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CHEYENNE

LEASING COMPANY

RECORDATION NO. 19240 FILED 1425
FEB 14 1995 -12 15 PM
INTERSTATE COMMERCE COMMISSION

February 13, 1995

Counterparts - [illegible]

Sidney L. Stickland, Jr.
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Dear Sir:

I have enclosed an original and one counterpart of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a Security Agreement, a primary document, dated as of February 16, 1995.

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

Debtor:	Cheyenne Leasing Company 400 Andrews Street Suite 500 Rochester, New York 14604
Co-Owner of Collateral:	Union Pacific Railroad Company 1416 Dodge Street Omaha, Nebraska 68179-0001
Secured Party:	BancBoston Leasing, Inc. 100 Federal Street Boston, Massachusetts 02110

A general description of the railroad equipment covered by the document is more fully described in Schedule A attached hereto.

ROC12:46986 /3A

400 ANDREWS STREET, SUITE 500 • ROCHESTER, NEW YORK • PHONE (716) 546-3140

A fee of $18.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to James F. Taylor, President Cheyenne Leasing Company, 400 Andrews Street, Suite 500, Rochester, New York 14604.

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

The primary document is a security agreement between Cheyenne Leasing Company having its principal place of business at 400 Andrews Street, Rochester, New York (the "Debtor"), and BancBoston Leasing, Inc. having its principal place of business at 100 Federal Street, Boston, Massachusetts (the "Secured Party"), dated as of February 16, 1995, and a consent and agreement among Debtor, Secured Party and Union Pacific Railroad Company, having its principal place of business at 1416 Dodge Street, Omaha, Nebraska ("Co-owner") and covering 99 100-ton, 4,500-4,750 cubic foot jumbo covered hopper railcars.

Very truly yours,

CHEYENNE LEASING COMPANY

Diane M. Lee
Vice President, Administration

Schedule A to Letter of Transmittal

Description of Equipment

The Equipment consists of Ninety-Nine (99) 100-ton 4,500-4,750 cubic foot jumbo covered hopper railcars, more particularly described by their respective car markings and numbers as follows:

Car Marking/	Number	Car Marking/	Number	Car Marking/	Number
MP	716027	UP	21508	UP	76356
MP	716099	UP	21509	UP	76534
MP	716405	UP	21545	UP	76598
MP	716622	UP	21546	UP	76834
MP	716661	UP	21573	UP	76938
MP	716979	UP	21605	UP	76994
MP	717011	UP	22600	UP	77064
MP	717181	UP	22823	UP	77117
MP	717258	UP	23152	UP	79244
MP	717293	UP	71015	UP	79253
MP	717322	UP	71665	UP	79587
MP	717564	UP	71882	UP	79626
MP	717579	UP	72009	UP	79792
MP	717598	UP	72213		
MP	717615	UP	72250		
MP	717623	UP	72259		
MP	717662	UP	72278		
MP	717692	UP	72317		
MP	717696	UP	73103		
MP	717730	UP	73153		
MP	717809	UP	73607		
MP	717849	UP	73673		
MP	717940	UP	73690		
MP	717971	UP	73720		
MP	718050	UP	73738		
MP	718115	UP	73793		
MP	718214	UP	73855		
MP	718231	UP	73951		
MP	718351	UP	74151		
MP	718439	UP	74170		
MP	718527	UP	74294		
MP	718594	UP	74426		
MP	718615	UP	74770		
MP	718694	UP	74991		
MP	718714	UP	75297		
MP	718757	UP	75300		
MP	722475	UP	75449		
MP	722703	UP	75938		
MP	723030	UP	75961		
MP	723048	UP	75980		
UP	21426	UP	76130		
UP	21451	UP	76284		
UP	21476	UP	76320		

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INTERSTATE COMMERCE COMMISSION

I, Diane M. Lee, have compared the copy of the attached document with the original and have found the copy to be complete and identical in all respect to the original document.

BY: Diane M Lee

STATE OF NEW YORK]
] ss.:
COUNTY OF MONROE]

On this 10th day of February 1995, before me personally appeared Diane M. Lee, to me personally known, who being duly sworn said that (s)he is the Vice President-Administration of Cheyenne Leasing Company, that the seal (if any) affixed to the foregoing instrument is the seal of said company, that said instrument was signed and (if applicable) sealed on behalf of said company by authority of the duly elected or appointed person or body established by the Joint Venture Agreement governing such company, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

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Robert F. McKeon
Notary Public

My Commission Expires Feb 28, 1996

062/Notary

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INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT AND ASSIGNMENT

This Security Agreement and Assignment ("Security Agreement") is entered into as of the 16th day of February, 1995 between Cheyenne Leasing Company ("Debtor") and BancBoston Leasing Inc. ("Secured Party").

