

CONNELL FINANCE COMPANY, INC.

A SUBSIDIARY OF THE CONNELL COMPANY

ONE CONNELL DRIVE

BERKELEY HEIGHTS, N.J. 07922 U.S.A.

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June 19, 2006

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

RECORDATION NO. 20196A FILED

JUN 22 '06

4-32 PM



SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

I have enclosed an original and one copy of the secondary document described below, to be recorded pursuant to Section 11301 of Title 49 of the United States Code. The primary document to which this is connected is that certain Memorandum of Lease recorded under Recordation No. 20196, on July 29, 1996 at 11:00 A.M.

The enclosed secondary document is a MEMORANDUM OF AMENDMENT AND FIRST EXTENSION OF LEASE OF RAILROAD EQUIPMENT dated as of May 15, 2006 (the "Memorandum") by and between UNION PACIFIC RAILROAD COMPANY, a Utah corporation ("Lessee") and CONNELL FINANCE COMPANY, INC., a New Jersey corporation ("Lessor").

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

Lessor: Connell Finance Company, Inc.
100 Connell Drive
Berkeley Heights, NJ 07922

Lessee: Union Pacific Railroad Company
1416 Dodge St.
Omaha, Nebraska 68179

A description of the equipment covered by the Memorandum follows:

"Twenty (20) GP 39-2, 2300 h.p. locomotives with reporting marks of UP 1229 to UP 1248, inclusive (formerly UP 2729 to UP 2748, inclusive)".

A check in the amount of \$34.00 is enclosed to cover the fee for filing the Memorandum. Please return the copy of the Memorandum, time and date stamped as to filing to Carlton A. Blake, Associate General Counsel, Connell Finance Company, Inc., 100 Connell Drive, Berkeley Heights, New Jersey 07922.

Mr. Vernon A. Williams, Secretary
June 16, 2006
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A short summary of the Memorandum to appear in the index follows:

“Memorandum of Amendment and First Extension of Lease of Railroad Equipment dated as of May 15, 2006 by and between Union Pacific Railroad Company (“UPRR”) and Connell Finance Company, Inc. (“*Connell*”), covering twenty (20) GP 39-2, 2300 h.p. locomotives with reporting marks of UP 1229 to UP 1248, inclusive (formerly UP 2729 to UP 2748, inclusive). It is connected to that certain Memorandum of Lease dated as of June 21, 1996 between UPRR and Connell, which was recorded on July 29, 1996 at 11:00 A.M. and given recordation number 20196.”

If you have any questions please do not hesitate to call the undersigned.

Sincerely,

CONNELL FINANCE COMPANY, INC.



Carlton A. Blake
Associate General Counsel

Enclosure

**MEMORANDUM OF
AMENDMENT AND FIRST EXTENSION OF LEASE OF RAILROAD EQUIPMENT**

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF AMENDMENT AND FIRST EXTENSION OF LEASE OF RAILROAD EQUIPMENT dated as of May 15, 2006 (this "Memorandum") is by and between UNION PACIFIC RAILROAD COMPANY, a Utah corporation ("Lessee") and CONNELL FINANCE COMPANY, INC., a New Jersey corporation ("Lessor").

W-I-T-N-E-S-S-E-T-H:

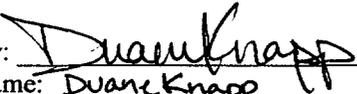
1. Lessor and Lessee entered into that certain Lease of Railroad Equipment dated as of June 21, 1996, which was initially filed and recorded with the Surface Transportation Board on July 29, 1996 at 11:00 a.m. and assigned Recordation No. 20196 (the "Lease Agreement").

2. Lessor and Lessee have entered into that certain Amendment and First Extension of Lease of Railroad Equipment, dated as of May 15, 2006, whereby the terms and provisions of the above-described Lease Agreement have been amended and extended and are applicable to the following railroad rolling stock: twenty (20) GP 39-2, 2300 h.p. locomotives with reporting marks of UP 1229 to UP 1248, inclusive (formerly UP 2729 to UP 2748, inclusive).

IN WITNESS WHEREOF, each of Lessor and Lessee has caused this Memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

Lessee:

UNION PACIFIC RAILROAD COMPANY

By: 
Name: Duane Knapp
Title: Sr Manager Leasing

Lessor:

CONNELL FINANCE COMPANY, INC.

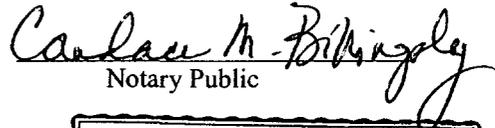
By: 
Name: SHANE CONNELL
Title: EXECUTIVE VICE PRESIDENT

STATE OF NEBRASKA)

SS.:

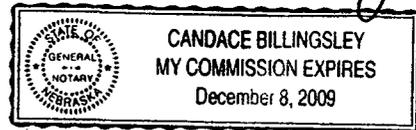
COUNTY OF DOUGLAS)

On this 13th day of June, 2006, before me personally appeared Duane Knapp, to me personally known, who being by me duly sworn, says that he/she is Sr Mgr Leasing 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/she acknowledged that the execution of the foregoing instrument was the free act deed of said corporation.


Notary Public

[Notarial Seal]

My Commission expires

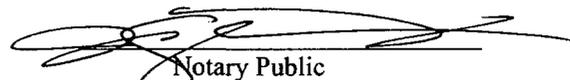


STATE OF NEW JERSEY)

SS.:

COUNTY OF UNION)

On this 19th day of June, 2006, before me personally appeared Shane Connell, to me personally known, who being by me duly sworn, says that he/she is Exec Vice President of CONNELL FINANCE COMPANY, INC., and that the foregoing instrument was executed on behalf of said corporation by authority of its Board of Directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.


Notary Public

CHRISTOPHER O. JEGEDE
NOTARY PUBLIC OF NEW JERSEY
REGISTERED IN UNION COUNTY
MY COMMISSION EXPIRES JUNE 19, 2008

[Notarial Seal]

My Commission expires