

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

Lease of Railroad Equipment:

Lessor: Wilmington Trust Company
Rodney Square North
Wilmington, Delaware 19890

Lessee: Soo Line Railroad Company
Soo Line Building
105 South Fifth Street
Box 530
Minneapolis, Minnesota 55440

Lease Supplement No. 1:

Lessor: Wilmington Trust Company
Rodney Square North
Wilmington, Delaware 19890

Lessee: Soo Line Railroad Company
Soo Line Building
105 South Fifth Street
Box 530
Minneapolis, Minnesota 55440

Loan and Security Agreement:

Owner Trustee: Wilmington Trust Company
Rodney Square North
Wilmington, Delaware 19890

Lender: The Prudential Insurance
Company of America
c/o PruCapital, Inc.
3701 Wayzata Boulevard
P.O. Box 1143
Minneapolis, Minnesota 55440

Supplement No. 1 to Loan and Security Agreement:

Owner Trustee: Wilmington Trust Company
Rodney Square North
Wilmington, Delaware 19890

Lender: The Prudential Insurance
Company of America
c/o PruCapital, Inc.
3701 Wayzata Boulevard
P.O. Box 1143
Minneapolis, Minnesota 55440

A description of the equipment covered by these documents is set forth in Attachment 5.

A fee of \$40.00 is enclosed. Please return the originals and any extra copies not needed by the Commission for recordation to the undersigned.

A short summary of the documents, to appear in the Commission's index, follows:

Lease of Railroad Equipment:

Lease of Railroad Equipment between Wilmington Trust Company, Rodney Square North, Wilmington, Delaware 19890, Lessor, and Soo Line Railroad Company, Soo Line Building, 105 South Fifth Street, Box 530, Minneapolis, Minnesota 55440, Lessee, dated as of December 10, 1987, and covering 21 General Motors EMD SD-60 Locomotives bearing road numbers SOO 6000-6020, both inclusive.

Lease Supplement No. 1:

Lease Supplement between Wilmington Trust Company, Rodney Square North, Wilmington, Delaware 19890, Lessor, and Soo Line Railroad Company, Soo Line Building, 105 South Fifth Street, Box 530, Minneapolis, Minnesota 55440, Lessee, dated as of December 11, 1987, supplementing the Lease of Railroad Equipment, dated as of December 10, 1987, between Lessor and Lessee, and covering 21 General Motors EMD SD-60 Locomotives.

Loan and Security Agreement:

Loan and Security Agreement between Wilmington Trust Company, Rodney Square North, Wilmington, Delaware

19890, Owner Trustee, and The Prudential Insurance Company of America, c/o PruCapital, Inc., 3701 Wayzata Boulevard, P.O. Box 1143, Minneapolis, Minnesota 55440, Lender, dated as of December 10, 1987, and covering \$18,720,000 Maximum Aggregate Principal Amount 10.82% Secured Notes.

Supplement No. 1 to Loan and Security Agreement:

Supplement No. 1 to Loan and Security Agreement between Wilmington Trust Company, Rodney Square North, Wilmington, Delaware 19890, Owner Trustee, and The Prudential Insurance Company of America, c/o PruCapital, Inc., 3701 Wayzata Boulevard, P.O. Box 1143, Minneapolis, Minnesota 55440, Lender, dated as of December 11, 1987, supplementing the Loan and Security Agreement, dated as of December 10, 1987, between Owner Trustee and Lender, and covering \$18,720,000 Maximum Aggregate Principal Amount 10.82% Secured Notes.

Very truly yours,

Brian L. Rubin

Richard J. Flynn
Terence M. Hynes
Brian L. Rubin

LEASE SUPPLEMENT NO. 1

RECORDATION NO. 1

5408-A

DEC 11 1987 - 12 45 PM

THIS LEASE SUPPLEMENT NO. 1 is dated December 11, 1987 (this "Lease Supplement"), and is executed ~~INTERSTATE COMMERCE COMMISSION~~ WILMINGTON TRUST COMPANY, a Delaware banking corporation, not individually but solely as trustee under that certain Trust Agreement, dated as of December 10, 1987, between PacifiCorp Finance, Inc. and such trustee (the "Lessor"), by SOO LINE RAILROAD COMPANY, a Minnesota corporation (the "Lessee"), pursuant to and in accordance with the Lease of Railroad Equipment dated as of December 10, 1987 between the Lessor and the Lessee (the "Lease"). Unless otherwise defined herein, capitalized terms in this Lease Supplement are used with the respective meanings specified in the Lease.

