

RECORDATION NO. 17841-F FILED

JAN 03 2005 3-36 PM

SURFACE TRANSPORTATION BOARD

OF COUNSEL  
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ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

January 3, 2005

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Lease Termination, Release of Lien and Bill of Sale, dated as of December 30, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document is a partial release and relates to the Lease Agreement previously filed with the Commission under Recordation Number 17841.

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

Indenture Trustee: Wachovia Bank, National Association  
1 Rodney Square  
920 King Street  
Wilmington, Delaware 19801

Owner Trustee: Wells Fargo Bank Northwest, N.A.  
299 South Main Street, 12th Floor  
Salt Lake City, Utah 84111

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

Mr. Vernon A. Williams  
January 3, 2005  
Page 2

A description of the railroad equipment covered by the enclosed document is:

137 bi-level autoracks within the series UPKL 90266 - UPKL 90567 as more particularly set forth in the equipment schedule attached to the document.

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

Lease Termination, Release of Lien and Bill of Sale.

Also enclosed is a check in the amount of \$32.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/anm  
Enclosures

RECORDATION NO. 17841-F FILED

JAN 03 '05 3:35 PM

SURFACE TRANSPORTATION BOARD

LEASE TERMINATION,  
RELEASE OF LIEN  
AND  
BILL OF SALE

Dated as of December 30, 2004

Among

UNION PACIFIC RAILROAD COMPANY,

as Lessee

WELLS FARGO BANK NORTHWEST, N.A.,

not in its individual capacity except as otherwise expressly provided,  
but solely as Owner Trustee/Lessor

and

WACHOVIA BANK, NATIONAL ASSOCIATION

as Indenture Trustee

THIS AGREEMENT SHALL BE FILED WITH THE SURFACE TRANSPORTATION BOARD AND DEPOSITED IN THE OFFICE OF THE REGISTRAR GENERAL OF CANADA AND, UPON SUCH FILING OR DEPOSIT, EACH OF THE DOCUMENTS DESCRIBED ON EXHIBIT B ATTACHED HERETO, AND THE INTERESTS OF THE PARTIES EVIDENCED THEREBY, SHALL BE TERMINATED OR RELEASED, AS THE CASE MAY BE, WITH RESPECT TO THE TERMINATED EQUIPMENT DESCRIBED ON EXHIBIT A ATTACHED HERETO.

THIS LEASE TERMINATION, RELEASE OF LIEN AND BILL OF SALE (this "Agreement"), dated as of December 30, 2004, among UNION PACIFIC RAILROAD COMPANY, a Delaware corporation (the "Lessee"), WELLS FARGO BANK NORTHWEST, N.A. (successor to First Security Bank of Utah, National Association), not in its individual capacity but solely as the Owner Trustee (the "Owner Trustee" or "Lessor") and WACHOVIA BANK, NATIONAL ASSOCIATION (successor to Meridian Trust Company), as Indenture Trustee (the "Indenture Trustee").

WITNESSETH

WHEREAS, the Lessee, the Lessor, and 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 June 15, 1992 (such documents referred to herein as the "Participation Agreement," the "Lease," and the "Indenture," respectively). (Capitalized terms used herein without definition shall have the respective meanings set forth in the Participation Agreement); and

WHEREAS, the Lease provides for the transfer of all the Lessor's right, title and interest in and to the Bi-Level Autoracks listed on Exhibit A attached hereto and incorporated herein by reference (the "Terminated Equipment") and for the termination of the Lease with respect to the Terminated Equipment should Lessee exercise its purchase option in accordance with Section 4(b) of the Lease;

WHEREAS, the Lessee provided notice to Lessor and Indenture Trustee dated September 30, 2004 of its election to purchase the Terminated Equipment in accordance with Sections 4(b)(ii) and 4(b)(iii)(A) of the Lease and has paid the Early Buy-Out Price for each unit of Terminated Equipment in full; and

