

KUNKEL TRANSPORTATION SERVICES, INC.

425 13th Street, N.W., Suite 523
Washington, D.C. 20004

13017 (202) 783-3698
RECORDATION NO. FILED (202) 783-3645

No. 1-086A094
Date MAR 27 1981
Fee \$ 150.00

TRANSPORTATION INFORMATION
STATUTORY AGENCY SERVICE

CAROLYN H. KUNKEL
President

MAR 27 1981 -4 00 PM
13017 INTERSTATE COMMERCE COMMISSION
RECORDATION NO. FILED 1425

March 27, 1981
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MAR 27 1981 -4 00 PM
INTERSTATE COMMERCE COMMISSION

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INTERSTATE COMMERCE COMMISSION

Mrs. Agatha L. Mergenovich
Secretary
Interstate Commerce Commission
Washington, D. C. 20423

13017
RECORDATION NO. FILED 1425

MAR 27 1981 -4 00 PM
INTERSTATE COMMERCE COMMISSION

Dear Madam:

Enclosed are the following for recordation with the Interstate
Commerce Commission:

Lease Financing Agreement, dated as of January 1, 1981, by and
among Valley Bank Leasing, Inc., First Security Bank of Rock
Springs, First Security State Bank, State of Wisconsin Investment
Board and First Security Bank of Utah, N.A.

Equipment Lease Agreement by and between a trust (created under
the Trust Agreement dated as of January 1, 1981 between First
Security State Bank and the beneficiaries thereof) and Southern
Pacific Transportation Company

Assignment of Lease by and between First Security State Bank as
Owner-Trustee, and State of Wisconsin Investment Board

Consent and Agreement, dated January 1, 1981, from Southern
Pacific Transportation Company to State of Wisconsin Investment
Board.

Check for the recordation fee is attached.

Yours truly,

Carolyn H. Kunkel

RECEIVED
MAR 27 3 56 PM '81

Al Andrews
Carolyn H. Kunkel

BENESCH, FRIEDLANDER, COPLAN & ARONOFF
ATTORNEYS AT LAW

1100 CITIZENS BUILDING
CLEVELAND, OHIO 44114

AREA CODE 216
696-1600

CABLE ADDRESS
"BFCA"

March 30, 1981

MORTON M. STOTTER
MORTON D. BARRISCH
COUNSEL

JEROME M. FRIEDLANDER
OF COUNSEL

ALFRED A. BENESCH
(1879-1973)

GEORGE N. ARONOFF
LAWRENCE M. BELL
BARBARA S. BROMBERG
HARRY M. BROWN
ROBERT C. COPLAN
ALAN DORIS
JOHN A. ELDEN, JR.
THOMAS FORD
ALLAN GOLDNER
BERNARD D. GOODMAN
ROBERT A. GOODMAN
NORMAN W. GUTMACHER
PETER R. HARWOOD
MICHAEL T. HONOHAN
EDWARD KANCLER
ELLIOT M. KAUFMAN
MARVIN KELNER
ALLAN D. KLEINMAN
RICHARD D. MARGOLIS
RICHARD L. PHILLIPS
GEOFFREY J. PORTER
HOWARD A. STEINDLER
JEFFRY L. WEILER
IRVING BERLINER
GARY B. BILCHIK
KENNETH A. BRAVO
SPENCER I. BROWNE
NORMAN S. BUCKVAR
EDWARD W. COCHRAN
MARY ROBIN CRAIG
LESLIE J. CROLAND
GREGORY J. EDGEHOUSE
COLLEEN M. FLYNN
HARRY G. GRAHAM
RICHARD L. GROSSMAN
ARMAND GRUNBERGER
DOUGLAS E. HAAS
IRA C. KAPLAN
MARGARET A. KENNEDY
ARTHUR KORZEC
HAROLD E. LEIDNER
ABRAHAM LIEBERMAN
LAURENCE P. LUBKA
H. JEFFERSON MEGARGEL II
VALENTINA SGRO
FRED SIEGEL
GAIL E. SINDELL
RICHARD M. STONE
RUSSELL B. TURELL

Ms. Mildred Lee
ICC
12th Street and Constitution
Avenue, N.W.
Room 2303
Washington, D.C. 20423

