

RECORDATION NO.

18420-J
FILED

OCT 04 '06

3-26 PM

SURFACE TRANSPORTATION BOARD

ALVORD AND ALVORD
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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

October 3, 2006

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 Partial Lease Termination, Release of Lien and Bill of Sale, dated as of September 29, 2006, 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 Indenture and Security Agreement which was previously filed with the Commission under Recordation Number 18420.

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

Indenture Trustee: Wilmington Trust Company
Rodney Square North
1100 North Market Street
Wilmington, DE 19890

Owner Trustee
Lessor: BNY Midwest Trust Company
(not in its individual capacity except
as otherwise expressly provided)
2 North LaSalle Street
Suite 1020
Chicago, IL 60602

Lessee: Union Pacific Railroad Company
1400 Douglas Street
Omaha, NE 68179

Mr. Vernon A. Williams
October 3, 1006
Page Two

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

267 Bi-Level Autoracks: UPKL 90603 – UPKL 90872 (excluding UPKL 90625, UPKL 90738 and UPKL 90798)

AND

155 reefer railcars within the series UPFE 463001 – UPFE 463211.

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

Partial Lease Termination, Release of Lien and Bill of Sale

Also enclosed is a check in the amount of \$34.00 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/sem
Enclosures

RECORDATION NO. 18420-J FILED

OCT 04 '06 3-26 PM

SURFACE TRANSPORTATION BOARD

PARTIAL LEASE TERMINATION,
RELEASE OF LIEN
AND
BILL OF SALE

Dated as of September 29, 2006

Among

UNION PACIFIC RAILROAD COMPANY,

as Lessee

BNY MIDWEST TRUST COMPANY,

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

and

WILMINGTON TRUST COMPANY,

as Indenture Trustee

THIS INSTRUMENT 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, BUT SOLELY WITH RESPECT TO THE TERMINATED EQUIPMENT DESCRIBED ON EXHIBIT A ATTACHED HERETO IN ACCORDANCE WITH THIS INSTRUMENT.

THIS PARTIAL LEASE TERMINATION, RELEASE OF LIEN AND BILL OF SALE (this "Agreement"), dated as of September 29, 2006, among UNION PACIFIC RAILROAD COMPANY, a Delaware corporation (the "Lessee"), BNY MIDWEST TRUST COMPANY (successor to Harris Trust and Savings Bank), not in its individual capacity but solely as the Owner Trustee (the "Owner Trustee" or "Lessor") and WILMINGTON TRUST COMPANY (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, as supplemented, and the Indenture Trustee and the Owner Trustee have heretofore entered into an Indenture and Security Agreement, each dated as of September 15, 1993 (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 and Reefers 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(c)(ii)(C) of the Lease, as supplemented by Lease and Indenture Supplement No. 3 dated as of December 30, 1993 ("Lease and Indenture Supplement No. 3");

WHEREAS, the Lessee provided notice to Lessor and Indenture Trustee dated August 15, 2006 of its election to purchase the Terminated Equipment in accordance with Sections 4(c)(i) and 4(c)(ii)(C) of the Lease, as supplemented by Lease and Indenture Supplement No. 3, and on the date hereof has paid the purchase 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 purchase 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 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. The Lease is hereby terminated and canceled solely with respect to the Terminated Equipment, except that the Lessee shall continue to be liable for any and all obligations of the Lessee under the Lease which, by the terms of the Lease, are to survive such termination, including without limitation, liabilities for indemnification obligations on account of acts, omissions and events occurring prior to the date hereof.

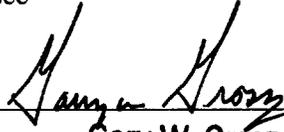
4. Except as amended hereby, the Lease and the Indenture are hereby confirmed and ratified and shall continue in full force and effect.

5. 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.

6. 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

BNY MIDWEST TRUST COMPANY,
not in its individual capacity but solely as Owner Trustee,
as the Owner Trustee and the Lessor

By: _____
Name: _____
Title: _____

WILMINGTON TRUST COMPANY,
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: _____

BNY MIDWEST TRUST COMPANY,
not in its individual capacity but solely as Owner Trustee,
as the Owner Trustee and the Lessor

By:  _____
Name: **D. G. DONOVAN**
Title: **VICE PRESIDENT**

WILMINGTON TRUST COMPANY,
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: _____

BNY MIDWEST TRUST COMPANY,
not in its individual capacity but solely as Owner Trustee,
as the Owner Trustee and the Lessor

By: _____
Name: _____
Title: _____

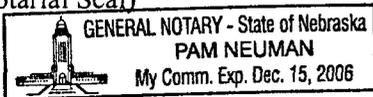
WILMINGTON TRUST COMPANY,
as Indenture Trustee

