

CRAVATH, SWAINE & MOORE

WORLDWIDE PLAZA
825 EIGHTH AVENUE
NEW YORK, NY 10019-7475

TELEPHONE: (212) 474-1000
FACSIMILE: (212) 474-3700

33 KING WILLIAM STREET LONDON EC4R 9DU ENGLAND
TELEPHONE: 44-171-606-1421
FACSIMILE: 44-171-860-1150

SUITE 2609, ASIA PACIFIC FINANCE TOWER
CITIBANK PLAZA
3 GARDEN ROAD, CENTRAL
HONG KONG
TELEPHONE: 852-2509-7200
FACSIMILE: 852-2509-7272

WRITER'S DIRECT DIAL NUMBER
(212) 474-1820

DANIEL P. CUNNINGHAM
KRIS F. HEINZELMAN
B. ROBBINS KIESSLING
ROGER D. TURNER
PHILIP A. GELSTON
RORY O. MILLSON
NEIL P. WESTREICH
FRANCIS P. BARRON
RICHARD W. CLARY
WILLIAM P. ROGERS, JR.
JAMES D. COOPER
STEPHEN L. GORDON
ROBERT A. KINDLER
DANIEL L. MOSLEY
GREGORY M. SHAW
PETER S. WILSON
JAMES C. VARDELL, III
ROBERT H. BARON
KEVIN J. GREHAN

W. CLAYTON JOHNSON
STEPHEN S. MADSEN
C. ALLEN PARKER
MARC S. ROSENBERG
WILLIAM B. BRANNAN
LEWIS R. STEINBERG
SUSAN WEBSTER
WILLIAM H. WIDEN
TIMOTHY G. MASSAD
DAVID MERCADO
ROWAN D. WILSON
JOHN T. GAFFNEY
PETER T. BARBUR
SANDRA C. GOLDSTEIN
PAUL MICHALSKI
THOMAS G. RAFFERTY
MICHAEL S. GOLDMAN

ALLEN F. MAULSBY
JOHN R. HUPPER
SAMUEL C. BUTLER
JOHN F. HUNT
GEORGE J. GILLESPIE, III
THOMAS D. BARR
MELVIN L. BEDRICK
GEORGE T. LOWY
ROBERT ROSENMAN
ALAN J. HRUSKA
JOHN E. YOUNG
JAMES M. EDWARDS
DAVID G. ORMSBY
RICHARD J. HIEGEL
FREDERICK A.O. SCHWARZ, JR.
CHRISTINE BESHAR
ROBERT S. RIFKIND
DAVID BOIES
DAVID O. BROWNWOOD

PAUL M. DODYK
RICHARD M. ALLEN
THOMAS R. BROME
ROBERT D. JOFFE
HERBERT L. CAMP
ALLEN FINKELSON
RONALD S. ROLFE
PAUL C. SAUNDERS
MARTIN L. SENZEL
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PATRICIA GEOGHEGAN
D. COLLIER KIRKHAM
MICHAEL L. SCHLER

Country Club - 18764-C

December 1, 1995

18764-C

RECORDATION NO. 18764-C FILED 1995

DEC 1 1995 2 55 PM

FEDERAL RESERVE COMMISSION

Dear Mr. Williams:

In accordance with 49 U.S.C. § 11303 and the Commission's Rules, we submit herewith for recording with the Commission one original and one copy of the document described below.

This document is a Lease and Indenture Supplement No. 3, a "secondary document", dated December 21, 1994.

The primary document to which this document is related is the Lease Agreement dated as of March 31, 1994, recorded with the Commission under recordation number 18764.

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

LESSOR, Nationsbank of South Carolina, National
MORTGAGOR Association, as trustee for Signet
Leasing and Financial Corporation
600 Peachtree Street, N.W.
Atlanta, Georgia 30308

LESSEE Union Pacific Railroad Company
Eighth and Eaton Avenues
Bethlehem, Pennsylvania 18018

MORTGAGEE Harris Trust and Savings Bank, as
indenture trustee,
311 West Monroe
Chicago, Illinois 60690

RECEIVED
OFFICE OF THE
SECRETARY
Dec 1 2 29 PM '95
LEASING BRANCH

The document covers one General Motors model GP 38-2 diesel-electric locomotive, bearing the road number of Union Pacific Railroad Company 2344.