1. The locomotives covered by this Lease Supplement consist of the items described in Schedule 1 attached hereto (the "Locomotives").

2. The Lessee confirms that the Locomotives have been delivered to it and, as between the Lessor and the Lessee, are in good working order and condition, and have been inspected and accepted by Lessee as of the date first set forth above.

3. The Purchase Price of each of the Locomotives is set forth in Schedule 1 attached hereto and the aggregate Purchase Price for such Locomotives is \$23,940,000.00.

4. The percentages of Basic Rent and Casualty Value for the Locomotives are set forth in Schedules 2 and 3 hereto, respectively.

5. The Lessee hereby: (a) confirms that the Locomotives covered hereby are of the size, design, capacity and manufacture selected by it and meet the provisions of the applicable purchase agreement with the Manufacturer with respect thereto, (b) confirms that the Locomotives have been marked in accordance with all of the provisions of Section 6.1 of the Lease, (c) confirms that the Locomotives conform to the modifications, requirements and standards applicable thereto as provided in the Lease, and (d) irrevocably accepts such Locomotives "as-is, where-is" for all purposes of the Lease as of the date first set forth above.

6. By the execution and delivery of this Lease Supplement by the Lessee, and the acceptance thereof by Lessor, Lessee and Lessor reaffirm all of the terms, provisions and conditions of the Lease.

7. The Lease Supplement may be executed in several counterparts (or upon separate signature pages bound together into one or more counterparts), such counterparts together constituting but one and the same instrument. To the extent, if any, that this Lease Supplement constitutes chattel paper (as such term is defined in the Uniform Commercial Code as in effect in any applicable jurisdiction), no security interest in this Lease Supplement may be created through the transfer or possession of any counterpart of this Lease Supplement other than the original counterpart, which shall be identified as the counterpart containing the receipt therefor executed by the Lender on or immediately following the signature page hereof.

IN WITNESS WHEREOF, Lessee has caused this Lease Supplement to be duly executed by its duly authorized officer as of the date first set forth above.

SOO LINE RAILROAD COMPANY

By _____
Name:
Title:

Accepted as of the date first set forth above:

WILMINGTON TRUST COMPANY, not individually (except as otherwise provided in the Lease), but solely as Owner Trustee under the Trust Agreement

By  _____
Name: WILLIAM B. SOWDEN III
Title: VICE PRESIDENT

State of _____)
County of _____) ss.

On this _____ day of _____, 19__, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is a _____ of SOO LINE RAILROAD COMPANY and that the instrument was signed on behalf of such 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 such corporation.

Notary Public

My commission expires

State of Delaware)
County of New Castle) ss.

On this 11th day of December, 1987, before me personally appeared William B. Sowden III, to me personally known, who, being by me duly sworn, did say that he is a Vice President of WILMINGTON TRUST COMPANY and that the instrument was signed on behalf of such 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 such corporation.

Johanna M. Powick
Notary Public

My commission expires

2/18/88

IN WITNESS WHEREOF, Lessee has caused this Lease Supplement to be duly executed by its duly authorized officer as of the date first set forth above.

SOO LINE RAILROAD COMPANY

By James A. Lee
Name: James A. Lee
Title: Sr. Vice President &
Chief Financial Officer

Accepted as of the date first set forth above:

WILMINGTON TRUST COMPANY, not individually (except as otherwise provided in the Lease), but solely as Owner Trustee under the Trust Agreement

By _____
Name:
Title:

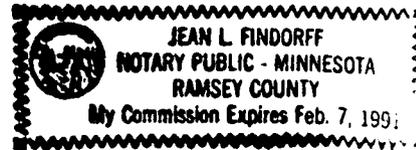
State of Minnesota)
) ss.
County of Hennepin)

On this 11th day of December, 1987, before me personally appeared James A. Lee, to me personally known, who, being by me duly sworn, did say that he is a Sr. Vice President & Chief Financial Officer of SOO LINE RAILROAD COMPANY and that the instrument was signed on behalf of such 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 such corporation.