WHEREAS, Pursuant to that certain Master Lease Agreement dated as of April 29, 1994 between Union Pacific Railroad Company ("Union Pacific") as lessor and Debtor as lessee, and Equipment Schedule No. 004 thereto (together with any exhibits, certificates, riders, amendments and modifications thereto, the "Primary Lease"), Union Pacific has leased to Debtor certain items of railroad rolling stock (the "Basic Cars") as described in the Primary Lease; and

WHEREAS, Debtor as lessee of the Basic Cars, at its expense, has caused certain repairs, overhauls and upgrades (the "Improvements") to be made to the Basic Cars such that the Basic Cars with the Improvements have become the "Improved Cars," and Debtor, as the owner of the Improvements, has become the owner of a 56.26% undivided interest ("Debtor's Interest") in the Improved Cars; and

WHEREAS, Pursuant to that certain Master Sublease Agreement dated as of April 29, 1994 between Debtor as lessor and Union Pacific as lessee, and Equipment Schedule No. 004 thereto (together with any exhibits, certificates, riders, amendments and modifications thereto, the "Lease"), Debtor has leased to Union Pacific (sometimes hereinafter also referred to as "Lessee") the Improved Cars (sometimes hereinafter also referred to as the "Equipment") as described in the Lease and on Schedule A hereto; and

WHEREAS, In order to finance the purchase and installation of the Improvements, Debtor proposes to borrow from Secured Party the sum of $966,274.76 (the "Loan") and to give Secured Party Debtor's Secured Note ("Note") in such amount;

NOW THEREFORE, In order to induce Secured Party to make the Loan, and in consideration of its doing so, and for other good and valuable consideration, the receipt and sufficiency of which Debtor hereby acknowledges, Debtor and Secured Party hereby agree as follows:

1. Grant of Security Interest and Subordination. In order to secure the due and punctual payment of the sums due and to become due under the Note, Debtor hereby:

a. grants to Secured Party a continuing security interest in the following things (the "Collateral"): (i) the Debtor's Interest in the Equipment (including all warranties and indemnities pertaining thereto or to the Equipment, and any claim for damages for breach thereof); (ii) all leases of the Equipment, including the Lease; and (iii) all sums due under the Lease or any extension thereof and any such other lease (including without limitation rentals, interest, late charges, payments, taxes, income, revenues, issues, profits, insurance proceeds, awards and proceeds in respect of any taking, casualty, salvage, damage or termination, and all other amounts, of every kind and nature, now or hereafter payable to or receivable by the Debtor in respect of the Equipment, the Lease or any lease), excluding, however, taxes which are required by law to be collected by a lessor and remitted to the taxing authorities, and provided that unless Debtor (as lessee under the Primary Lease) shall have committed an Event of Default under Section 19(a) (v) through (xiv) of the Primary Lease, the grant hereunder as it relates to Basic Rent (as defined in the Lease) shall consist only of the difference between Basic Rent under the Lease and Basic Rent under the Primary Lease;

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b. absolutely and unconditionally subordinates each and every right and interest the Debtor may now have or hereafter acquire in the Collateral (whether as owner, lessor, lessee, secured party or otherwise) to the security interest and other interests therein which are granted to Secured Party pursuant to this Security Agreement; and

c. agrees that such security interest and other interests granted to Secured Party shall be and remain prior in right and senior to the interests of Debtor in the Collateral as if such security interest and other interests had been granted and perfected prior in time to any interest which Debtor has or may acquire therein.

2. Assignment. In addition to the security interests granted in Section 1 above, and as a transfer separate and distinct therefrom, Debtor hereby presently and unconditionally assigns and sets over to Secured Party all of its right, title and interest in the Lease, including:

a. all sums due thereunder or any extension thereof on and after March 1, 1995, including, without limitation, rentals, interest, late charges, payments, taxes, income, revenues, issues, profits, insurance proceeds, awards and proceeds in respect of any taking, casualty, salvage, damage or termination, and all other amounts, of every kind and nature, now or hereafter payable to or receivable by the Debtor in respect of the Equipment or the Lease, excluding, however, taxes which are required by law to be collected by a lessor and remitted to the taxing authorities, and provided that unless Debtor (as lessee under the Primary Lease) shall have committed an Event of Default under Section 19(a) (v) through (xiv) of the Primary Lease, the assignment hereunder as it relates to Basic Rent (as defined in the Lease) shall consist only of the difference between Basic Rent under the Lease and Basic Rent under the Primary Lease (hereinafter "Payments");

b. all claims, rights, privileges, options, elections, powers and remedies, now existing or hereafter arising, of Debtor under or pursuant to any provision of the Lease; and

c. all other rights of Debtor to give, make, enter into or receive any agreement, amendment, notice, consent, demand, waiver or approval with, to or from Lessee under or in respect of the Lease or any of the Equipment, to accept surrender of any of the Equipment, or to terminate or cancel the Lease;

in each case together with full power and authority, in the name of Debtor or Secured Party, to enforce, collect, receive and receipt for any or all of the foregoing.

3. Notice and Acknowledgement of Assignment. Pursuant to a letter to Lessee of even date herewith constituting a Notice and Acknowledgement of Assignment and attached hereto as Exhibit A (the "Notice"), Debtor has (i) notified Lessee that Debtor has collaterally assigned the Lease to Secured Party; and (ii) irrevocably directed Lessee to remit the Payments to or as directed by Secured Party. The foregoing assignments are effective immediately and are not conditioned on the occurrence of any Event of Default or any other event or contingency. In no event shall the foregoing collateral assignment by Debtor impose on Secured Party any obligation whatsoever of the lessor under the Lease. It is expressly agreed that, anything herein contained to the contrary notwithstanding, Debtor shall be liable under the Lease to perform all the obligations assumed by it thereunder.

