

Union Pacific Corporation

1-191A018



Jack E. Jerrett
Senior Corporate Attorney

July 9, 1991

17039-2

BY HAND

JUL 10 1991 - 1 35 PM

Hon. Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Twelfth Street & Constitution Ave., N.W.
Washington, DC 20423

INTERSTATE COMMERCE COMMISSION

Re: Lease of Locomotives from Meridian Trust
Company to Union Pacific Railroad Company

Dear Mr. Strickland:

Enclosed are an original and five (5) originally executed counterparts of a Lease Termination, Release of Lien and Bill of Sale, dated as of July 1, 1991, among Meridian Trust Company, as lessor, Union Pacific Railroad Company, as lessee, and Wilmington Trust Company, as indenture trustee. The primary documents to which this Lease Termination, Release of Lien and Bill of Sale are connected are a Lease Agreement, dated as of September 1, 1990 (the "Lease Agreement"), between Meridian Trust Company, as lessor, and Union Pacific Railroad Company, as lessee, and an Indenture and Security Agreement, dated as of September 1, 1990 (the "Indenture"), between Meridian Trust Company, as owner trustee, and Wilmington Trust Company, as indenture trustee, both of which have been filed with the Commission under recordation number 17039.

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

Lessee:
Union Pacific Railroad Company
Martin Tower
Eighth and Eaton Avenues
Bethlehem, Pennsylvania 18018

C. Jerrett
V. Strickland

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Lessor:
Meridian Trust Company
35 North Sixth Street
Reading Pennsylvania 19603

Indenture Trustee:
Wilmington Trust Company
Rodney Square North
Wilmington, Delaware 19890

The enclosed Lease Termination, Release of Lien and Bill of Sale provides for the termination of the Lease Agreement and release of the lien of the Indenture with respect to three rotary dump hopper cars bearing road numbers CHTT 500402, CHTT 500369 and CHTT 500352, and the transfer of title to such hopper cars to Union Pacific Railroad Company. 3

The hopper cars covered by the aforesaid Lease Termination, Release of Lien and Bill of Sale are each marked on the sides in letters not less than one inch in height with the words "Owned by a bank or trust company and subject to a security agreement filed with the Interstate Commerce Commission."

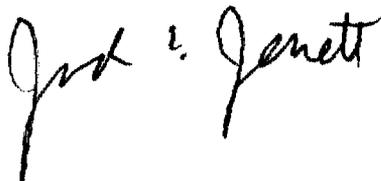
A short summary of the enclosed document to appear in the index follows:

Lease Termination, Release of Lien and Bill of Sale, dated as of July 1, 1991, among Meridian Trust Company, 35 North Sixth Street, Reading Pennsylvania 19603, as lessor, and Union Pacific Railroad Company, Martin Tower, Eighth and Eaton Avenues, Bethlehem, PA 18018, as lessee, and Wilmington Trust Company, Rodney Square North, Wilmington, Delaware 19890, as indenture trustee, covering three (3) Rotary Dump Hopper Cars bearing the road numbers set forth in Schedule 1 thereto.

A fee of Fifteen Dollars (\$15.00) is enclosed. Please time and date stamp the extra counterparts of the enclosed document along with the extra copy of this letter as proof of filing and recordation and return any extra

copies of such documents and this letter not needed by the Commission for recordation to the undersigned via the awaiting messenger.

Sincerely,

A handwritten signature in cursive script, appearing to read "J. J. Jenett". The signature is written in dark ink and is positioned to the right of the typed name "J. J. Jenett".

JEJ:nr
Enclosures

17039-2

JUL 10 1991 -1 25 PM
INTERSTATE COMMERCE COMMISSION

LEASE TERMINATION,
RELEASE OF LIEN
AND
BILL OF SALE

Dated as of July 1, 1991

Among

MERIDIAN TRUST COMPANY
not in its individual capacity but solely as trustee,
Lessor/Owner Trustee,

UNION PACIFIC RAILROAD COMPANY,
as Lessee

and

WILMINGTON TRUST COMPANY,
not in its individual capacity but solely as trustee,
Indenture Trustee

ROTARY DUMP HOPPER CARS

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

THIS LEASE TERMINATION, RELEASE OF LIEN AND BILL OF SALE, dated as of July 1, 1991, among MERIDIAN TRUST COMPANY, a trust company organized under the laws of Pennsylvania, not in its individual capacity but solely as Owner Trustee under that certain Trust Agreement dated as of September 1, 1990 with CONNELL FINANCE COMPANY, INC., a New Jersey corporation, UNION PACIFIC RAILROAD COMPANY, a Utah corporation and WILMINGTON TRUST COMPANY, a Delaware banking corporation, not in its individual capacity but solely as Indenture Trustee.