Notary Public

My commission expires

February 7, 1991



State of _____)
) ss.
County of _____)

On this _____ day of _____, 19____, before me personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is a _____ of WILMINGTON TRUST COMPANY and that the instrument was signed on behalf of such 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 such corporation.

Notary Public

My commission expires

SCHEDULE 1 TO
LEASE SUPPLEMENT NO. 1

DESCRIPTION OF LOCOMOTIVES

<u>Description</u>	<u>Manufacturer</u>	<u>Manuf. Serial No.</u>	<u>Lessee's Road No.</u>	<u>Purchase Price</u>
3800 Horsepower Model SD-60 Diesel Electric Locomotive	Electro-Motive Division General Motors Corporation	867164-1	6000	\$1,140,000
"	"	867164-2	6001	"
"	"	867164-3	6002	"
"	"	867164-4	6003	"
"	"	867164-5	6004	"
"	"	867164-6	6005	"
"	"	867164-7	6006	"
"	"	867164-8	6007	"
"	"	867164-9	6008	"
"	"	867164-10	6009	"
"	"	867164-11	6010	"
"	"	867164-12	6011	"
"	"	867164-13	6012	"
"	"	867164-14	6013	"
"	"	867164-15	6014	"
"	"	867164-16	6015	"
"	"	867164-17	6016	"
"	"	867164-18	6017	"
"	"	867164-19	6018	"
"	"	867164-20	6019	"
"	"	867164-21	6020	"
Aggregate Purchase Price				<u>\$23,940,000</u>

SCHEDULE 2 TO
LEASE SUPPLEMENT NO. 1

BASIC RENT

Rental Factors are expressed as percentages of Lessor's Purchase Price. The Basic Rent due on a Rent Payment Date is equal to the product of the Arrears Rent Factor or the Advance Rent Factor, as the case may be, and Lessor's Purchase Price for the Locomotives.

<u>Rent Payment Date</u>	<u>Payment Number</u>	<u>Arrears Rent Factor (%)</u>	<u>Payment Number</u>	<u>Advance Rent Factor (%)</u>
7/ 5/1988	1	4.0914333		
1/ 5/1989	2	5.3159544		
7/ 5/1989	3	4.0251867		
1/ 5/1990	4	5.3822010		
7/ 5/1990	5	3.9517722		
1/ 5/1991	6	5.4556155		
7/ 5/1991	7	3.8704143		
1/ 5/1992	8	5.5369734		
7/ 5/1992	9	3.7802534		
1/ 5/1993	10	5.6271343	11	7.1596530
7/ 5/1993			12	3.2929999
1/ 5/1994			13	8.4858516
7/ 5/1994			14	3.0120667
1/ 5/1995			15	8.7989204
7/ 5/1995			16	2.6989979
1/ 5/1996			17	7.7044576
7/ 5/1996			18	3.7934607
1/ 5/1997			19	7.8413339
7/ 5/1997			20	3.6565844
1/ 5/1998			21	8.2514339
7/ 5/1998			22	3.2464844
1/ 5/1999			23	9.9030832
7/ 5/1999			24	1.5948351
1/ 5/2000			25	10.3782668
7/ 5/2000			26	1.1196515
1/ 5/2001			27	10.9078060
7/ 5/2001			28	0.5901123
1/ 5/2002			29	11.4979183
7/ 5/2002			30	0.0000418

SCHEDULE 3 TO
LEASE SUPPLEMENT NO.1

CASUALTY VALUE

Casualty Value
Determination Date

Casualty Value (as a percentage
of the Purchase Price) (a)(b)