4. Termination of Security Interest. Upon payment in lawful money of the United States of America and performance in full of the Note, Secured Party shall execute and deliver to Debtor, at

the expense of Debtor, such documents as Debtor shall reasonably request to evidence the termination of the foregoing security interest, subordination and assignment granted by Debtor.

5. Representations and Warranties of Debtor. In order to induce Secured Party to make the Loan and accept the Note, Debtor hereby represents and warrants as follows:

a. Debtor is a joint venture company, duly organized, validly existing and in good standing under the laws of the State of New York. The chief executive offices and principal place of business of Debtor are located at 400 Andrews Street, Suite 500, Rochester, New York 14604.

b. Debtor is the sole owner of the Debtor's Interest in the Equipment, free and clear of all liens, claims, encumbrances or charges other than the Lease.

c. Debtor is the sole lessor under the Lease and has full and sole right to assign its right, title and interest in the Lease to Secured Party pursuant to Sections 1 and 2 above.

d. The execution, delivery and performance by Debtor of this Security Agreement, the Note and the Notice (together the "Loan Documents") are within the powers granted to Debtor under the Joint Venture Agreement (the "JVA") which establishes and governs Debtor, have been duly authorized by all necessary action on its part under the JVA, and are not in contravention of law or the rights of its creditors nor in contravention of the JVA or other governing documents (if any) or of any indenture, agreement or undertaking to which it is a party or by which it or any of its assets may be bound. The Loan Documents, and their respective execution and delivery, will constitute the legal, valid and binding obligations of Debtor, enforceable against it in accordance with their respective terms.

e. Debtor has not entered into any agreement which would limit the rights of Secured Party under the Loan Documents.

f. No Event of Default and no event which, with the passing of time or the giving of notice or both, would constitute and event of derfault, has occurred and is continuing under the Security Agreement, the Primary Lease, or, to the best of Debtor's knowledge, the Lease.

g. Assuming the due filing of appropriate documents with the Interstate Commerce Commission ("ICC"), and the due filing of appropriate financing statements in the proper jurisdictions, Secured Party will have a first priority lien and security interest in the Collateral, free and clear of all claims, liens, security interests and other encumbrances (collectively "Liens") except the rights of Lessee under the Lease. The Lease is in full force and effect, and the Debtor's rights in and to the Lease and to the rents and other sums payable thereunder are free and clear of all Liens except those specified above.

h. Except for the Primary Lease, the Lease and the Loan Documents, there exist no material agreements, commitments or understandings to which Debtor is a party or by which Debtor is bound relating to the Collateral.

i. There is no action, suit, proceeding or investigation before any court, public board or body, or arbitrator, pending or, to Debtor's knowledge, threatened against Debtor which could adversely affect the transactions contemplated by or the validity or enforceability of the Loan Documents.

j. No approval, consent or withholding of any objection is required to be obtained by Debtor from any governmental authority with respect to the entering into or performance by Debtor of any of its obligations hereunder.

6. Affirmative Covenants. Debtor hereby covenants and agrees that, so long as the Note remains unpaid or otherwise unperformed, in whole or in part, it will:

a. preserve and maintain its existence as a joint venture company, duly organized, validly existing and in good standing under the laws of the State of New York.

b. promptly notify Secured Party in writing of any change in its name or in the location of its chief place of business from its address specified herein (or any address specified by it pursuant thereto);

c. hold in trust for the exclusive benefit of Secured Party all Collateral received by it and taxes relating thereto and will forthwith deliver to Secured Party the identical checks, drafts, cash and other forms of payment received with such endorsements and assignments thereof as Secured Party may reasonably request;

d. keep accurate and proper books of account and records relating to the Collateral and furnish to Secured Party, at Secured Party's expense, copies of such records, and permit representatives of Secured Party to discuss the Collateral or any part thereof with its officers, at such times and as often as may be reasonably requested, and furnish to Secured Party such information concerning the Collateral or any part thereof as Secured Party from time to time may reasonably request in writing;

7. Negative Covenants. Debtor hereby covenants and agrees that, so long as the Note remains unpaid or otherwise unperformed, in whole or in part, it will not:

a. without the prior written consent of Secured Party further sell, lease, assign or otherwise dispose of all or any part of its right, title and interest in and to the Collateral;

b. assert any claim or exercise any right, privilege, option, election, power or remedy, now existing or hereafter existing, under or pursuant to any of the provisions of the Lease;

c. waive or consent to the breach of any warranties and indemnities forming part of the Collateral;

d. take any action in connection with any Collateral which could impair or jeopardize the validity, priority or perfection of any security interest granted herein, the effectiveness of the assignment contained herein or the value of any of the Collateral;

e. create, incur, assume or suffer to exist any lien or encumbrance on any of its right, title and interest in and to any of the Collateral, except (i) the respective liens created by the Lease and this Security Agreement and (ii) liens which the Lessee is obligated to discharge in accordance with the express terms of the Lease.

