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August 15, 1995

Louis E. Gitomer
Direct Dial: (202)466-6532

19403-D + E
0100736006

Honorable Vernon A. Williams
Secretary
Interstate Commerce Commission
Washington, DC 20423

Dear Secretary Williams:

I have enclosed two originals of the two documents described below, to be recorded pursuant to 49 U.S.C. § 11303.

I. The first document is **Lease Supplement (SPT 1995-B) No. 2**, a secondary document, dated August 15, 1995. The primary document to which this is connected is recorded under Recordation No. 19403. We request that this document be recorded under Recordation No. 19403-D.

The names and addresses of the parties to Lease Supplement (SPT 1995-B) No. 2 are:

Lessor:

State Street Bank and Trust Company
225 Franklin Street
Boston, MA 02110

Lessee:

Southern Pacific Transportation Company
One Market Plaza
San Francisco, CA 94105

A description of the equipment covered by Lease Supplement (SPT 1995-B) No. 2 consists of 30 General Electric AC4400 CW diesel-electric locomotives numbered SP 201-214 and 285-300, all inclusive. Lease Supplement (SPT 1995-B) No. 2 terminates the Memorandum of Lease Agreement (SPT 1995-B) dated as of April 25, 1995 with respect to three General Electric AC4400 CW diesel-electric locomotives numbered SP 198-200, inclusive.

RECEIVED
OFFICE OF THE
SECRETARY

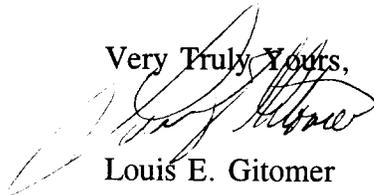
Counterpart - J. J. [Signature]

BALL, JANIK & NOVACK

Honorable Vernon A. Williams
August 15, 1995
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Market Plaza, San Francisco, CA 94105; and (2) Trust Indenture Supplement (SPT 1995-B) No. 2 by State Street Bank and Trust Company, 225 Franklin Street, Boston, MA 02110, and The First National Bank of Boston, Blue Hills Office Park, 150 Royall Street, Canton, MA 02021, both covering 30 General Electric AC4400 CW diesel-electric locomotives numbered SP 201-214 and 285-300, all inclusive and deleting locomotives numbered SP 198-200, inclusive.

Very Truly Yours,

A handwritten signature in dark ink, appearing to read "Louis E. Gitomer", is written over the typed name below.

Louis E. Gitomer

Enclosures

19403-D

LEASE SUPPLEMENT (SPT 1995-B) NO. 2

Dated August 15, 1995

between

STATE STREET BANK AND TRUST COMPANY,
Lessor,

and

SOUTHERN PACIFIC TRANSPORTATION COMPANY,
Lessee

CERTAIN OF THE RIGHT, TITLE AND INTEREST OF LESSOR IN AND TO THIS LEASE SUPPLEMENT, THE EQUIPMENT COVERED HEREBY AND THE RENT DUE AND TO BECOME DUE UNDER THE LEASE HAVE BEEN ASSIGNED AS COLLATERAL SECURITY TO, AND ARE SUBJECT TO A SECURITY INTEREST IN FAVOR OF, THE FIRST NATIONAL BANK OF BOSTON, NOT IN ITS INDIVIDUAL CAPACITY BUT SOLELY AS INDENTURE TRUSTEE UNDER A TRUST INDENTURE AND SECURITY AGREEMENT (SPT 1995-B), DATED AS OF APRIL 25, 1995, BETWEEN SAID INDENTURE TRUSTEE, AS SECURED PARTY, AND THE LESSOR, AS DEBTOR. INFORMATION CONCERNING SUCH SECURITY INTEREST MAY BE OBTAINED FROM THE INDENTURE TRUSTEE AT ITS ADDRESS SET FORTH IN SECTION 24 OF THE LEASE. THIS LEASE SUPPLEMENT HAS BEEN EXECUTED IN SEVERAL COUNTERPARTS. ONLY THAT COUNTERPART TO BE DEEMED THE ORIGINAL COUNTERPART FOR CHATTEL PAPER PURPOSES CONTAINS THE RECEIPT THEREFOR EXECUTED BY THE FIRST NATIONAL BANK OF BOSTON, AS INDENTURE TRUSTEE, ON THE SIGNATURE PAGES THEREOF. SEE SECTION 30 OF THE LEASE FOR INFORMATION CONCERNING THE RIGHTS OF THE ORIGINAL HOLDER AND THE HOLDERS OF THE VARIOUS COUNTERPARTS HEREOF.