Re: 1981 Southern Pacific Lease Transaction

Dear Ms. Lee:

Pursuant to our telephone conversation of today, the following are the parties listed in the documents in connection with the above-referenced transaction:

LEASE FINANCING AGREEMENT

1. First Security State Bank - Lessor
79 South Main Street
Salt Lake City, Utah 84125
Attention of Corporate Trust Department
2. First Security Bank of Rock Springs - Beneficiary
79 South Main Street
Salt Lake City, Utah 84111
Attention of C. S. Cummings
3. Valley Bank Leasing, Inc. - Beneficiary
c/o Valley National Bank
234 North Central - Suite 522
Phoenix, Arizona 85004
Attention of Allen E. Wilson
4. State of Wisconsin Investment Board - Lender
244 West Washington Avenue
Madison, Wisconsin 53702
Attention of Mark Ulivich

Ms. Mildred Lee
March 30, 1981
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5. First Security Bank of Utah, N.A. - Agent
79 South Main Street
Salt Lake City, Utah 84125
Attention of Randy Marchant

EQUIPMENT LEASE AGREEMENT

1. Southern Pacific Transportation Company - Lessee
One Market Plaza
San Francisco, California 94111
Attention of Madeleine Sloane
2. First Security State Bank - Lessor
79 South Main Street
Salt Lake City, Utah 84125
Attention of Corporate Trust Department

ASSIGNMENT OF LEASE

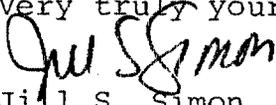
1. First Security State Bank - Lessor
79 South Main Street
Salt Lake City, Utah 84125
Attention of Corporate Trust Department
2. State of Wisconsin Investment Board - Lender
244 West Washington Avenue
Madison, Wisconsin 53702
Attention of Mark Ulivich

CONSENT AND AGREEMENT

1. Southern Pacific Transportation Company - Lessee
One Market Plaza
San Francisco, California 94111
Attention of Madeleine Sloane
2. State of Wisconsin Investment Board - Lender
244 West Washington Avenue
Madison, Wisconsin 53702
Attention of Mark Ulivich

Please index the documents under the first party listed.
If you have any further questions, please feel free to contact the undersigned. I am sorry for any inconvenience caused in connection with the filing of these documents.

Very truly yours,



Jill S. Simon
Legal Assistant

/def

Filed and recorded with the
Interstate Commerce Commission
pursuant to Section 20c of
the Interstate Commerce Act
on _____, 198
at _____ (A.M.) (P.M.),
Recordation Number _____.

13017 *B*
RECORDATION NO. _____ FILED 1428

MAR 27 1981 -4 00 PM

INTERSTATE COMMERCE COMMISSION

ASSIGNMENT OF LEASE

This Assignment of Lease dated as of January 1, 1981 (the "Assignment") by and between FIRST SECURITY STATE BANK, a Utah banking corporation (the "Lessor"), not in its individual capacity but solely as owner-trustee under a Trust Agreement dated as of the date hereof and STATE OF WISCONSIN INVESTMENT BOARD, an independent agency of the State of Wisconsin (the "Lender").

WHEREAS, in order to provide security for the obligations of the Lessor under the Lease Financing Agreement dated as of January 1, 1981 (the "Agreement") between the Lessor, the Lender and certain other parties and under the Promissory Note and the Quarterly Notes issued pursuant thereto and as an inducement to the Lender to enter into, and advance funds and otherwise perform pursuant to, the Agreement, the Lessor has agreed to assign to the Lender for security purposes its rights in, to and under the Equipment Lease Agreement dated as of January 1, 1981 (the "Lease") between the Lessor and Southern Pacific Transportation Company (the "Lessee").

NOW, THEREFORE, in consideration of mutual agreements herein contained, the parties hereto agree as follows:

1. To the extent as provided in Section 17 of the Agreement, the Lessor hereby assigns, transfers and sets over unto the Lender, as collateral security for the payment and performance of the Lessor's obligations under the Agreement and the Promissory Note and the Quarterly Notes issued pursuant thereto, all of the Lessor's right, title and interest as lessor under the Lease, along with all rights, powers, privileges and other benefits of the Lessor as lessor under the Lease, excluding the payments under Sections 6, 10 and 17 of the Lease and, in the absence of any Event of Default under the Agreement, the interim Rent referred to in Annex "A" to the Lease.