8. Events of Default. Each of the following is an "Event of Default":

a. default (for any reason) in the due and punctual payment of any installment of principal and interest on the Note from the monthly rentals, late charges, or any other of the Payments payable in accordance with the terms of the Lease beyond the grace period provided for such payments under the Lease.

b. default in the due observance and performance of any other covenant, agreement, obligation or undertaking on the part of Debtor contained in this Security Agreement, and the continuance thereof for thirty (30) days;

c. Debtor (i) applies for or consents to the appointment of, or the taking of possession by, a receiver, custodian, trustee or liquidator of it or of all or a substantial part of its property, or (ii) is generally unable, or admits in writing its inability, to pay its debts as they become due, or (iii) makes a general assignment for the benefit of creditors, or (iv) commences a voluntary case under the Federal bankruptcy laws (as now or hereafter in effect), or (v) is adjudicated a bankrupt or insolvent, or (vi) files a petition in bankruptcy or a petition or an answer seeking reorganization or a composition or arrangement with creditors or to take advantage of any insolvency law or an answer admitting the material allegations of a petition filed against it in any bankruptcy, reorganization or insolvency proceedings, or (vii) acquiesces in writing to, or fails to controvert in a timely or appropriate manner, any petition filed against it in an involuntary case under such bankruptcy laws, (viii) ceases doing business, dissolves, liquidates or terminates its existence, or (ix) authorizes any of the foregoing actions;

d. a case or other proceeding shall be commenced against Debtor seeking its liquidation, reorganization, dissolution, winding up, or composition or readjustment of debts, or the appointment of a trustee, receiver, custodian, liquidator or the like of it or of all or a substantial part of its assets, or any similar action with respect to it under any laws relating to bankruptcy, insolvency, reorganization, winding up or composition or adjustment of debts, and such case or proceeding shall continue undismissed, or unstayed and in effect, for a period of thirty (30) days, or an order for relief against the Debtor shall be entered in an involuntary case under the Federal bankruptcy laws (as now or hereafter in effect);

e. any representation or warranty (whether or not conditioned upon knowledge or the accuracy of representations and warranties made by others) made by Debtor in this Security Agreement, or made by the Lessee in the Lease or the Notice, or made by Debtor or Lessee in any certificate or instrument furnished hereunder or thereunder or in connection herewith or therewith, shall prove to have been incorrect in any material respect when made; or

f. the occurrence of any Event of Default (as defined in the Lease or the Primary Lease, as applicable) under the Lease or the Primary Lease, or the breach by Lessee of any provision of the Notice.

9. Acceleration. If an Event of Default shall have occurred and be continuing, Secured Party may by written notice to Debtor declare the entire unpaid principal balance of, premium (if any) then due on, and all interest accrued and unpaid on the Note to be immediately owing and payable; and the entire unpaid principal balance of the Note, such premium, and all interest accrued and unpaid thereon shall thereupon become forthwith due and payable without any presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by Debtor.

10. Remedies.

a. In case an Event of Default shall have occurred and be continuing, and regardless of whether the right of acceleration under the preceding Section is exercised, Secured Party shall have all of the rights, options and remedies of a secured party, and Debtor shall have the rights and duties of a debtor, under the Massachusetts Uniform Commercial Code as then in effect, subject, however, to any provisions contained in the Lease.

b. Secured Party also shall be entitled, and is hereby authorized and empowered, whether or not the right of acceleration under the preceding Section is exercised, to pursue any other remedy (including, without limitation, injunctive relief and specific performance) available to Secured Party by statute, at law, in equity or otherwise to enforce payment of the Note, its rights under the Lease, the Notice, and this Security Agreement and its rights in, and to dispose of, the Collateral or any part thereof, including, without limitation, but subject in all cases to the rights of Lessee under the Lease and to any mandatory requirements of applicable law, the right:

(i) to take immediate possession of all or any part of the Collateral not then in its possession, and to remove such Collateral from the possession of the Debtor and all other persons, and to hold, operate and manage the Collateral and receive all earnings, income, rents, issues and (if an event of default under Section 18(a) (viii) through (xiv) of the Lease shall have occurred) sale proceeds accruing with respect thereto or any part thereof, Secured Party being under no liability for or by reason of any such taking of possession, holding, operation or management;

(ii) without regard to the adequacy of the security for the Note by virtue of this Security Agreement, any Collateral or other security or source of payment, or to the solvency of Debtor or Lessee, to institute legal proceedings for the appointment of a receiver or receivers pending foreclosure hereunder or for the sale of any of the Collateral under the order of a court of competent jurisdiction or under other legal process;

(iii) if an event of default under Section 18(a) (viii) through (xiv) of the Lease shall have occurred, to dispose of the Collateral, or any part thereof, on the premises of Debtor or, if such shall be permitted under the Lease or otherwise by Lessee, on the premises of Lessee or, if any event of default under the Lease shall have occurred, to require Debtor to assemble the Collateral or any part thereof and make it available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to Secured Party and Debtor;

(iv) if an event of default under Section 18(a) (viii) through (xiv) of the Lease shall have occurred, to dispose of the Collateral or any part thereof by public or private proceedings, as a whole or, from time to time, in part and if in part in such order and manner as Secured Party, in its sole discretion, shall elect, either for cash or on credit and on such terms as Secured Party shall determine;