Filed with the Interstate Commerce Commission pursuant to 49 U.S.C. § 11303 on August __, 1995 at __:__. M. Recordation Number 19403-__, and deposited in the office of the Registrar General of Canada pursuant to Section 90 of the Railway Act of Canada on August __, 1995, at __:__. M.

LEASE SUPPLEMENT (SPT 1995-B) NO. 2

LEASE SUPPLEMENT (SPT 1995-B) No. 2 dated August 15, 1995 (this "Lease Supplement") between STATE STREET BANK AND TRUST COMPANY, not in its individual capacity, but solely as Owner Trustee ("Lessor") under the Trust Agreement, and SOUTHERN PACIFIC TRANSPORTATION COMPANY, a Delaware corporation ("Lessee");

WITNESSETH:

WHEREAS, Lessor and Lessee have heretofore entered into that certain Lease of Railroad Equipment (SPT 1995-B) dated as of April 25, 1995 (the "Lease"). Unless otherwise defined herein, capitalized terms used herein shall have the meanings specified in Appendix A to the Lease;

WHEREAS, the Lease provides for the execution and delivery of a Lease Supplement substantially in the form hereof for the purpose of confirming the purchase by the Lessor and lease by Lessor to the Lessee of the Units thereunder as and when purchased by Lessor in accordance with and subject to the terms of the Lease; and

WHEREAS, three (3) Units (road numbers SP 198, SP 199 and SP 200) were erroneously identified in the Lease as being subject to the Lease, and Lessor and Lessee desire to terminate the Lease with respect to such Units and to record such termination with the ICC;

NOW, THEREFORE, in consideration of the premises and other good and sufficient consideration, Lessor and Lessee hereby agree as follows:

1. Lessee hereby acknowledges and confirms that it has inspected and approved the Units set forth on Schedule 1 hereto at the time and on the dates set forth in the applicable Certificate(s) of Acceptance and such Units comply in all material respects with the specifications for such Units and are in good working order.

2. Lessor hereby confirms delivery and lease to Lessee, and Lessee hereby confirms acceptance and lease from Lessor, under the Lease as hereby supplemented, the Units listed on Schedule 1 hereto.

3. Lessee hereby represents and warrants that no Event of Loss has occurred with respect to the Units set forth on Schedule 1 hereto as of the date hereof.

4. The Funding Date of the Units described above is the date of this Lease Supplement set forth in the opening paragraph hereof.

5. The amounts comprising the aggregate Equipment Cost of the Units leased hereunder are set forth on Schedule 1 hereto. The Basic Rent, Stipulated Loss Values, Termination Values and EBO Amount applicable in respect of the Units are set forth, respectively, on Schedules 3, 4, 5 and 6 to the Participation Agreement.

6. Lessee hereby confirms its agreement, in accordance with the Lease as supplemented by this Lease Supplement, to pay Rent to Lessor for each Unit leased hereunder as provided for in the Lease.

7. Lessor and Lessee hereby terminate the Lease as to the following Units:

<u>No. of Units</u>	<u>Description Of Equipment</u>	<u>Road Numbers</u>
3	General Electric AC4400 CW Diesel-Electric Freight Locomotives	SP 198, SP 199 and SP 200

8. The execution and delivery of this Lease Supplement will in no way relieve or decrease the responsibility of any manufacturer for the warranties it has made with respect to any Unit.

9. Any and all notices, requests, certificates and other instruments executed and delivered after the execution and delivery of this Lease Supplement may refer to the "Lease of Railroad Equipment, dated as of April 25, 1995", the "Lease Agreement, dated as of April 25, 1995" or the "Lease, dated as of April 25, 1995," or may identify the Lease in any other respect without making specific reference to this Lease Supplement, but nevertheless all such references shall be deemed to include this Lease Supplement, unless the context shall otherwise require.

