

MOORE & VAN ALLEN

A PROFESSIONAL LIMITED LIABILITY COMPANY

ATTORNEYS AT LAW

ROBERT V. BAKER
DIRECT DIAL 704-331-1063

NATIONSBANK CORPORATE CENTER
100 NORTH TRYON STREET FLOOR 47
CHARLOTTE, NORTH CAROLINA 28202-4003

TELEPHONE 704-331-1000
FACSIMILE 704-331-1159

May 30, 1996

RECORDATION NO. 20120 FILED 1425

JUN 3 1996 - 3 00 PM

INTERSTATE COMMERCE COMMISSION

JUN 3 2 58 PM '96

RECEIVED
SURFACE TRANSPORTATION
BOARD

VIA FEDERAL EXPRESS

Secretary
Interstate Commerce Commission
Attn: Surface Transportation Board
Washington, D.C. 20423

Dear Secretary:

I have enclosed an original and one counterpart of the document described below, to be recorded pursuant to Section 11101 of Title 49 of the U.S. Code.

This document is a Memorandum of Lease, a primary document dated May 1, 1996. The names and addresses of the parties to the document are as follows:

First Union Rail Corporation (Lessor)
One First Union Center
Charlotte, North Carolina 28288-0738

Union Pacific Railroad Company (Lessee)
1416 Dodge Street
Omaha, Nebraska 68179

The equipment includes General Motors, GP-50 locomotives which are more fully described in Annex A to the Memorandum of Lease.

A fee of \$21.00 is enclosed. Please return the original and any extra copies not needed by the Surface Transportation Board for recordation in the enclosed return self-addressed, stamped envelope.

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

A Memorandum of Lease between First Union Rail Corporation (Lessor) located at One First Union Center, Charlotte, North Carolina 28288-0738 and Union

Secretary of the Interstate Commerce Commission
May 30, 1996
Page 2

Pacific Railroad Company (Lessee) located at 1416 Dodge Street, Omaha, Nebraska 68179 whereby Lessee has leased from Lessor 59 General Motors, GP-50 locomotives.

If you have any questions regarding the enclosed, please do not hesitate to call me at (704) 331-1063.

Very truly yours,

MOORE & VAN ALLEN, PLLC

A handwritten signature in black ink, appearing to read 'R. Baker', with a large, stylized initial 'R'.

Robert V. Baker

Enclosures

SURFACE TRANSPORTATION BOARD
WASHINGTON, D.C. 20423-0001

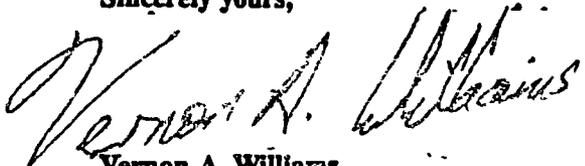
6/3/96

Robert V. Baker
Moore & Van Allen
NationsBank Corporate Center
100 North Tryon Street Floor 47th
Charlotte, North Carolina 28202-4003

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 6/3/96 at 3:00PM, and assigned recordation number(s). 20120.

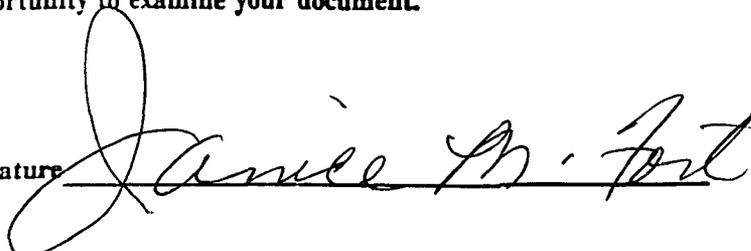
Sincerely yours,


Vernon A. Williams
Secretary

Enclosure(s)

