

5-164A033

14656 - A

No. JUN 13 1985

Date JUN 13 1985
Fee \$ 10.00

ICC Washington, D.C.

RECORDATION NO. 14656 A
Filed 1425

JUN 13 1985 10:55 AM

INTERSTATE COMMERCE COMMISSION

James H. Bayne
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Dear Mr. Bayne:

Enclosed for recordation under the provisions of Section 11303 of Title 49 of the U.S. Code are the original and three counterparts of a Second Amendment dated as of June 10, 1985 to Equipment Lease dated as of May 20, 1985. The Equipment Lease dated as of May 20, 1985 was originally filed with the Interstate Commerce Commission on May 24, 1985 at 10:45 A.M. and assigned recordation number 14656. The Second Amendment to Equipment Lease is a secondary document.

A general description of the railroad rolling stock covered by the enclosed documents and intended for use related to interstate commerce is set forth in Schedule 1 attached to this letter and made a part hereof.

The names and addresses of the parties to the Second Amendment to Equipment Lease are as follows:

Lessor: Wells Fargo Leasing Corporation
101 California Street
Suite 2800
San Francisco, California 94111
Attention: Operations Department

Lessee: Southern Pacific Transportation Company
One Market Plaza
San Francisco, California 94105
Attention: Vice President - Finance

The undersigned acted as special counsel in connection with the preparation of the enclosed documents and has knowledge of the matters set forth therein.

Please return the original and any extra copies of the Second Amendment to Equipment Lease not needed by the Commission for recordation to Elizabeth L. Majers, Esq., Chapman and Cutler, 111 West Monroe Street, Chicago, Illinois 60603.

Also enclosed is a check in the amount of \$10.00 covering the required recording fee.

A short summary of the enclosed secondary document to appear in the Index is as follows:

MOTOR OPERATING UNIT
JUN 13 10 50 AM '85
THE SECRETARY
ICC OFFICE OF

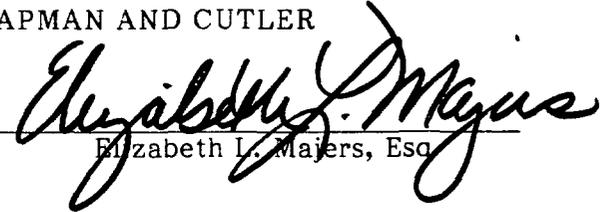
C.T. Kasper

Second Amendment to Equipment Lease between Wells Fargo Leasing Corporation, as Lessor, 101 California Street, Suite 2800, San Francisco, California 94111, Attention: Operations Department and Southern Pacific Transportation Company, as Lessee, One Market Plaza, San Francisco, California 94105, Attention: Vice President Finance covering railroad rolling stock.

Very truly yours,

CHAPMAN AND CUTLER

By


Elizabeth L. Majers, Esq

Enclosures

DESCRIPTION OF EQUIPMENT

<u>Number of Items</u>	<u>Description</u>	<u>Identifying Mark and Numbers (Both Inclusive)</u>
Twenty-one	High horsepower (3,600 HP) 6-axle SD45 locomotives originally manufactured by General Motors (Electromotive Division) and rebuilt by the Lessee as SD45-2 locomotives.	SP7540 through SP7560, both inclusive

Interstate Commerce Commission
Washington, D.C. 20423

6/13/85

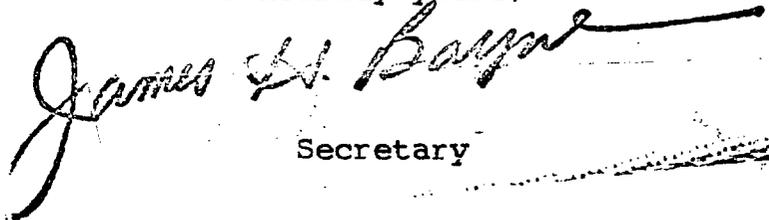
OFFICE OF THE SECRETARY

Elizabeth L Majers, Esq.,
Chapman & Cutler
111 W. Monroe St
Chicago, Illinois 60603