The recordation fee of \$21.00 is enclosed. After recordation, please return the copy, stamped with the Commission's recordation data, to Allen H. Harrison, Jr., Donelan, Cleary, Wood & Maser, P.C., 1100 New York Avenue, N.W., Washington, D.C. 20005.

A short summary of the document for use in the index follows:

Lease and Indenture Supplement No. 3 dated December 21, 1994, among Nationsbank of South Carolina, National Association, as trustee, Union Pacific Railroad Company and Harris Trust and Savings Bank, as indenture trustee, substituting locomotive no. 2344 for locomotive no. 2074 under the Lease Agreement dated as of March 31, 1994.

Please acknowledge receipt on the enclosed copy of this letter.

Very truly yours,



Michael Rice

Mr. Vernon A. Williams
Secretary
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, D. C. 20423

Encl.



Interstate Commerce Commission
Washington, D.C. 20423-0001

12/1/95

Office Of The Secretary

Michael Rice
Cravath, Swaine & Moore
Worldwide Plaza
825 Eighth Avenue
New York, New York 10019-7475

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 12/1/95 at 2:35PM, and assigned recordation number(s). 18764-C and 18765-B.

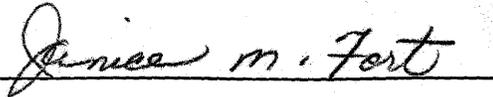
Sincerely yours,


Vernon A. Williams
Secretary

Enclosure(s)

\$ 42.00 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 typed 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



18764-C

LEASE AND INDENTURE SUPPLEMENT NO. 3

REGISTRATION NO. 18764-C
FILED 1425
DEC 1 1995 -2 35 PM
INTERSTATE COMMERCE COMMISSION

Dated December 21, 1994.

Among

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

UNION PACIFIC RAILROAD COMPANY,

and

HARRIS TRUST AND SAVINGS BANK, as Indenture Trustee

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 LEASE AND INDENTURE SUPPLEMENT 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 LEASE AND INDENTURE SUPPLEMENT NO. 3 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

LEASE AND INDENTURE SUPPLEMENT NO. 3, dated December 21, 1994 among NATIONSBANK OF SOUTH CAROLINA, NATIONAL ASSOCIATION, not in its individual capacity but solely as Owner Trustee under that certain Trust Agreement dated as of March 31, 1994 with SIGNET LEASING AND FINANCIAL CORPORATION, a Maryland corporation, UNION PACIFIC RAILROAD COMPANY, a Utah corporation, and HARRIS TRUST AND SAVINGS BANK, an Illinois banking corporation, as Indenture Trustee.

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 in lieu of payment of Stipulated Loss Value for any Locomotive that has suffered an Event of Loss (other than by virtue of clause (vi) or (vii) of the definition thereof), Lessee may, on or prior to the date on which such Stipulated Loss Value would have otherwise been due, convey or cause to be conveyed to Lessor, as replacement for such Locomotive, title to a Replacement Locomotive free and clear of all Liens other than Permitted Encumbrances and having a fair market value, utility and remaining economic life at least equal to, and being in as good condition as, such replaced Locomotive. Prior to or at the time of any such conveyance, Lessee will (i) furnish Lessor with a bill of sale with respect to such Replacement Locomotive, (ii) duly execute a supplement to the Lease and the Indenture which shall subject such Replacement Locomotive to the Lease and to the lien of the Indenture and cause such supplement to be delivered to Lessor and to Indenture Trustee for execution and, upon such execution, cause such supplement to be filed for recordation in the same manner as provided for the Lease and Indenture Supplement covering the replaced Locomotive, (iii) furnish to Lessor and Indenture Trustee an Officer's Certificate certifying that the Replacement Locomotive is free and clear of all Liens other than Permitted Encumbrances, (iv) furnish to Lessor and Indenture Trustee an opinion of Lessee's counsel to the effect that (x) the bill of sale referred to in clause (i) above constitutes an effective instrument for the conveyance to Lessor of title to the Replacement Locomotive and (y) that all filings, recordings and other action necessary to perfect Lessor's and Indenture Trustee's respective interests in the United States of America and Canada in the Replacement Locomotive have been accomplished and (v) furnish to Lessor and Indenture Trustee a certificate of a qualified engineer certifying that the Replacement Locomotive has a fair market value, utility and remaining economic life at least equal to the Locomotive replaced thereby. Upon full compliance by Lessee with the foregoing, 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 replaced Locomotive. For all purposes hereof, each such Replacement Locomotive shall, after such conveyance, be deemed a "Locomotive" as defined herein with the same Lessor's Cost as the Locomotive it replaced. No Event of Loss with respect to a Locomotive under the circumstances

contemplated by the terms of this Section 12(c) of the Lease shall result in any reduction in Basic Rent.