30 DEC 1987	101.43187
30 JAN 1988	101.05737
28 FEB 1988	102.02198
30 MAR 1988	102.98907
30 APR 1988	103.95003
30 MAY 1988	104.88673
30 JUN 1988	105.82566
30 JUL 1988	102.64871
30 AUG 1988	103.56523
30 SEP 1988	104.48380
30 OCT 1988	105.37774
30 NOV 1988	106.27354
30 DEC 1988	107.17121
30 JAN 1989	102.71892
28 FEB 1989	103.58241
30 MAR 1989	104.44759
30 APR 1989	105.30260
30 MAY 1989	106.14077
30 JUN 1989	106.98041
30 JUL 1989	103.77789
30 AUG 1989	104.60188
30 SEP 1989	105.42721
30 OCT 1989	106.23545
30 NOV 1989	107.04489
30 DEC 1989	107.85554
30 JAN 1990	103.25656
28 FEB 1990	104.03882
30 MAR 1990	104.82217
30 APR 1990	105.59840
30 MAY 1990	106.36307
30 JUN 1990	107.12867
30 JUL 1990	103.93084
30 AUG 1990	104.68561
30 SEP 1990	105.44123
30 OCT 1990	106.18510
30 NOV 1990	106.92972
30 DEC 1990	107.67509
30 JAN 1991	102.94172
28 FEB 1991	103.66235
30 MAR 1991	104.38365
30 APR 1991	105.10001
30 MAY 1991	105.80866

Casualty Value
Determination Date

Casualty Value (as a percentage
of the Purchase Price) (a)(b)

30 JUN 1991	106.51786
30 JUL 1991	103.34887
30 AUG 1991	104.05078
30 SEP 1991	104.75319
30 OCT 1991	105.44776
30 NOV 1991	106.14276
30 DEC 1991	106.83820
30 JAN 1992	101.97624
28 FEB 1992	102.64912
30 MAR 1992	103.32238
30 APR 1992	103.99231
30 MAY 1992	104.65445
30 JUN 1992	105.31686
30 JUL 1992	102.19117
30 AUG 1992	102.84595
30 SEP 1992	103.50094
30 OCT 1992	104.14802
30 NOV 1992	104.79524
30 DEC 1992	105.44261
30 JAN 1993	93.22754
28 FEB 1993	93.78580
30 MAR 1993	94.34414
30 APR 1993	94.89895
30 MAY 1993	95.44811
30 JUN 1993	95.99726
30 JUL 1993	93.25310
30 AUG 1993	93.80193
30 SEP 1993	94.35076
30 OCT 1993	94.89960
30 NOV 1993	95.44843
30 DEC 1993	95.99726
30 JAN 1994	88.02123
28 FEB 1994	88.52324
30 MAR 1994	89.02525
30 APR 1994	89.52726
30 MAY 1994	90.02927
30 JUN 1994	90.53128
30 JUL 1994	88.02123
30 AUG 1994	88.52324
30 SEP 1994	89.02525
30 OCT 1994	89.52726
30 NOV 1994	90.02927
30 DEC 1994	90.53128
30 JAN 1995	82.19089
28 FEB 1995	82.64073
30 MAR 1995	83.09056
30 APR 1995	83.54039
30 MAY 1995	83.99022
30 JUN 1995	84.44006