(v) to exercise all claims, rights, powers, privileges, options, elections and remedies of Debtor in respect of the Collateral, either in the name of Debtor or in the name of Secured Party, but for the use and benefit of Secured Party; and

(vi) to perform any covenant, condition or agreement contained in the Lease on the part of the Lessor or Lessee to be observed or performed which covenant, condition or agreement the lessor or Lessee has failed to observe or perform, provided that Secured Party shall at no time be under any obligation to perform any such covenant, condition or agreement.

c. In the event reasonable notice is required to be given to Debtor under any applicable law, such notice shall be deemed to have been given if mailed, postage prepaid, certified or registered mail, return receipt requested, at least ten (10) days prior to the happening of the event for which such notice is being given, to Debtor at its address specified in Section 23 hereof (or the last address specified by Debtor pursuant thereto).

d. At any sale of the whole or any part of the Collateral, Secured Party may purchase the same or any part thereof, and there may be applied upon the purchase price the unpaid principal balance of, premium (if any) and all interest (including interest at the Overdue Rate provided in the Note) accrued and unpaid on the Note.

e. In case of any sale of the Collateral or any part thereof, pursuant to any judgment or decree of any court or otherwise, in connection with the enforcement of any of the terms of this Security Agreement, the Note, if not previously due, all premium due thereon, and all interest accrued and unpaid thereon, shall at once become immediately due and payable.

f. In case any proceeding to enforce any right under this Security Agreement, the Note, the Notice or the Lease, or under any law for foreclosure, sale, entry or otherwise, shall have been discontinued or abandoned for any reason or shall have been determined adversely, then and in every such case Debtor and Secured Party shall be restored to their former positions, rights and obligations hereunder and thereunder as if such proceeding had not been brought.

11. Receipt a Sufficient Discharge. Upon any sale of the Collateral or any part thereof or any interest therein, whether pursuant to foreclosure or power of sale or otherwise, the receipt of the officer making the sale under judicial proceedings or of Secured Party shall be sufficient discharge to the purchaser for the purchase money, and such purchaser shall not be obligated to see to the application thereof. Secured Party shall not be required in any such sale to make any representations or warranties with respect to the Collateral or any part thereof, and Secured Party shall not be chargeable with any of the obligations or liabilities of Debtor with respect thereto.

12. Waiver of Appraisement, Valuation, Etc. The right of Secured Party to take possession of and sell any of the Collateral in compliance with the provisions of this Security Agreement shall not be affected by the provisions of any applicable reorganization or other similar law of any jurisdiction; and Debtor covenants that it shall not take advantage of any such law or agree to allow any agent, assignee or other person to take advantage of such law in its place, to which end Debtor, for itself and all who may claim through it, as far as it or they now or hereafter lawfully may do so, hereby waives, to the fullest extent permitted under applicable law, any rights or defenses arising under any such law, and hereby agrees that any court having jurisdiction to foreclose upon and against the security interest granted in this Security Agreement may order the sale of the Collateral subject to such jurisdiction as an entirety or severally. Debtor hereby waives, to the full extent it may lawfully do so, the benefit of all appraisement, valuation, stay, extension and redemption laws now or hereafter in force and all rights of marshalling in the event of any sale of the Collateral or any part thereof or any interest therein.

13. Sale a Bar. Any sale of the Collateral or any part thereof or any interest therein, whether pursuant to foreclosure or power of sale or otherwise hereunder, shall be free and clear of any right, claim, equity title or interest of Debtor therein, and shall forever be a perpetual bar against Debtor.

14. Application of Proceeds. All monies and other proceeds of the exercise of any remedy hereunder shall be paid or applied as follows:

a. first, to the costs and expenses of any suit or other proceeding to collect any or all of the amounts due under the Note, the Lease, or any other lease of the Equipment, to foreclose or otherwise take possession of or collect upon the Collateral or any part thereof or to enforce or protect any or all of the Collateral or Secured Party's rights or interests therein, to the costs and expenses of re-taking, holding, preparing for sale or disposition and selling and disposing of the Collateral and other similar expenses, and to the payment of all taxes, assessments and liens on the Equipment, if any there be, superior to any security interest granted herein (except any of the same subject to which any sale of the Collateral was made), including, without limitation, the curing of any breach of any of Lessee's covenants contained in the Lease (together with interest on each amount so expended by the Secured Party to cure any such breach, at the Overdue Rate under the

Note, from the time of expenditure until paid), and reasonable compensation of Secured Party's agents, brokers, attorneys and counsel paid in connection with any of the foregoing;

b. second, to the payment of all principal, premium and interest at the time due and payable on the Note, together with interest on each such amount, from its due date until paid, at the Overdue Rate under the Note; and in case such moneys shall be insufficient to pay in full the amounts so due and unpaid upon the Note, then, with such priority of application between principal, premium and interest as the Secured Party may determine in its sole discretion;

c. third, to the payment of the surplus, if any, to Debtor and to Lessee as their respective interests may appear, or to whomever may be lawfully entitled to receive the same.

