

CHAPMAN AND CUTLER

111 West Monroe Street, Chicago, Illinois 60603-4080

TWX 910-221-2103 Telex 206281

FAX (312) 701-2361

Telephone (312) 845-3000

2 North Central Avenue
Phoenix, Arizona 85004
(602) 256-4060

50 South Main Street
Salt Lake City, Utah 84144
(801) 533-0066

Theodore S. Chapman
1877-1943
Henry E. Cutler
1879-1959

July 23, 1996

20192 - E

RECORDATION NO. _____ FILED 1425

JUL 22 1996 - 2:05 PM

INTERSTATE COMMERCE COMMISSION

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
Twelfth Street & Constitution Avenue, N.W.
Washington, DC 20423

Re: Burlington Northern Railroad Company
Leveraged Lease Locomotive Financing
BNRR 1996-C

Dear Mr. Williams:

I am enclosing for recording pursuant to Section 11301 of Title 49 of the United States Code, three original copies of the document described below. As one of the attorneys representing the Lessee in this transaction, I have knowledge of the matters described in this letter.

The enclosed document is as follows:

Memorandum of Lessor Security Agreement (BNRR 1996-C), dated July 23, 1996, between Spokane Locomotive Lease Co., Ltd., as lessor (the "Lessor"), and Burlington Northern Railroad Company, as lessee (the "Lessee").

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

Lessee: Burlington Northern Railroad Company
3200 Continental Plaza
777 Main Street
Fort Worth, Texas 76102

Lessor: Spokane Locomotive Lease Co., Ltd.
Calendonian House
Mary Street
P.O. Box 1043
George Town
Grand Cayman, Cayman Islands

+ 5
minutes

The underlying Lessor Security Agreement provides, *inter alia*, for the granting of a junior security interest in certain Locomotives (the "Equipment") in favor of the Lessee.

Countryparts - Edmund June

CHAPMAN AND CUTLER

Mr. Vernon A. Williams, Secretary
July 23, 1996
Page 2

The description of the Equipment covered as of the date hereof by the aforesaid Memorandum of Lessor Security Agreement is as set forth on Exhibit A hereto.

A fee of twenty-one dollars (\$21.00) is enclosed. Please time and date stamp the enclosed copies of the enclosed document along with the extra copy of this letter as proof of filing and recordation of the enclosed document and return the original and any extra copies of such document and this letter not needed by the Board for recordation to:

Karl T. Williams, Esq.
Chapman and Cutler
111 West Monroe
Chicago, Illinois 60603

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

MEMORANDUM OF LESSOR SECURITY AGREEMENT:

Memorandum of Lessor Security Agreement (BNRR 1996-C) between Spokane Locomotive Lease Co., Ltd., as Lessor, Caledonian House, Mary Street, P.O. Box 1043, George Town, Grand Cayman, Cayman Islands, and Burlington Northern Railroad Company, as Lessee, 3200 Continental Plaza, 777 Main Street, Fort Worth, Texas 76102, dated July 23, 1996, covering certain diesel electric locomotives bearing the road numbers listed in the Schedule attached thereto.

If you have any questions or need further information, please do not hesitate to contact the undersigned (312-845-3892).

Sincerely,

CHAPMAN AND CUTLER

By Karl T. Williams
Karl T. Williams

KTW/wp
Enclosure

Law Offices of
CHAPMAN AND CUTLER

EXHIBIT A

UNITS

| EQUIPMENT | QUANTITY | ROAD NUMBERS |
|--|----------|---|
| General Motors Corporation (Electro-Motive Division) Model SD70M-AC Diesel Electric Locomotives | 26 | BN 9725 through BN 9739, inclusive, BN 9765 through BN 9775, inclusive |
| General Motors Corporation (Electro-Motive Division) Model SD75M Diesel Electric Locomotives | 8 | ATSF 8252, ATSF 8263, ATSF 8266, ATSF 8271 through ATSF 8275, inclusive |

20002 -E

**MEMORANDUM OF LESSOR SECURITY AGREEMENT
(BNRR 1996-C)**

Memorandum of Lessor Security Agreement, made and entered into on July 23, 1996 by and between Spokane Locomotive Lease Co., Ltd., a Cayman Islands corporation ("*Lessor*"), and Burlington Northern Railroad Company, a Delaware corporation ("*Lessee*").

WITNESSETH:

The undersigned have entered into that certain Lessor Security Agreement (BNRR 1996-C), dated as of July 23, 1996, whereby the Lessor has granted to the Lessee a security interest in certain locomotives bearing road numbers as listed on Exhibit A attached hereto.

IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

SPOKANE LOCOMOTIVE LEASE CO., LTD.

By 
Name: F. Jan Blaustein
Title: President

Executed on this 18th day of July, 1996.

BURLINGTON NORTHERN RAILROAD
COMPANY

By _____
Name: Paul J. Weyandt
Title: Assistant Vice President-Finance
and Assistant Treasurer

Executed on this ____ day of July, 1996.

**MEMORANDUM OF LESSOR SECURITY AGREEMENT
(BNRR 1996-C)**

Memorandum of Lessor Security Agreement, made and entered into on July 23, 1996 by and between Spokane Locomotive Lease Co., Ltd., a Cayman Islands corporation ("*Lessor*"), and Burlington Northern Railroad Company, a Delaware corporation ("*Lessee*").

WITNESSETH:

The undersigned have entered into that certain Lessor Security Agreement (BNRR 1996-C), dated as of July 23, 1996, whereby the Lessor has granted to the Lessee a security interest in certain locomotives bearing road numbers as listed on Exhibit A attached hereto.

IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

SPOKANE LOCOMOTIVE LEASE CO., LTD.

By _____
Name: F. Jan Blaustein
Title: President

Executed on this ____ day of July, 1996.

BURLINGTON NORTHERN RAILROAD
COMPANY

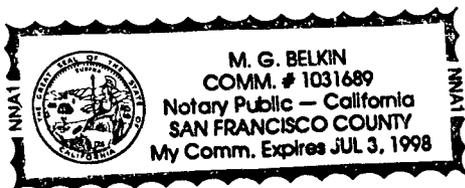
By Paul J. Weyandt
Name: Paul J. Weyandt
Title: Assistant Vice President-Finance
and Assistant Treasurer

Executed on this 18th day of July, 1996.

STATE OF California)
) SS.:
COUNTY OF San Francisco)

On this, the 18th day of July, 1996, before me, a Notary Public in and for said County and State, personally appeared F. Jan Blaustein, who being by me duly sworn, says that she is the President of SPOKANE LOCOMOTIVE LEASE CO., LTD., that said instrument was signed on July 18, 1996 on behalf of said corporation 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 corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.



M. G. Belkin
Name: M. G. Belkin
Notary Public
My Commission Expires:
Residing in _____

STATE OF _____)
) SS.:
COUNTY OF _____)

On this, the _____ day of July, 1996, before me, a Notary Public in and for said County and State, personally appeared Paul J. Weyandt, who being by me duly sworn, says that he is the Assistant Vice President - Finance and Assistant Treasurer of BURLINGTON NORTHERN RAILROAD COMPANY, that said instrument was signed on July __, 1996 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.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name:
Notary Public
My Commission Expires:
Residing in _____

STATE OF _____)
) SS.:
COUNTY OF _____)

On this, the _____ day of July, 1996, before me, a Notary Public in and for said County and State, personally appeared F. Jan Blaustein, who being by me duly sworn, says that she is the President of SPOKANE LOCOMOTIVE LEASE CO., LTD., that said instrument was signed on July __, 1996 on behalf of said corporation 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 corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name:
Notary Public
My Commission Expires:
Residing in _____

STATE OF Illinois)
) SS.:
COUNTY OF Cook)

On this, the 18th day of July, 1996, before me, a Notary Public in and for said County and State, personally appeared Paul J. Weyandt, who being by me duly sworn, says that he is the Assistant Vice President - Finance and Assistant Treasurer of BURLINGTON NORTHERN RAILROAD COMPANY, that said instrument was signed on July 18, 1996 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.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.


"OFFICIAL SEAL" Name:
CHARLENE M. SCHWARTZ Notary Public
NOTARY PUBLIC, STATE OF ILLINOIS My Commission Expires:
MY COMMISSION EXPIRES 11/2/97 Residing in Illinois

EXHIBIT A

UNITS

| EQUIPMENT | QUANTITY | ROAD NUMBERS |
|--|----------|---|
| General Motors Corporation (Electro-Motive Division) Model SD70M-AC Diesel Electric Locomotives | 26 | BN 9725 through BN 9739, inclusive, BN 9765 through BN 9775, inclusive |
| General Motors Corporation (Electro-Motive Division) Model SD75M Diesel Electric Locomotives | 8 | ATSF 8252, ATSF 8263, ATSF 8266, ATSF 8271 through ATSF 8275, inclusive |