10. This Lease Supplement shall be construed in connection with and as part of the Lease, and all terms, conditions and covenants contained in the Lease shall be and remain in full force and effect.

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

12. This Lease Supplement is being delivered in the State of New York and shall in all respects be governed by, and construed in accordance with, the laws of the State of New York, including all matters of construction, validity and performance.

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease Supplement to be duly executed and delivered on the day and year first above written.

LESSOR:

STATE STREET BANK AND TRUST
COMPANY,
not in its individual capacity, but solely as Owner
Trustee

By: Jill Olson
Name: Jill Olson
Title: Assistant Vice President

LESSEE:

SOUTHERN PACIFIC TRANSPORTATION
COMPANY

By: _____
Name:
Title:

COMMONWEALTH OF MASSACHUSETTS)
)
COUNTY OF SUFFOLK)

ss:

On this 7th day of August, 1995, before me personally appeared Jill Olson, to me personally known, who, by me being duly sworn, says that he is ~~ASSISTANT VICE PRESIDENT~~ of STATE STREET BANK AND TRUST COMPANY, and that the foregoing instrument was signed on such date on behalf of said bank 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 bank.



Notary Public
MY COMMISSION EXPIRES 7/8/97

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease Supplement to be duly executed and delivered on the day and year first above written.

LESSOR:

STATE STREET BANK AND TRUST
COMPANY,
not in its individual capacity, but solely as Owner
Trustee

By: _____
Name:
Title:

LESSEE:

SOUTHERN PACIFIC TRANSPORTATION
COMPANY

By: _____
Name: J. A. Holm
Title: Vice President-
Human Resources

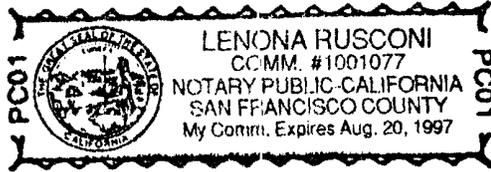
SPT 1995-B

STATE OF CALIFORNIA)
)
COUNTY OF SAN FRANCISCO)

ss:

On August 8, 1995, before me, Lenona Rusconi, Notary Public, personally appeared J. A. Holm, personally known to me 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 upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



Lenona Rusconi

Notary Public

Schedule 1
to
LEASE SUPPLEMENT
(SPT 1995-B) NO. 2

Description of Equipment

<u>No. Of Units</u>	<u>Description Of Equipment</u>	<u>Road Numbers</u>	<u>Equipment Cost per Unit</u>
30	General Electric AC4400 CW Diesel- Electric Freight Locomotives (with Harris Locotrol III equipment)	SP 201-214, inclusive SP 285-300, inclusive	\$1,743,363.00

Honorable Vernon A. Williams
August 15, 1995
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II. The second document is **Trust Indenture Supplement (SPT 1995-B) No. 2**, a secondary document, dated August 15, 1995. The primary document to which this is connected is recorded under Recordation No. 19403. We request that this document be recorded under Recordation No. 19403-E.

The names and addresses of the parties to Trust Indenture Supplement (SPT 1995-B) No. 2 is:

Owner Trustee:

State Street Bank and Trust Company
225 Franklin Street
Boston, MA 02110

Indenture Trustee:

The First National Bank of Boston
Blue Hills Office Park
150 Royall Street
Canton, MA 02021

A description of the equipment covered by Trust Indenture Supplement (SPT 1995-B) No. 2 consists of 30 General Electric AC4400 CW diesel-electric locomotives numbered SP 201-214 and 285-300, all inclusive. Trust Indenture Supplement (SPT 1995-B) No. 2 terminates the Trust Indenture and Security Agreement (SPT 1995-B) dated as of April 25, 1995 with respect to three General Electric AC4400 CW diesel-electric locomotives numbered SP 198-200, inclusive.

A fee of \$42.00 is enclosed. Please return one original of each document to:

Louis E. Gitomer
Of Counsel
Ball, Janik & Novack
Suite 1035
1101 Pennsylvania Avenue, N.W.
Washington, DC 20004

A short summary of the documents to appear in the index follows: (1) Lease Supplement (SPT 1995-B) No. 2 between State Street Bank and Trust Company, 225 Franklin Street, Boston, MA 02110, and Southern Pacific Transportation Company, One