15. Appointment of Attorney. Until the security interest granted herein shall terminate, but without limiting the assignment made in Section 2 hereof, Debtor hereby irrevocably appoints Secured Party its true and lawful attorney, with power of substitution, for Debtor and in Debtor's name or Secured Party's name, for the use and benefit of Secured Party, to collect, receive payment of, receipt for and give discharges and releases of all claims of amounts due and to become due under the Note or Lease, to make demand with respect to,settle, compromise, compound or adjust any claims in respect of the Collateral, to commence and prosecute in Secured Party's name or in Debtor's name or otherwise any suits, actions or proceedings at law or in equity, in any court of competent jurisdiction, to collect any such claims or to enforce any rights in respect thereof, generally to sell, assign, transfer, pledge, make any agreement with respect to or otherwise deal with any of such claims and also (if an Event of Default shall have occurred and be continuing) all of the Collateral as fully and completely as though Secured Party were the absolute owner thereof for all purposes, and to file and record such copies or memoranda of this Security Agreement and financing statements, continuation statements and other instruments or documents with respect to the security interest granted herein as Secured Party may deem desirable fully to protect its interests hereunder and thereunder, and for such purpose Debtor hereby authorizes Secured Party to effect any such filings or recordings without the signature of Debtor to the extent permitted by applicable law. For the purposes of exercising Secured Party's rights under this Section, Secured Party may endorse, in the name of Debtor, checks and drafts given in full or partial payment of all claims. The powers conferred on Secured Party by this Section are solely to protect its interests and shall not impose any duties upon Secured Party to exercise any such powers.

16. Obligations of Secured Party; Exercise of Rights and Remedies. Secured Party shall not assume or be obligated to perform any duties, obligations or liabilities of Debtor in respect of the Collateral or any part thereof for any reason or at any time. Secured Party shall have no duty as to the collection or protection of any of the Collateral or any income with respect thereto, nor as to the preservation of rights against Lessee, Debtor or any other person, nor as to the preservation of any rights pertaining to any of the Collateral beyond reasonable care in its custody. Secured Party may exercise its rights and remedies with respect to any of the Collateral without resort or regard to other security or sources of payment.

17. Limitation of Liability. Any provision of the Note, the Security Agreement or any certificate, opinion or document of any nature whatsoever to the contrary notwithstanding, Secured Party shall not have any claim, remedy or right to proceed (at law or in equity) against Debtor, or any director, officer, employee or shareholder of Debtor, for any principal, premium or interest payable on the Note, from any source other than the Collateral. Secured Party hereby waives and releases any personal liability of Debtor for or on account of any principal, premium or interest payable on the Note, and Secured Party hereby agrees to look solely to the Collateral for the payment of any principal, premium or interest payable on the Note. Debtor acknowledges that it

shall nevertheless be personally liable for any damages caused by the breach of any representation, warranty or covenant (other than the covenant to pay the principal, premium and interest payable on the Note) made by Debtor and contained in this Security Agreement or the Note or any certificate or other document furnished by Debtor and delivered in connection with the transaction contemplated hereby or thereby.

18. Further Assurances. At any time or from time to time upon Secured Party's written request, Debtor will, at its expense, execute and deliver such further documents and do such other acts and things as Secured Party may reasonably request in order fully to effectuate the purposes of this Security Agreement, to provide for the payment of the Note and Lease in accordance with the terms thereof, and to vest more completely in and assure to Secured Party its rights under this Security Agreement and in and to the Collateral, and its rights to and its security interest (if any) created by the Lease in the Equipment.

19. Waivers; Rights Cumulative. Debtor agrees that Secured Party shall be entitled to exercise any of its rights and remedies under this Security Agreement, or under applicable law, without resort to judicial process, and Debtor hereby waives, to the extent permitted by law, its rights to notice and hearing under any law to determine whether probable cause exists entitling Secured Party to any such exercise. No failure to exercise, and no delay in exercising, on Secured Party's part, any right, power or privilege under this Security Agreement, the Note, the Notice, the Lease, or under applicable law or otherwise, shall operate as a waiver thereof; nor shall any single or partial exercise of any right, power or privilege hereunder or thereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies of Secured Party herein and therein are cumulative and not exclusive of any rights or remedies now or hereafter provided at law, in equity or by statute.

20. Terms Subject to Applicable Law. All rights, powers and remedies provided herein may be exercised only to the extent that the exercise thereof does not violate any applicable law, and are intended to be limited to the extent necessary so that they will not render this Security Agreement invalid, unenforceable or not entitled to be recorded, registered or filed under any applicable law. If any term of this Security Agreement or any application thereof shall be held to be invalid, illegal or unenforceable, the validity of the other terms of this Security Agreement or any other application of such term shall in no way be affected thereby.

21. Successors and Assigns. This Security Agreement shall inure to the benefit of and be binding upon the successors and assigns of each of the parties, including, in the case of Secured Party, the holder from time to time of the Note.

22. Amendment and Waiver. This Security Agreement may be amended, and the observance of any term of this Security Agreement may be waived, only by an instrument in writing signed by Secured Party and Debtor.