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 6/13/85 at 10:55am and assigned re-
recording number(s). 14656-A & 14705

Sincerely yours,


Secretary

Enclosure(s)

REGISTRATION NO. *14656-A* Filed 1425

JUN 13 1985 10 00 AM

INTERSTATE COMMERCE COMMISSION

SECOND AMENDMENT

Dated as of June 10, 1985

to

EQUIPMENT LEASE

Dated as of May 20, 1985

between

WELLS FARGO LEASING CORPORATION

LESSOR

and

SOUTHERN PACIFIC TRANSPORTATION COMPANY

LESSEE

(S.P. No. 85-1)

**SECOND AMENDMENT TO
EQUIPMENT LEASE**

THIS SECOND AMENDMENT, dated as of June 10, 1985, is between **WELLS FARGO LEASING CORPORATION**, a California corporation (the "Lessor"), and **SOUTHERN PACIFIC TRANSPORTATION COMPANY**, a Delaware corporation (the "Lessee").

RECITALS:

A. The Lessor and the Lessee have entered into an Equipment Lease dated as of May 20, 1985 and a First Amendment thereto dated as of May 21, 1985 (as so amended, the "Lease"). The capitalized terms used in this First Amendment shall have the respective meanings assigned thereto in the Lease unless otherwise herein defined or the context shall otherwise require.

B. The Lessor and the Lessee now desire to amend the Lease for the purposes set forth herein.

C. All requirements of law have been fully complied with and all other acts and things necessary to make this Second Amendment a valid, binding and legal instrument according to its terms for the purposes herein expressed have been done and performed.

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto mutually agree as follows:

1. The first sentence of Section 11.4 of the Lease shall be and shall read as follows:

"When, in the good faith judgment of the President, any Vice President, the Treasurer or any Assistant Treasurer of the Lessee any Item of Equipment then leased hereunder shall have become economically obsolete or surplus to the needs of the Lessee, the Lessee may upon not less than 120 days' prior written notice to the Lessor and the Note Purchaser, which notice shall be signed by any such officer and shall certify the reason for termination hereunder and shall designate the date on which termination will be effective, terminate this Lease with respect to such Item of Equipment as of the rent payment date for the twenty-first installment of Fixed Rental or as of any succeeding payment date for Fixed Rental during the term of this Lease upon payment to the Lessor of an amount equal to the Casualty Value of such Item of Equipment (together with the installment of Fixed Rental and any other sum then due in respect of such Item of Equipment)."

2. Section 14.2(b) of the Lease shall be and shall read as follows:

"(b) By notice in writing to the Lessee, terminate this Lease, whereupon all right of the Lessee to the use of the Equipment shall absolutely