The Locomotive bearing the road number 2074 (the "Replaced Locomotive") has suffered an Event of Loss. The Lessee, by delivery of a bill of sale, is conveying to the Lessor a replacement locomotive, bearing the road number 2344 (the "Replacement Locomotive"), and the Lessor, by delivery of a bill of sale, is conveying to the Lessee the Replaced Locomotive.

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

1. The Lessor hereby accept the conveyance of the Replacement Locomotive, and the Lessee hereby accepts the Replacement Locomotive under the Lease. The Replacement Locomotive is hereby deemed to be a "Locomotive" for all purposes of the Lease, and subject to all the terms and conditions thereof.

2. In order to secure the prompt payment of the Obligations, Lessor has granted, assigned, transferred, pledged and set over a security interest unto Indenture Trustee in (i) the Replacement Locomotive listed on Schedule 1 hereto and (ii) the Lease and this Lease and Indenture Supplement, in each case excluding Excepted Property and Excepted Rights, to have and to hold unto Indenture Trustee and its successors and its assigns. The Indenture Trustee does hereby release the Replaced Locomotive from the security interest and lien of the Indenture, and the Lessor and the Lessee do hereby release the Replaced Locomotive from the Lease.

3. This Lease and Indenture Supplement 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.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Lease and Indenture Supplement 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:

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

By: Stefan Victory

Name: **Stefan Victory**
Title: **Assistant Vice President**

Attest

UNION PACIFIC RAILROAD COMPANY,

Name:

By: *John D. Chase*
Name:
Title:

Attest

HARRIS TRUST AND SAVINGS BANK,
as Indenture Trustee

Name:

By: _____
Name:
Title:

Attest

UNION PACIFIC RAILROAD COMPANY,

Name:

By: John D. Carson

Name:

Title:

Attest

HARRIS TRUST AND SAVINGS BANK,
as Indenture Trustee

D. G. Donovan
Name: D. G. DONOVAN

By: Kevin O. Healey

Name: KEVIN O. HEALEY

Title: VICE PRESIDENT

Receipt of this original counterpart of this Lease and Indenture Supplement is hereby acknowledged this ____ day of December , 1994.

HARRIS TRUST AND SAVINGS BANK,
as Indenture Trustee

By: _____
Name:
Title:

Pursuant to the above-mentioned Trust Agreement, SIGNET LEASING AND FINANCIAL CORPORATION hereby authorizes and directs the Lessor to execute and deliver the foregoing instrument.

SIGNET LEASING AND
FINANCIAL CORPORATION

By: *G. V. Bryson*
Name: **GEORGE V. BRYSON**
Title: **VICE PRESIDENT**

STATE OF ~~COOK~~ ILLINOIS)
)
COUNTY OF ~~COOK~~)

On this 30th day of December, 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.



[Signature]

Notary Public

[Notarial Seal]

My Commission Expires

STATE OF N.Y.)
) ss.:
COUNTY OF N.Y.)

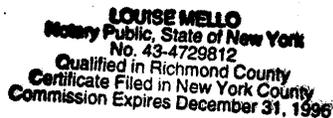
On this 29th day of November, 1995, before me personally appeared John B. Laesen, to me personally known, who, being by me duly sworn, says that he is an ASSISTANT TREASURER of UNION PACIFIC RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

[Signature]

Notary Public

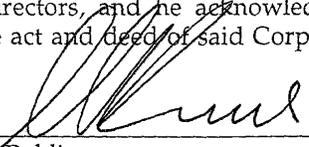
[Notarial Seal]

My Commission Expires



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

On this 30 day of December, 1994, before me personally appeared Stefan Victory, to me personally known, who, being by me duly sworn, says that he is a Assistant 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 18, 1998

STATE OF

) *Maryland*

COUNTY OF

) *Anne Arundel*

On this 30th day of December, 1994, before me personally appeared G. Victor Bryson, to me personally known, who being by me duly sworn, says that he is Vice President of SIGNET LEASING AND FINANCIAL CORPORATION, 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.

Spencer A. Hartman
Notary Public

[Notarial Seal]

My Commission Expires: 2/10/99