23. Miscellaneous.

a. The headings in this Security Agreement are for the purpose of reference only, and shall not limit or otherwise affect the meaning hereof.

b. All notices required or permitted to be delivered under this Security Agreement, and all communications in respect hereof, shall be in writing and shall be deemed to have been given when deposited in the United States mails, certified, first-class, postage prepaid and addressed to the parties at their respective addresses as follows:

(i)	if to Debtor: 400 Andrews Street	Cheyenne Leasing Company Suite 500 Rochester, NY 14604 Attn: Diane Lee
(ii)	if to Secured Party:	BancBoston Leasing Inc. 100 Federal Street Boston, MA 02110 Attn: Vice President - Contracts

or addressed to such other address or to the attention of such other person as the addressee shall have specified in a notice delivered pursuant to this subsection.

c. This Security Agreement may be executed in one or more counterparts. Each of such counterparts, when executed, shall be deemed an original, but such counterparts together shall constitute one and the same agreement, which shall be sufficiently evidenced by one of such original counterparts.

d. This Security Agreement shall be construed and enforced in accordance with and governed by the laws of the Commonwealth of Massachusetts.

IN WITNESS WHEREOF, Debtor has caused these presents to be executed and delivered to Secured Party in Boston, Massachusetts by its officer hereunto duly authorized as of the day and year first above written.

CHEYENNE LEASING COMPANY

By: _____
Diane M. Lee
Title: V.P., Administration

Agreed:
BANCBOSTON LEASING INC.

By: _____

Title: _____

STATE OF NEW YORK)
) ss.:
COUNTY OF Monroe)

On this 13th day of Feb 19 94 before me personally appeared Diane M. Lee, to me personally known, who being duly sworn said that he is the

V.P., Administration of Cheyenne Leasing Company, that the seal (if any) affixed to the foregoing instrument is the seal of said company, that said instrument was signed and (if applicable) sealed on behalf of said company by authority of the duly elected or appointed person or body established by the Joint Venture Agreement governing such company, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

[Seal]

Notary Public

My Commission Expires Feb 28, 1996

COMMONWEALTH OF MASSACHUSETTS)
) ss.:
COUNTY OF SUFFOLK)

On this 9TH day of FEBRUARY 1995, before me personally appeared JAMES D. TIGUE, to me personally known, who being duly sworn said that he is a Vice President of BancBoston Leasing Inc., that the seal 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.

Notary Public

[Seal]

Teresa M. Grimes
Notary Public
My Commission Expires January 20, 1999

My Commission Expires

ABUPRR#4.DOC

I, Diane M. Lee, have compared the copy of the attached document with the original and have found the copy to be complete and identical in all respect to the original document.

BY: Diane M Lee

STATE OF NEW YORK]
] ss.:
COUNTY OF MONROE]

On this 10th day of February 1995, before me personally appeared Diane M. Lee, to me personally known, who being duly sworn said that (s)he is the Vice President-Administration of Cheyenne Leasing Company, that the seal (if any) affixed to the foregoing instrument is the seal of said company, that said instrument was signed and (if applicable) sealed on behalf of said company by authority of the duly elected or appointed person or body established by the Joint Venture Agreement governing such company, and (s)he acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

96

Robert F. Fogarty
Notary Public

My Commission Expires Feb 28, 1996

062/Notary

NOTICE, ACKNOWLEDGMENT AND AGREEMENT OF LESSEE

February 10, 1995

Union Pacific Railroad Company
1416 Dodge Street
Omaha, Nebraska 68179-0001

Re: That certain Equipment Schedule No. Four together with any exhibits, certificates, riders, amendments and modifications thereto (the "Lease") to Master Sublease Agreement dated as of April 29, 1994 between Cheyenne Leasing Company as lessor ("Lessor") and Union Pacific Railroad Company as lessee ("Lessee").

Gentlemen:

1. Notice is hereby given that pursuant to a Security Agreement and Assignment (the "Security Agreement") between Lessor as debtor and BancBoston Leasing, Inc. as secured party (the "Lender"), the Lease has been collaterally assigned and a security interest in the Lease and the Lessor's interest in the Equipment thereunder ("Equipment") has been granted by Lessor for financing purposes to Lender.

2. Pursuant to the Security Agreement, Lessor has assigned, transferred and set over unto Lender:

   a. all sums due under the Lease or any extension thereof, including without limitation, rentals, interest, late charges, payments, taxes, income, revenues, issues, profits, insurance proceeds, awards and proceeds in respect of any taking, casualty, salvage, damage or termination, and all other amounts, or every kind and nature, now or hereafter payable to or receivable by Lessor in respect of the Equipment or the Lease (together "Payments");

   b. all claims, rights, privileges, options, elections, powers and remedies, now existing or hereafter arising, of Lessor under or pursuant to any provision of the Lease; and

   c. all other rights of Lessor to give, make, enter into or receive any agreement, amendment, notice, consent, demand, waiver or approval with, to or from Lessee under or in respect of the Lease or any of the Equipment, to accept surrender of any of the Equipment,

or to terminate or cancel the Lease; in each case together with full power and authority, in the name of Lessor or Lender, to enforce, collect, receive and receipt for any or all of the foregoing; and

3. Lessor acknowledges and consents to the security interest granted by Lessee to Lender which covers an undivided 56.26% interest in the Equipment. Lessor acknowledges further that Lender remedies as to the Equipment are subject to certain provisions of Section 18(b) of the Lease which provides that Lender may sell the Equipment, including both the interests of Lessee and Lessor, only if Lessee becomes the subject of a "bankruptcy Event of Default", as defined in Section 18(a) of the Lease, before Lender has recovered from the defaulted Lessee all amounts due as specified in Section 18(b) of the Lease. In such event, Lessee agrees that Lender may sell the Equipment, applying the proceeds as specified in Section 18(b) of the Lease and, in furtherance of the provisions of Section 18(b) of the Lease, Lessee hereby grants to Lender a security interest in Lessees' interest in the Equipment as collateral security for Lessee's obligations to Lessor and Lender, as assignee, as such obligation is defined and limited by Section 18(b) of the Lease.