By: 
Name: Anita Roselli
Title: Financial Services Officer

State of Nebraska)
)
County of Douglas) ss

On this 21th day of September, 2006, before me, a notary public, personally appeared Gary W. Gross, to me personally known, who being by me duly sworn says that he is the Asst. 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)



Pam Neuman
Notary Public

My Commission Expires: 12-15-06

State of)
)
County of) ss

On this _____ day of _____, 2006, 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 BNY MIDWEST TRUST COMPANY 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)
)
County of) ss

On this _____ day of _____, 2006, 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 WILMINGTON TRUST COMPANY 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 _____, 2006, 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)

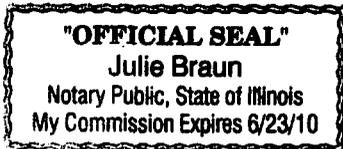
Notary Public

My Commission Expires:

State of Illinois)
)
County of Cook) ss

On this 27th day of September, 2006, before me, a notary public, personally appeared D.G.Donovan, to me personally known, who being by me duly sworn says that he or she is the Vice President of BNY MIDWEST TRUST COMPANY 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)



Julie Braun

Notary Public

My Commission Expires

State of)
)
County of) ss

On this ____ day of _____, 2006, 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 WILMINGTON TRUST COMPANY 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 _____, 2006, 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 _____, 2006, 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 BNY MIDWEST TRUST COMPANY 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)

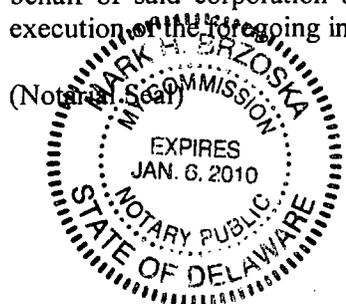
Notary Public

My Commission Expires

State of)
)
County of) ss

On this 27th day of September, 2006, before me, a notary public, personally appeared Antta Roselli, to me personally known, who being by me duly sworn says that he or she is the Financial Services Officer of WILMINGTON TRUST COMPANY 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)



Mark H. Brzoska

Notary Public
MARK H. BRZOSKA
Notary Public - State of Delaware
My Commission Expires Jan. 6, 2010

SCHEDULE OF TERMINATED EQUIPMENT

<u>Description</u>	<u>Quantity</u>	<u>Road Number</u>
Bi-Level Autoracks	267	UPKL 90603-UPKL 90624 UPKL 90626-UPKL 90737 UPKL 90739-UPKL 90797 UPKL 90799-UPKL 90872
Reefers	155	UPFE 463001-463005 UPFE 463007-463050 UPFE 463075-463078 UPFE 463080-463097 UPFE 463099-463143 UPFE 463146-463173 UPFE 463201-463211

ORIGINAL SURFACE TRANSPORTATION BOARD FILINGS

<u>Description</u>	<u>Date Filed</u>	<u>Recordation Number</u>
Indenture and Security Agreement, dated September 15, 1993	September 30, 1993	18420
Lease and Indenture Supplement No. 1, dated September 30, 1993	September 30, 1993	18420-A
Indenture Supplement No. 2, dated November 30, 1993	November 30, 1993	18420-B
Lease and Indenture Supplement No. 3, dated December 30, 1993	December 30, 1993	18420-C
Memorandum of Lease and Indenture Supplement No. 4, dated December 29, 2004	December 23, 2004	18420-D
Memorandum of Lease Agreement dated September 15, 1993	September 30, 1993	18421
Lease Supplement No. 1, dated September 30, 1993	September 30, 1993	18421-A
Lease Supplement No. 2, dated November 30, 1993	November 30, 1993	18421-B
Lease and Indenture Supplement No. 3, dated December 30, 1993	December 30, 1993	18421-C
Memorandum of Lease and Indenture Supplement No. 4, dated December 29, 2004	December 23, 2004	18421-D

ORIGINAL REGISTRAR GENERAL OF CANADA FILINGS

<u>Description</u>	<u>Date Filed</u>
Indenture and Security Agreement, dated September 15, 1993	October 1, 1993
Lease and Indenture Supplement No. 1, dated September 30, 1993	October 1, 1993
Indenture Supplement No. 2, dated November 30, 1993	November 30, 1993
Lease and Indenture Supplement No. 3, dated December 30, 1993	December 30, 1993
Memorandum of Lease and Indenture Supplement No. 4, dated December 29, 2004	December 23, 2004
Lease Agreement dated September 15, 1993	October 1, 1993
Lease Supplement No. 2, dated November 30, 1993	November 30, 1993