WHEREAS, the Indenture provides for the transfer of all of the Indenture Trustee's right, title and interest in and to the Terminated Equipment to the Owner Trustee and the release of such Terminated Equipment from the Lien of the Indenture, and the Lease provides for the termination of the Lease with respect to such Terminated Equipment and the transfer of the Lessor's right, title and interest in and to such Terminated Equipment to the Lessee, in each case if the Lessee has paid the Early Buy-Out Price for each unit of Terminated Equipment and all other amounts payable applicable to such Terminated Equipment and needed to effect the redemption of the Equipment Notes related thereto.

NOW THEREFORE, in consideration of the premises and for good and sufficient consideration, the parties hereto hereby agree as follows:

1. The Lien of the Indenture with respect to the Terminated Equipment is hereby released and canceled, 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 Equipment, free and clear of all liens, security interests and other encumbrances created in or retained by it under the Indenture, to have and to hold all and singular the Terminated Equipment unto the Owner Trustee, its successors and assigns forever.

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

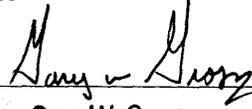
3. Except as amended hereby, the Lease and the Indenture are hereby confirmed and ratified and shall continue in full force and effect.

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 one and the same instrument.

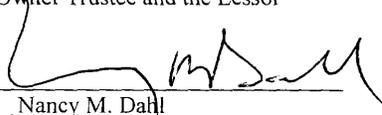
5. This Agreement shall be filed with the Surface Transportation Board and deposited in the Office of the Registrar General of Canada and, upon such filing or deposit, each of the documents described on Exhibit B attached hereto, and the interests of the parties evidenced thereby, shall be terminated or released, as the case may be, with respect to the Terminated Equipment.

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.

UNION PACIFIC RAILROAD COMPANY,  
as Lessee

By:   
Name: Gary W. Grosz  
Title: Assistant Treasurer

WELLS FARGO BANK NORTHWEST, N.A.,  
not in its individual capacity but solely as Owner Trustee,  
as the Owner Trustee and the Lessor

By:   
Name: Nancy M. Dahl  
Title: Vice President

WACHOVIA BANK, NATIONAL ASSOCIATION,  
not in its individual capacity but solely as Indenture Trustee

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

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.

UNION PACIFIC RAILROAD COMPANY,  
as Lessee

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

WELLS FARGO BANK NORTHWEST, N.A.,  
not in its individual capacity but solely as Owner Trustee,  
as the Owner Trustee and the Lessor

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

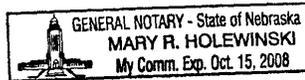
WACHOVIA BANK, NATIONAL ASSOCIATION,  
Not in its individual capacity but solely as  
Indenture Trustee

By:   
Name: RITA M. RITROVATO  
Title: TRUST OFFICER

State of Nebraska )  
 )  
 ) ss  
County of Douglas )

On this 28<sup>th</sup> day of December, 2004, before me, a notary public, personally appeared Mary W. Gross to me personally known, who being by me duly sworn says that he is the Assistant Treasurer of UNION PACIFIC RAILROAD COMPANY and that said instrument was executed 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.

(Notarial Seal)



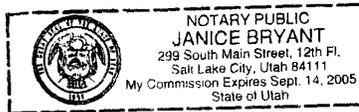
Mary R. Holewinski  
Notary Public

My Commission Expires: October 15, 2008

State of Utah )  
 )  
 ) ss  
County of Salt Lake )

On this 23 day of December, 2004, before me, a notary public, personally appeared Nancy M. Dahl, to me personally known, who being by me duly sworn says that she is the Vice President of WELLS FARGO BANK NORTHWEST, N.A. and that said instrument was executed 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.