4. Pursuant to the assignment, Lessor and Lender hereby irrevocably direct you to remit to Lender all Payments required to be made pursuant to the Lease, net of Basic Rent due from Lessor (as lessee) to Lessee (as lessor) under the Master Lease Agreement dated as of April 29, 1994 between Union Pacific Railroad Company and Cheyenne Leasing Company (the "Primary Lease"), beginning with the first payment date, March 1, 1995, and continuing thereafter through and including the payment due February 1, 2000. All Payments should be mailed directly to Lender at the following address

BancBoston Leasing, Inc.
Post Office Box 1730
Boston, MA 02105

(or to such other address or party as Lender may otherwise direct). Any notices and other communications should also be given or sent to Lender at the foregoing post office address or in the event of registered or certified mail or overnight delivery sent to:

BancBoston Leasing, Inc.
Attn: President
100 Federal Street
Boston, MA 02110

Any notices and other communications required to be sent to Lessor should be sent by first class mail to:

BancBoston Leasing, Inc.
Attn: Vice President, Contract Administration
100 Federal Street
Boston, MA 02110

5. This letter will also serve to confirm the following representations: (i) that your obligation to pay the Payments to Lender as set forth in the Lease shall be, on and after the date of this notice, unconditional and that you will make the payments (x) without any right of setoff, defense or counterclaim subject only to any action by Lender which materially and adversely affects your physical possession or use of the Equipment at a time when you are not in default under the Lease, and (y) regardless of whether or not you shall have received an appropriate invoice with respect thereto and (z) notwithstanding any rights, claims or causes of action which you may have, or may hereafter acquire under the Lease, as a result of any defect in the Equipment or otherwise, (ii) that the Lease is in full force and effect; (iii) that all items of Equipment have been delivered at the location set forth in the relevant Certificate of Acceptance and have been found to be in good working order and are accepted by you under the Lease; (iv) that Lender shall continue to enjoy all of Lessor's rights and privileges under the Lease but shall no longer be chargeable with any obligations or liabilities under the Lease; (v) that a copy of any notice which you are required to give to Lessor under the Lease shall now be sent to Lender and Lessor; (vi) that you will not permit the Lease or any provisions thereof to be amended or waived without the prior, express written consent of Lender and Lessor; and (vii) that you will continue to furnish to Lender annual audited financial statements, as specified in the Lease, this letter constituting the request therefor referred to in the Lease.

6. You also represent and agree that

   a. no Event of Default under the Lease and no event which, but for the passage of time or the giving of notice or both, would become an Event of Default under the Lease exists on the part of Lessee in the performance of its obligations under the Lease;

   b. without Lender's prior, express written consent you will not (i) sell, encumber surrender, abandon, or sublease any of the Equipment, except as permitted in the Lease, or (ii) subordinate, encumber, amend, modify, terminate, cancel or assign the Lease;

c. any such consent of Lender, except as expressly otherwise provided by the terms of the Lease, may be given or withheld in Lender's absolute discretion;

d. all rights of Lessor under the Lease (i) to give, make, enter into or receive any agreement, amendment, notice, consent, demand, waiver or approval with, to or from Lessee under or in respect of the Lease or any of the Equipment, or (ii) to accept surrender of any of the Equipment shall not be exercised by Lessor without the consent of Lender; and

e. except as aforesaid, any act of Lessor and/or Lessee which contravenes the provisions of this paragraph 6 shall be void against Lender and shall constitute an Event of Default under the Lease.

7. The provisions of the notice shall remain effective until you are notified in writing by Lender of different payment instructions or that it claims no further interest under the Security Agreement or this notice after which you shall remit all payments pursuant to Lessor's written directions.

8. The assignment in the Security Agreement shall not be deemed to relieve Lessor of any obligation as Lessor under the Lease and Lessee agrees that the assignment and grant of a security interest to the Lender acknowledged hereunder, does not materially change the duty of Lessee, increase the burden or risk imposed by the Lease upon the Lessee, and does not constitute a material delegation of performance by Lessor.

9. Lender covenants with Lessee that so long as Lessee is not in default under the Lease and has not breached any of the terms of this notice, Lender will not disturb Lessee's quiet and peaceful possession of the Equipment or its unrestricted use thereof for its intended purpose.

Very truly yours,

CHEYENNE LEASING COMPANY (LESSOR)

By: Diane M. Lee

Title: Diane M. Lee
V.P., Administration

Acknowledged and Agreed:

UNION PACIFIC RAILROAD COMPANY (LESSEE)

By: Charles R. Eisele

Title: Vice President-Purchasing

Acknowledged and Agreed:

BANCBOSTON LEASING, INC. (LENDER)

By: _____

Title: _____