W I T N E S S E T H:

WHEREAS, the Lessor, the Lessee and the Indenture Trustee have, with the other parties thereto, heretofore entered into a Participation Agreement, the Lessor and the Lessee have heretofore entered into a Lease Agreement and the Indenture Trustee and the Owner Trustee have heretofore entered into an Indenture and Security Agreement, each dated as of September 1, 1990 (the "Participation Agreement," the "Lease," and the "Indenture, respectively). Capitalized terms used herein without definition shall have the respective meanings set forth in Schedule X to the Lease;

WHEREAS, certain Railcars have suffered an Event of Loss and the Lessee has elected not to replace such Railcars and has paid the Stipulated Loss Value and all other Rent required to be paid with respect to such Railcars under the Lease;

WHEREAS, a pro rata portion of each Series A Notes applicable to the Railcars suffering an Event of Loss has been redeemed in accordance with Article IV of the Indenture;

WHEREAS, the Indenture provides for the transfer of all of the Indenture Trustee's title and interest in the Railcars suffering an Event of Loss to the Owner Trustee and the release of such Railcars from the lien of the Indenture, and the Lease provides for the termination of the Lease with respect to such Railcars and the transfer of the Lessor's right, title and interest in such Railcars to the Lessee, in each case if the Lessee has paid the Stipulated Loss Value and all other Rent applicable to such Railcars and needed to effect a partial redemption of the Series A Notes related thereto;

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

1. The lien of the Indenture with respect to the Railcars listed on Schedule 1 hereto (the "Terminated Railcars") is hereby released and cancelled, and the Indenture Trustee does hereby grant, bargain, sell, transfer and convey unto the Owner Trustee all of its right, title and interest in and to the Terminated

Railcars, free and clear of all liens, security interests and other encumbrances created in or retained by it under the Indenture, but without further representation or warranty, to have and to hold all and singular the Terminated Railcars unto the Owner Trustee, its successors and assigns forever.

2. The Lease is hereby terminated and cancelled with respect to the Terminated Railcars, and the Lessor does hereby grant, bargain, sell, transfer and convey unto the Lessee, all right, title and interest in and to the Terminated Railcars, "as is, where is," free and clear of all Owner Encumbrances but without any other recourse or warranty, to have and to hold all and singular the Terminated Railcars unto the Lessee, its successors and assigns forever.

3. Except as amended hereby, the Lease and the Indenture are hereby confirmed and ratified and shall continue in full force and effect.

4. This document 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 instrument to be duly executed in its corporate name by its officers thereunto duly authorized, all as of the date first above written.

Attest:

WILMINGTON TRUST COMPANY,
as Indenture Trustee

By: _____

By: _____
Name:
Title:

Attest:

MERIDIAN TRUST COMPANY,
not in its individual capacity
but solely as Owner Trustee

By: *R. H. Babb*
RICHARD H. BABB
VICE PRESIDENT

By: *L. S. Anderson*
Name: LYNN S. ANDERSON
Title: VICE PRESIDENT

Attest:

UNION PACIFIC RAILROAD COMPANY

By: Emma L. Cannon

By: John B. Larsen

Name: John B. Larsen
Title: Assistant Treasurer

Commonwealth of Pennsylvania)
) SS
County of Lehigh)

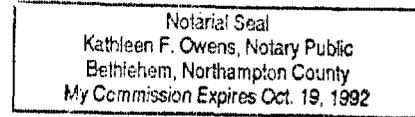
On this 26th day of June, 1991, before me personally appeared JOHN B. LARSEN, to me personally known, who being by me duly sworn, says that he or she is the ASSISTANT TREASURER of Union Pacific Railroad Company, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he or she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[notary seal]

Kathleen F. Owens
notary public

My commission expires:

Commonwealth of Pennsylvania)
) SS
County of



Member, Pennsylvania Association of Notaries

On this _____ day of _____, 1991, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he or she is the _____ of Meridian Trust Company, 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 or she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[notary seal]

notary public

My commission expires:

Commonwealth of Pennsylvania)
) SS
County of Lehigh)

On this ____ day of _____, 1991, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he or she is the _____ of Union Pacific Railroad Company, 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 or she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[notary seal]

notary public

My commission expires:

Commonwealth of Pennsylvania)
) SS
County of Berks

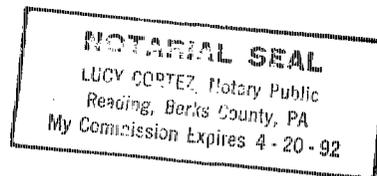
On this 26th day of June, 1991, before me personally appeared Lynn S. Anderson, to me personally known, who being by me duly sworn, says that he or she is the Vice President of Meridian Trust Company, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he or she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[notary seal]

Lucy Cortez

notary public

My commission expires:



State of Delaware)
County of New Castle) SS

On this 27th day of June, 1991, before me personally appeared Marybeth Amard, to me personally known, who being by me duly sworn, says that he or she is the President of Wilmington Trust Company, 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 or she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[notary seal]

Roseline K. Maney
notary public

My commission expires:

ROSELINE K. MANEY
NOTARY PUBLIC
My Commission expires March 23, 1993

SCHEDULE OF TERMINATED RAILCARS

Rotary Dump Hopper Cars

<u>Quantity of Units</u>	<u>Road Numbers</u>
3	CHTT 500402 CHTT 500369 CHTT 500352