(Notarial Seal)



Janice Bryant  
Notary Public

My Commission Expires

State of )  
 )  
 ) ss  
County of )

On this \_\_\_\_ day of \_\_\_\_\_, 2004, before me, a notary public, personally appeared \_\_\_\_\_, to me personally known, who being by me duly sworn says that he or she is the \_\_\_\_\_ of WACHOVIA BANK, NATIONAL ASSOCIATION, and that said instrument was executed 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.

(Notarial Seal)

\_\_\_\_\_  
Notary Public

My Commission Expires

State of Nebraska )  
 )  
County of Douglas ) ss

On this \_\_\_\_ day of \_\_\_\_\_, 2004, before me, a notary public, personally appeared \_\_\_\_\_, to me personally known, who being by me duly sworn says that he is the \_\_\_\_\_ of UNION PACIFIC RAILROAD COMPANY and that said instrument was executed 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.

(Notarial Seal)

\_\_\_\_\_  
Notary Public

My Commission Expires:

State of )  
 )  
County of ) ss

On this \_\_\_\_ day of \_\_\_\_\_, 2004, before me, a notary public, personally appeared \_\_\_\_\_, to me personally known, who being by me duly sworn says that he or she is the \_\_\_\_\_ of WELLS FARGO BANK NORTHWEST, N.A. and that said instrument was executed 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.

(Notarial Seal)

\_\_\_\_\_  
Notary Public

My Commission Expires

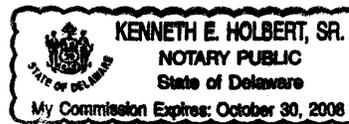
State of DELAWARE )  
 )  
County of NEW ) ss  
CASTLE

On this 17TH day of DECEMBER, 2004, before me, a notary public, personally appeared RITA MARIE XITROVATO, to me personally known, who being by me duly sworn says that he or she is the TRUST OFFICER of WACHOVIA BANK, NATIONAL ASSOCIATION and that said instrument was executed 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.

(Notarial Seal)

Kenneth E. Holbert, Sr.  
Notary Public

My Commission Expires



SCHEDULE OF TERMINATED EQUIPMENT

<u>Description</u>	<u>Quantity</u>	<u>Road Number</u>
Bi-Level Autoracks	137	UPKL 90266 -UPKL 90325, inclusive UPKL 90488, UPKL 90489 UPKL 90491-UPKL 90541, inclusive UPKL 90543-UPKL 90565, inclusive UPKL 90567

Exhibit B

ORIGINAL SURFACE TRANSPORTATION BOARD FILINGS

<u>Description</u>	<u>Date Filed</u>	<u>Recordation Number</u>
(1) Indenture and Security Agreement dated as of June 15, 1992	June 30, 1992	17841-A
(2) Lease Agreement dated as of June 15, 1992	June 30, 1992	17841
(3) Lease and Indenture Supplement No. 1, dated as of June 30, 1992	June 30, 1992	17841-B
(4) Lease and Indenture Supplement No. 2, dated as of August 14, 1992	August 14, 1992	17841-C
(5) Lease and Indenture Supplement No. 3, dated as of September 30, 1992	September 29, 1992	17841-D
(6) Lease and Indenture Supplement No. 4, dated as of December 11, 1992	December 10, 1992	17841-E

ORIGINAL REGISTRAR GENERAL OF CANADA FILINGS

<u>Description</u>	<u>Date Filed</u>	<u>Canadian Document Key</u>
(1) Indenture and Security Agreement dated as of June 15, 1992	June 30, 1992	9854
(2) Lease Agreement dated as of June 15, 1992	June 30, 1992	9856
(3) Lease and Indenture Supplement No. 1, dated as of June 30, 1992	June 30, 1992	9855
(4) Lease and Indenture Supplement No. 2, dated as of August 14, 1992	August 14, 1992	9853
(5) Lease and Indenture Supplement No. 3, dated as of September 30, 1992	September 30, 1992	9851
(6) Lease and Indenture Supplement No. 4, dated as of December 11, 1992	December 11, 1992	9852