, NATIONAL
ASSOCIATION,
not in its individual
capacity but solely as
Owner Trustee,

Name:

[Seal]

By: _____

Name:

Title:

Attest

UNION PACIFIC RAILROAD
COMPANY,



Name: T. E. WHITAKER

[Seal]

By:  _____

Name: John B. Larsen

Title: Assistant Treasurer

Attest

HARRIS TRUST AND SAVINGS BANK,
as Indenture Trustee

Name:

[Seal]

By: _____

Name:

Title:

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Amendment to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written, and each of the undersigned signatories hereto declares pursuant to 28 U.S.C. § 1746 under penalty of perjury under the laws of the United States of America that the foregoing is a true and correct document and was executed and delivered on the date first above written.

Attest

NATIONSBANK OF SOUTH
CAROLINA, NATIONAL
ASSOCIATION,
not in its individual
capacity but solely as
Owner Trustee,

Name:

[Seal]

By: _____

Name:
Title:

Attest

UNION PACIFIC RAILROAD
COMPANY,

Name:

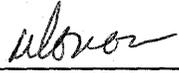
[Seal]

By: _____

Name:
Title:

Attest

HARRIS TRUST AND SAVINGS BANK,
as Indenture Trustee



Name: D. G. DONOVAN

[Seal]

By:  _____

Name: KEVIN O. HEALEY
Title: VICE PRESIDENT

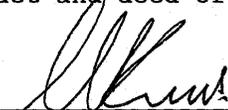
Receipt of this original counterpart of this
Amendment is hereby acknowledged this 30th day of June,
1994.

HARRIS TRUST AND SAVINGS BANK,
as Indenture Trustee

By: _____
Name:
Title

STATE OF GEORGIA)
) ss.:
COUNTY OF FULTON)

On this 27th day of June, 1994, before me personally appeared Howard L. Shellkopf, to me personally known, who, being by me duly sworn, says that he is a Vice President of NATIONSBANK OF SOUTH CAROLINA, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledge that the execution of the foregoing instrument was the free act and deed of said Corporation.



Notary Public

[Notarial Seal]

My Commission Expires
Notary Public, DeKalb County, Georgia
My Commission Expires May 19, 1995

STATE OF)
)
COUNTY OF)

On this _____ day of _____ 1994, before me personally appeared _____, to me personally known, who, being by me duly sworn, says that he is _____ of HARRIS TRUST AND SAVINGS BANK, that one of the seals affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed 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.

Notary Public

[Notarial Seal]

My Commission Expires _____

COMMONWEALTH

~~STATE~~ OF PENNSYLVANIA)
) ss.:
COUNTY OF LEHIGH)

On this 27th day of June, 1994, before me a notary public, personally appeared John B. Larsen, to me personally known, who, being by me duly sworn, says that he is an Asst. Treasurer of UNION PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledge that the execution of the foregoing instrument was the free act and deed of said Corporation.

Kathleen F. Owens
Notary Public

[Notarial Seal]

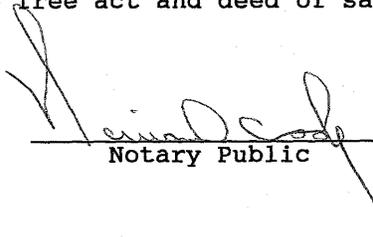
My Commission Expires _____

Notarial Seal
Kathleen F. Owens, Notary Public
Bethlehem, Lehigh County
My Commission Expires Oct. 19, 1996
Member, Pennsylvania Association of Notaries

STATE OF ILLINOIS)
)
COUNTY OF COOK)

On this 27th day of June 1994, before me personally appeared KEVIN O. HEALEY, to me personally known, who, being by me duly sworn, says that he is VICE PRESIDENT of HARRIS TRUST AND SAVINGS BANK, that one of the seals affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed 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.

"OFFICIAL SEAL"
Marianne Cody
Notary Public, State of Illinois
My Commission Expires 5/29/97



Notary Public

[Notarial Seal]
My Commission Expires

STATE OF)
) ss.:
COUNTY OF)

On this day of , 1994, before me personally appeared , to me personally known, who, being by me duly sworn, says that he is a of UNION PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledge that the execution of the foregoing instrument was the free act and deed of said Corporation.

Notary Public

[Notarial Seal]
My Commission Expires