

19582-6

STEPTOE & JOHNSON LLP

FEB 19 '98

4-15PM

ATTORNEYS AT LAW

1330 CONNECTICUT AVENUE, N.W.  
WASHINGTON, D.C. 20036-1795

(202) 429-3000

FACSIMILE: (202) 429-3902

TELEX: 89-2503

STEPTOE & JOHNSON INTERNATIONAL  
AFFILIATE IN MOSCOW, RUSSIA

TELEPHONE: (011-7-501) 258-5250  
FACSIMILE: (011-7-501) 258-5251

PHOENIX, ARIZONA  
TWO RENAISSANCE SQUARE

TELEPHONE: (602) 257-5200  
FACSIMILE: (602) 257-5299

TIMOTHY M. WALSH  
(202) 429-6277  
twalsh@steptoe.com

February 19, 1998

BY HAND

Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
1925 K Street, N.W.  
Suite 700  
Washington, D.C. 20423-0001

Dear Mr. Williams:

Enclosed for filing and recordation pursuant to 49 U.S.C. § 11301 are one original and three executed counterparts of a Complete Release and Termination of Mortgage, Security Interests and Liens, a secondary document. The primary document to which it relates is the Collateral Assignment and Agreement (Locomotive Leases) recorded on August 31, 1995 under Recordation No. 19582. It relates to the railroad equipment identified in the primary document, as the same may have been amended or supplemented by previously recorded secondary documents and to the extent not released thereby.

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

Secured Party

Bank of America National Trust  
and Savings Association  
(as Agent for certain lenders)

Counterpart - [Handwritten signature]

Honorable Vernon A. Williams

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1455 Market Street  
12th Floor  
San Francisco, California 94103

Borrower/Debtor

MotivePower Industries, Inc.  
1200 Reedsdale Street  
Pittsburgh, PA 15233

Please file and record the document with indexing under the foregoing names.

A fee of \$24.00 is enclosed for the recordation. Please return the original and any extra copies not needed by the Board for recordation to the person presenting this letter.

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

Complete Release and Termination of  
Mortgage, Security Interests and Liens.

Very truly yours,

*Timothy M. Welsh*

Attorney for MotivePower  
Industries, Inc.

Enclosures

FEB 19 '98

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**COMPLETE TERMINATION AND RELEASE  
OF MORTGAGE, SECURITY INTERESTS AND LIENS**

Bank of America National Trust and Savings Association, as agent for the Financial Institutions party to the agreements and instruments described below (and as successor by assignment from BankAmerica Business Credit, Inc.) ("Agent"), for good and valuable consideration, the receipt and sufficiency of which are acknowledged, hereby:

(a) terminates all rights, security interests, liens and other interests created or evidenced by any or all of the following instruments and agreements (collectively, the "Security Agreements"):

(1) Second Amended and Restated Credit Agreement dated as of February 27, 1997, among the Financial Institutions listed on the signature pages thereof, as Lenders, and MotivePower Industries, Inc., as Borrower;

(2) Mortgage of Locomotives and Security Agreement dated as of August 30, 1995 by and between MK Rail Corporation, as Mortgagor, and the Agent, as Mortgagee and Agent for the Lenders, as the same has been amended by the First Amendment dated as of September 10, 1996 and the Second Amendment dated as of February 27, 1997, and as the same have been recorded pursuant to the Interstate Commerce Act, together with that certain assignment and name change related thereto, under Interstate Commerce Commission/Surface Transportation Board ("ICC/STB") Recordation No. 19583 (recorded August 31, 1995) through 19583-H (recorded March 3, 1997);

(3) Collateral Assignment and Agreement (Locomotive Leases) dated as of August 30, 1995 by and between MK Rail Corporation and the Agent, as the same has been amended by the First Amendment dated as of September 10, 1996 and the Second Amendment dated as of February 27, 1997, and as the same have been recorded pursuant to the Interstate Commerce Act, together with that certain assignment and name change related thereto, under ICC/STB Recordation No. 19582 (recorded August 31, 1995) through 19582-F (recorded March 3, 1997); and

(4) Collateral Assignment and Agreement (Locomotive Leases) dated as of September 10, 1996 by and between MotivePower Industries, Inc. and the Agent, as the same has been amended by the First Amendment dated as of February 27, 1997, and as the same have been recorded pursuant to the Interstate Commerce Act, together with that certain assignment and name change related thereto, under ICC/STB Recordation No. 20261 (recorded September 10, 1996) through 20261-C (recorded March 3, 1997);

and

(b) releases all locomotives, railroad rolling stock and locomotive leases (together with all accessories, equipment, parts and other appurtenances appertaining or attached to any of the foregoing and all substitutions or replacements of and additions, improvements, accessions and

accumulations to any thereof, together with all rents, issues, income, profits and awards thereof including without limitation any lease, assignment or user contract relating to said equipment and the proceeds, including insurance proceeds, and products thereof) from any rights, security interests, liens and other interests in created or evidenced by any or all of the Security Agreements.

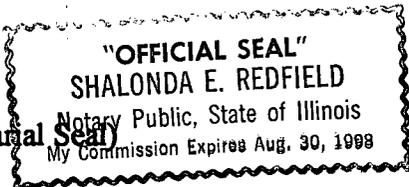
Dated as of this 6<sup>th</sup> day of February, 1998.

**BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, as agent for the financial institutions party to the agreements and instruments described above**

By: *M. Detrick*  
Name: Margaret A. Detrick  
Title: Vice President

STATE OF ILLINOIS        )  
  )  
COUNTY OF COOK        )        SS:

On this 6<sup>th</sup> day of February, 1998, before me personally appeared Margaret A. Detrick, to me personally known, who being by me duly sworn, says that she is a Vice President of Bank of America National Trust and Savings Association, as Agent, that said instrument was signed and sealed on behalf of said Bank of America National Trust and Savings Association, as Agent, by authority of its Board of Directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

(Notary Seal) 

*Shalonda E. Redfield*  
Notary Public

My Commission Expires: 8-30-98

Document Number: 282541.1  
January 30, 1998