2. The Lender agrees to accept any payments made by the Lessee pursuant to the Lease. To the extent received, the Lender will apply such payments under the Lease, or cause the same to be applied, as provided by the Agreement.

3. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Lender to, or transfer or pass, or in any way affect or modify, any liability of the Lessor under the Lease, it being understood and agreed that notwithstanding this Agreement, all obligations of the Lessor to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Lessor or persons other than the Lender.

4. Upon the full discharge and satisfaction of all of the Lessor's obligations under the Agreement to the Lender and under the Promissory Note and the Quarterly Notes issued to the Lender pursuant to the Agreement, this Assignment and all rights, powers, privileges and other benefits herein assigned and granted to the Lender shall terminate, and all estate, right, title and interest of the Lender in and to the Lease shall revert to and vest in the Lessor.

5. All of the rights of the Lender under this Assignment are expressly subject and subordinate to the rights of the Lessee under the Lease. Neither the Lessor nor any assignee or transferee of the Lessor shall have or acquire the right to terminate or impair the Lessee's possession or use of the Units unless an Event of Default under the Lease shall have occurred.

6. This Assignment shall be construed under and governed by the laws of the State of Utah. The terms defined in the Agreement and in the Lease shall, for the purpose of this Assignment, have the meanings herein as so defined.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

FIRST SECURITY STATE BANK,
not in its individual capacity
but solely as owner-trustee.

By: _____

STATE OF WISCONSIN
INVESTMENT BOARD

By: Kenneth E. Collins

3. This Assignment is executed only as security and, therefore, the execution and delivery of this Assignment shall not subject the Lender to, or transfer or pass, or in any way affect or modify, any liability of the Lessor under the Lease, it being understood and agreed that notwithstanding this Agreement, all obligations of the Lessor to the Lessee shall be and remain enforceable by the Lessee, its successors and assigns, against, and only against, the Lessor or persons other than the Lender.

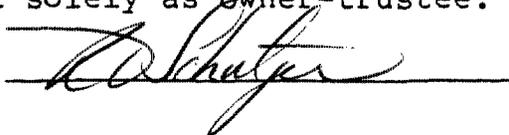
4. Upon the full discharge and satisfaction of all of the Lessor's obligations under the Agreement to the Lender and under the Promissory Note and the Quarterly Notes issued to the Lender pursuant to the Agreement, this Assignment and all rights, powers, privileges and other benefits herein assigned and granted to the Lender shall terminate, and all estate, right, title and interest of the Lender in and to the Lease shall revert to and vest in the Lessor.

5. All of the rights of the Lender under this Assignment are expressly subject and subordinate to the rights of the Lessee under the Lease. Neither the Lessor nor any assignee or transferee of the Lessor shall have or acquire the right to terminate or impair the Lessee's possession or use of the Units unless an Event of Default under the Lease shall have occurred.

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IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

FIRST SECURITY STATE BANK,
not in its individual capacity
but solely as owner-trustee.

By: 

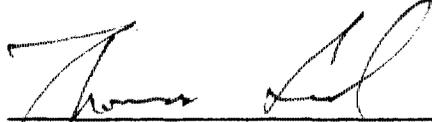
STATE OF WISCONSIN
INVESTMENT BOARD

By: _____

CERTIFICATE

This is to certify that the attached Assignment of Lease dated as of January 1, 1981 by and between the parties listed in the first paragraph of such document is a true and correct counterpart copy of such document and pursuant to the terms thereof has appended thereto the counterpart signatures of such parties thereto.

IN WITNESS WHEREOF, I have hereunto set my hand this 27th day of March, 1981.



Thomas Ford

STATE OF OHIO)
) SS
COUNTY OF CUYAHOGA)

On this 27th day of March, 1981 before me personally appeared Thomas Ford, to me personally known, who, being by me duly sworn, says that he is one of the attorneys involved in the transaction described in the accompanying document and the statements made in the foregoing Certificate are true and correct to the best of his knowledge and belief.



Notary Public

ALAN DORIS, Attorney At Law
Notary Public - State of Ohio
My commission has no expiration date.
Section 147.03 R. C.