cease and terminate as though this Lease had never been made, but the Lessee shall remain liable as hereinafter provided; and thereupon, the Lessor may by its agents enter upon the premises of the Lessee or other premises where any of the Equipment may be located and take possession of all or any of the Items of Equipment and thenceforth hold, possess and enjoy the same free from any right of the Lessee, or its successors or assigns, to use such Items for any purpose whatever, but the Lessor shall nevertheless have a right to recover from the Lessee any and all amounts which may have accrued to the date of such termination (computing the rental for any number of days less than a full rental period by multiplying the rental for such full rental period by a fraction of which the numerator is such number of days and the denominator is the total number of days in such full rental period) and also to recover forthwith from the Lessee (i) as damages for loss of the bargain and not as a penalty, whichever of the following amounts the Lessor, in its sole discretion, shall specify: (x) a sum with respect to each Item of Equipment which represents the excess of the present worth, at the time of such termination, of all rentals for such Item which would otherwise have accrued hereunder from the date of such termination to the end of the term of this Lease over the then present worth of the then Fair Rental Value of such Item for such period, such present worth to be computed in each case on a basis of a 11.4% per annum discount, compounded quarterly from the respective dates upon which rentals would have been payable hereunder had this Lease not been terminated, or (y) an amount equal to the excess if any of the Casualty Value of such Item of Equipment as of the rent payment date on or immediately preceding the date of termination over the Fair Market Value thereof at such time; provided, however, that in the event the Lessor shall have sold any Item of Equipment, the Lessor, in lieu of collecting any amounts payable to the Lessor by the Lessee pursuant to the preceding clauses (x) and (y) of this part (i) with respect thereto may, if it shall so elect, demand that the Lessee pay the Lessor and the Lessee shall pay to the Lessor, on the date of such sale, as liquidated damages for loss of a bargain and not as a penalty, an amount equal to the excess, if any, of the Casualty Value of such Item of Equipment as of the rent payment date on or immediately preceding the date of termination of such Item of Equipment under the Lease over the net proceeds of such sale, and (ii) any damages and expenses, other than for a failure to pay rental, in addition thereto, including reasonable attorneys' fees, which the Lessor shall have sustained by reason of the breach of any covenant or covenants of this Lease other than for the payment of rental, including without limitation the repayment in full of any costs and expenses necessary to be expended in repairing or modifying any Item in order to cause it to be in compliance with all maintenance and regulatory standards imposed by this Lease."

3. Section 17.1 of the Lease shall be and is hereby amended by adding the following sentence:

"The Lessee and the Lessor agree that any sublessee under any sublease permitted by this Section 17.1 shall not be permitted to enter into any subsequent sublease with respect to any of the Equipment and that the same shall be null and void and of no force and effect."

This Second Amendment may be executed in any number of counterparts, each counterpart constituting an original but all together one and the same instrument and contract.

This Second Amendment shall be construed in connection with and as part of the Lease, and all terms, conditions and covenants contained in the Lease, except as herein modified, shall be and remain in full force and effect.

Any and all notices, requests, certificates and other instruments executed and delivered after the execution and delivery of this Second Amendment may refer to the "Equipment Lease dated as of May 20, 1985" without making specific reference to this Second Amendment, but nevertheless all such references shall be deemed to include this Second Amendment unless the context shall otherwise require.

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this instrument to be executed and delivered.

WELLS FARGO LEASING CORPORATION

By _____
Its _____

By _____
Its _____

**SOUTHERN PACIFIC TRANSPORTATION
COMPANY**

By J. H. Johnson
Its Vice President - Finance

STATE OF)
) SS
COUNTY OF)

On this _____ day of June, 1985, before me personally appeared _____ and _____, to me personally known, who being by me duly sworn, says that he is the _____ and _____, respectively, of WELLS FARGO LEASING CORPORATION, that said instrument was signed 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.

Notary Public

[NOTARIAL SEAL]

My commission expires:

STATE OF CALIFORNIA)
) SS
COUNTY OF SAN FRANCISCO)

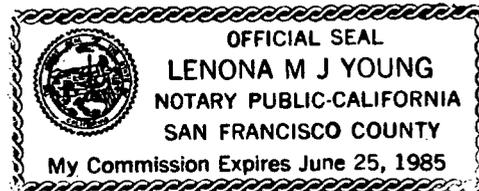
On this 10th day of June, 1985, before me personally appeared E.L. JOHNSON, to me personally known, who being by me duly sworn, says that he is the VICE PRESIDENT-FINANCE of SOUTHERN PACIFIC TRANSPORTATION COMPANY, that said instrument was signed on behalf of said corporation by authority of its Board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Lenona M. J. Young

Notary Public

[NOTARIAL SEAL]

My commission expires:



IN WITNESS WHEREOF, the Lessor and the Lessee have caused this instrument to be executed and delivered.

WELLS FARGO LEASING CORPORATION

By Robert F. Darling
Its SENIOR VICE PRESIDENT

By Don A. B...
Its SENIOR VICE PRESIDENT

SOUTHERN PACIFIC TRANSPORTATION
COMPANY

By _____
Its _____