<u>Casualty Value</u> <u>Determination Date</u>	<u>Casualty Value (as a percentage</u> <u>of the Purchase Price) (a)(b)</u>
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30 JUL 1995	82.19089
30 AUG 1995	82.64073
30 SEP 1995	83.09056
30 OCT 1995	83.54641
30 NOV 1995	84.00231
30 DEC 1995	84.45826
30 JAN 1996	77.18621
28 FEB 1996	77.59950
30 MAR 1996	78.01278
30 APR 1996	78.42912
30 MAY 1996	78.85284
30 JUN 1996	79.27666
30 JUL 1996	75.91447
30 AUG 1996	76.32775
30 SEP 1996	76.74104
30 OCT 1996	77.16169
30 NOV 1996	77.58240
30 DEC 1996	78.00318
30 JAN 1997	70.55795
28 FEB 1997	70.93272
30 MAR 1997	71.30749
30 APR 1997	71.68553
30 MAY 1997	72.07149
30 JUN 1997	72.45755
30 JUL 1997	69.19501
30 AUG 1997	69.56977
30 SEP 1997	69.94454
30 OCT 1997	70.32720
30 NOV 1997	70.70993
30 DEC 1997	71.09272
30 JAN 1998	63.19762
28 FEB 1998	63.53108
30 MAR 1998	63.86454
30 APR 1998	64.19801
30 MAY 1998	64.53992
30 JUN 1998	64.88191
30 JUL 1998	61.98594
30 AUG 1998	62.31940
30 SEP 1998	62.65286
30 OCT 1998	62.99478
30 NOV 1998	63.33677
30 DEC 1998	63.67883
30 JAN 1999	54.06996
28 FEB 1999	54.34753
30 MAR 1999	54.62521
30 APR 1999	54.90675
30 MAY 1999	55.19780
30 JUN 1999	55.48907

<u>Casualty Value</u> <u>Determination Date</u>	<u>Casualty Value (as a percentage</u> <u>of the Purchase Price) (a)(b)</u>
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30 JUL 1999	54.19510
30 AUG 1999	54.49628
30 SEP 1999	54.79776
30 OCT 1999	55.10893
30 NOV 1999	55.42050
30 DEC 1999	55.73246
30 JAN 2000	45.60994
28 FEB 2000	45.85298
30 MAR 2000	46.09651
30 APR 2000	46.34470
30 MAY 2000	46.60388
30 JUN 2000	46.86370
30 JUL 2000	46.01497
30 AUG 2000	46.28662
30 SEP 2000	46.55901
30 OCT 2000	46.84261
30 NOV 2000	47.12706
30 DEC 2000	47.41237
30 JAN 2001	36.72763
28 FEB 2001	36.93696
30 MAR 2001	37.14726
30 APR 2001	37.36318
30 MAY 2001	37.59179
30 JUN 2001	37.82154
30 JUL 2001	37.47399
30 AUG 2001	37.71781
30 SEP 2001	37.96290
30 OCT 2001	38.22093
30 NOV 2001	38.48036
30 DEC 2001	38.74120
30 JAN 2002	27.43525
28 FEB 2002	27.61235
30 MAR 2002	27.79100
30 APR 2002	27.97640
30 MAY 2002	28.17642
30 JUN 2002	28.37819
30 JUL 2002	28.59473
30 AUG 2002	28.81316
30 SEP 2002	29.03350
30 OCT 2002	29.26877
30 NOV 2002	29.50610
30 DEC 2002	29.74550
5 JAN 2003	30.00000

(a) In the event any of the events set forth in Section 4.4 of the Lease shall occur, the Casualty Value shall be adjusted accordingly.

(b) The percentage amounts shown in the above schedule and text include assumptions with respect to the amount of taxes associated with the receipt of Casualty Value that will be payable by the Owner Participant. If, as a result of changes in Federal tax rates, the aggregate amount of such taxes payable to any Federal, state, or local government, or other taxing authority of the United States required to be paid by the Owner Participant is different than as assumed above, such percentages will be adjusted, upward or downward, to reflect such change in the Federal tax rate; provided, that (i) any such adjustment upward shall be accompanied by a certificate of the Owner Participant, in reasonable detail, stating the basis for such adjustment, and (ii) no such adjustment shall cause Casualty Value to be less than the amount necessary to pay in full, as of the date of payment thereof, any payment then required to be made on account of the principal of and any interest and premium, if any, or any Notes as originally constituted or as modified in the manner contemplated by the Operative Documents; provided further, that for purposes of computing such adjustment it shall be conclusively presumed that the Owner Participant is subject to state and local tax at the rate provided in clause (x) of Section 6(a) of the Tax Indemnity Agreement. At any time the Owner Participant becomes aware of a change in Federal tax rates that would have a material effect on the amounts shown in the above Schedule and text, the Owner Participant shall recompute the percentages based upon such change in Federal tax rates and provide a new lease supplement reflecting such adjustments.