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February 26, 1997

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

Re: Union Pacific Railroad Company
Leveraged Lease Locomotive Financing
UPRR 1997-A

RECEIVED
SURFACE TRANSPORTATION
BOARD
FEB 26 1 54 PM '97

Dear Mr. Williams:

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

The primary documents are as follows:

- (1) Memorandum of Lease Agreement (UPRR 1997-A), dated February 27, 1997, between Dia Horizon Ltd., as lessor (the "Lessor"), and Union Pacific Railroad Company, as lessee (the "Lessee"); and
- (2) Memorandum of Mortgage and Security Agreement (UPRR 1997-A), dated February 27, 1997, between the Lessor, as borrower (the "Borrower"), and Harris Trust and Savings Bank, as security trustee (the "Security Trustee")

The secondary documents are as follows.

- (1) Memorandum of Lease Supplement No. 1 (UPRR 1997-A), dated February 27, 1997, between the Lessee and the Lessor;
- (2) Memorandum of Mortgage Supplement No 1 (UPRR 1997-A), dated February 27, 1997, between the Lessor, as Borrower, and the Security Trustee;
- (3) Memorandum of Dollar Account Pledge Agreement (UPRR 1997-A), dated February 27, 1997, between Kreditanstalt fur Wiederaufbau ("KfW"), as agent (the "Agent"), and the Lessor, as Borrower; and
- (4) Memorandum of Yen Assignment Agreement (UPRR 1997-A), dated February 27, 1997, between the Lessor, as assignor (the "Assignor"), and The Bank of Tokyo-Mitsubishi, Ltd., as assignee (the "Assignee").

Counterpart - K. Bartman

REGISTRATION NO. 2057 FEB 26 1997 - 1 55 PM

MEMORANDUM OF LEASE SUPPLEMENT NO. 1
(UPRR 1997-A)

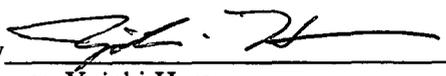
Memorandum of Lease Supplement No. 1, made and entered into on February 27, 1997 by and between Dia Horizon Ltd., a Japanese corporation ("Lessor"), and Union Pacific Railroad Company, a Utah corporation ("Lessee").

WITNESSETH:

1. The undersigned have entered into that certain Lease Agreement (UPRR 1997-A) (the "Lease Agreement"), dated February 19, 1997, subject to the term defined in said Lease Agreement.
2. A memorandum of said Lease Agreement is being recorded with the Surface Transportation Board concurrently herewith pursuant to Section 11301 of Title 49 of the United States Code.
3. The undersigned have entered into that certain Lease Supplement No. 1 (UPRR 1997-A), dated February 27, 1997, whereby the terms and provisions of the above-described Lease Agreement are made applicable to 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.

DIA HORIZON LTD.

By 
Name: Yoichi Hara
Title: Attorney-in-Fact

Executed on this 24th day of February, 1997.

UNION PACIFIC RAILROAD COMPANY

By _____
Name: John B. Larsen
Title: Assistant Treasurer

Executed on this ____ day of February, 1997.

**MEMORANDUM OF LEASE SUPPLEMENT NO. 1
(UPRR 1997-A)**

Memorandum of Lease Supplement No. 1, made and entered into on February 27, 1997 by and between Dia Horizon Ltd., a Japanese corporation ("*Lessor*"), and Union Pacific Railroad Company, a Utah corporation ("*Lessee*").

WITNESSETH:

1. The undersigned have entered into that certain Lease Agreement (UPRR 1997-A) (the "*Lease Agreement*"), dated February 19, 1997, subject to the term defined in said Lease Agreement.
2. A memorandum of said Lease Agreement is being recorded with the Surface Transportation Board concurrently herewith pursuant to Section 11301 of Title 49 of the United States Code.
3. The undersigned have entered into that certain Lease Supplement No. 1 (UPRR 1997-A), dated February 27, 1997, whereby the terms and provisions of the above-described Lease Agreement are made applicable to 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.

DIA HORIZON LTD.

By _____
Name. Yoichi Hara
Title. Attorney-in-Fact

Executed on this ____ day of February, 1997.

UNION PACIFIC RAILROAD COMPANY

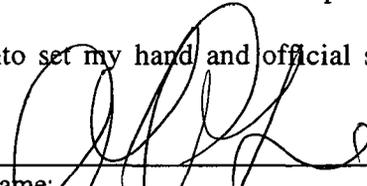
By 
Name John B Larsen
Title Assistant Treasurer

Executed on this 24th day of February, 1997.

STATE OF NEW YORK)
)
COUNTY OF NEW YORK) SS.:

On this, the 24th day of February, 1997, before me, a Notary Public in and for said County and State, personally appeared Yoichi Hara, who being by me duly sworn, says that he is the Attorney-in-Fact of DIA HORIZON LTD., that said instrument was signed on February 24, 1997 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: MARIO O. MORRONE
Notary Public **Notary Public, State of New York**
My Commission Expires: **No. 02M04811539**
Residing in Qualified in Kings County
Commission Expires Oct. 31, 1998

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

On this, the _____ day of February, 1997, before me, a Notary Public in and for said County and State, personally appeared John B. Larsen, who being by me duly sworn, says that he is the Assistant Treasurer of UNION PACIFIC RAILROAD COMPANY, that said instrument was signed on February __, 1997 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 NEW YORK)
) SS.:
COUNTY OF _____)

On this, the _____ day of February, 1997, before me, a Notary Public in and for said County and State, personally appeared Yoichi Hara, who being by me duly sworn, says that he is the Attorney-in-Fact of DIA HORIZON LTD., that said instrument was signed on February __, 1997 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 _____

COMMONWEALTH OF PENNSYLVANIA)
) SS
COUNTY OF LEHIGH)

On this, the 24th day of February, 1997, before me, a Notary Public in and for said County and State, personally appeared John B. Larsen, who being by me duly sworn, says that he is the Assistant Treasurer of UNION PACIFIC RAILROAD COMPANY, that said instrument was signed on February 24, 1997 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.

Kathleen F. Owens

Name Kathleen F. Owens
Notary Public
My Commission Expires:
Residing in _____

Notarial Seal
Kathleen F Owens, Notary Public
Bethlehem, Lehigh County
My Commission Expires Oct 19, 2000
Member, Pennsylvania Association of Notaries



EXHIBIT A

UNITS

EQUIPMENT	QUANTITY	ROAD NUMBERS
General Motors Corporation (Electro-Motive Division) Model SD-90 MAC Diesel Electric Locomotives	11	8075 through 8084, inclusive, and 8088