\$ 21.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature



**MEMORANDUM OF LEASE
OF RAILROAD EQUIPMENT**

RECORDATION NO. 20120 FILED 1425
JUN 3 1996 - 3 00 PM
INTERSTATE COMMERCE COMMISSION

THIS MEMORANDUM OF LEASE OF RAILROAD EQUIPMENT is intended to evidence the Equipment Lease Agreement dated as of May 1, 1996 (the "Lease") between First Union Rail Corporation (the "Lessor") and Union Pacific Railroad Company (the "Lessee") for the purposes of satisfying the requirement of recordation with the Surface Transportation Board under Section 49 U.S.C. 11101. The Lessor is the owner of the locomotives more fully described in Annex A hereto (the "Locomotives"). The Lessee leased from the Lessor all the Locomotives at the rentals and upon the terms and conditions provided in the Lease. This Memorandum of Lease may be signed in one or more counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the Lessor and the Lessee, each pursuant to due authority, have executed this Memorandum of Lease as of the 1st day of May, 1996.

LESSOR:

FIRST UNION RAIL CORPORATION

By: John J. Thomas

Title: PRESIDENT

LESSEE:

UNION PACIFIC RAILROAD COMPANY

By: _____

Title: _____

STATE OF Illinois)
)
COUNTY OF Cook)

On May 3, 1996, before me, Michelle Berg, personally appeared John J Thomas, provided to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the person, or the entity on behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Michelle Berg
Notary Public

My Commission Expires:

7/18/98

[NOTARY SEAL]



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OF RAILROAD EQUIPMENT**

THIS MEMORANDUM OF LEASE OF RAILROAD EQUIPMENT is intended to evidence the Equipment Lease Agreement dated as of May 1, 1996 (the "Lease") between First Union Rail Corporation (the "Lessor") and Union Pacific Railroad Company (the "Lessee") for the purposes of satisfying the requirement of recordation with the Surface Transportation Board under Section 49 U.S.C. 11101. The Lessor is the owner of the locomotives more fully described in Annex A hereto (the "Locomotives"). The Lessee leased from the Lessor all the Locomotives at the rentals and upon the terms and conditions provided in the Lease. This Memorandum of Lease may be signed in one or more counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

IN WITNESS WHEREOF, the Lessor and the Lessee, each pursuant to due authority, have executed this Memorandum of Lease as of the 1st day of May, 1996.

LESSOR:

FIRST UNION RAIL CORPORATION

By: _____

Title: _____

LESSEE:

UNION PACIFIC RAILROAD COMPANY

By: *C. R. Eula*

Title: Vice President-Purchasing

STATE OF Nebraska
COUNTY OF Douglas

On 5/7/96, before me, Ruth A Howard personally appeared C. R. Bissler, provided to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he/she executed the same in his/her authorized capacity, and that by his/her signature on the instrument, the person, or the entity on behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

Ruth A. Howard
Notary Public

My Commission Expires:

11/5/96



Description of Equipment

Equipment

Quantity

Reporting Marks

(See attached list)

**EQUIPMENT SCHEDULE
TO
EQUIPMENT LEASE AGREEMENT**

DATED AS OF MAY 1, 1996

DESCRIPTION OF EQUIPMENT

MANUFACTURER	MODEL	TYPE	UP/CNW LOCOMOTIVE ROAD NO.
General Motors	GP-50	Locomotive	5050
General Motors	GP-50	Locomotive	5052
General Motors	GP-50	Locomotive	5053
General Motors	GP-50	Locomotive	5054
General Motors	GP-50	Locomotive	5055
General Motors	GP-50	Locomotive	5056
General Motors	GP-50	Locomotive	5057
General Motors	GP-50	Locomotive	5058
General Motors	GP-50	Locomotive	5059
General Motors	GP-50	Locomotive	5060
General Motors	GP-50	Locomotive	5061
General Motors	GP-50	Locomotive	5062
General Motors	GP-50	Locomotive	5063
General Motors	GP-50	Locomotive	5064
General Motors	GP-50	Locomotive	5065
General Motors	GP-50	Locomotive	5066
General Motors	GP-50	Locomotive	5067
General Motors	GP-50	Locomotive	5068
General Motors	GP-50	Locomotive	5069
General Motors	GP-50	Locomotive	5070
General Motors	GP-50	Locomotive	5071
General Motors	GP-50	Locomotive	5072
General Motors	GP-50	Locomotive	5073
General Motors	GP-50	Locomotive	5074