

MEMORANDUM OF LEASE SUPPLEMENT NO. 1 (CONRAIL 1995A-Y)

Memorandum of Lease Supplement No. 1 made and entered into as of June 27, 1995, by and between LaGrange Locomotive Lease Co., Ltd., a Cayman Islands corporation ("*Lessor*") and Consolidated Rail Corporation, a Pennsylvania corporation ("*Lessee*").

WITNESSETH:

1. The undersigned have entered into that certain Lease Agreement (Conrail 1995A-Y) (the "*Lease Agreement*"), dated as of June 27, 1995, effective as of the date first set forth hereinabove and subject to the term defined in said Lease Agreement.

2. A memorandum of said Lease Agreement is being recorded with the Interstate Commerce Commission concurrently herewith pursuant to Section 11303 of Title 49 of the United States Code.

3. The undersigned have entered into that certain Lease Supplement No. 1 (Conrail 1995A-Y), dated June 27, 1995, whereby the terms and provisions of the above-described Lease Agreement are made applicable to certain locomotives bearing road numbers as listed on Exhibit A attached hereto.

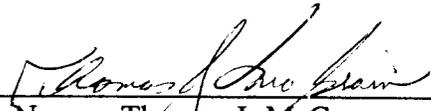
IN WITNESS WHEREOF, the parties hereto have each caused this memorandum to be duly executed by their respective officers duly authorized as of the date and year first above written.

LAGRANGE LOCOMOTIVE LEASE CO., LTD.

By 
Name: F. Jan Blaustein
Title: President

Executed on this 22 day of June, 1995.

CONSOLIDATED RAIL CORPORATION

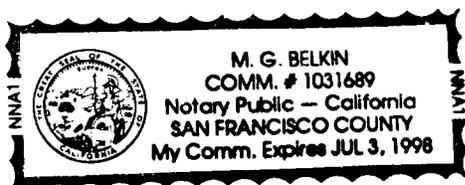
By 
Name: Thomas J. McGraw
Title: Director-Financing

Executed on this 23rd day of June, 1995.

STATE OF California)
) SS.:
COUNTY OF San Francisco)

On this, the 22 day of June, 1995, before me, a Notary Public in and for said County and State, personally appeared F. Jan Blaustein, who being by me duly sworn, says that she is the President of LAGRANGE LOCOMOTIVE LEASE CO., LTD., that said instrument was signed on June 22, 1995, on behalf of said association by authority of its Board of Directors, and she acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.



M. G. Belkin
Name: M. G. Belkin
Notary Public
My Commission Expires: 7/3/98

STATE OF Pa.)
) SS.:
COUNTY OF Phila.)

On this, the 23rd day of June, 1995, before me, a Notary Public in and for said County and State, personally appeared Thomas J. McGraw, who being by me duly sworn, says that he is the Director-Financing of CONSOLIDATED RAIL CORPORATION, that said instrument was signed on June 23, 1995, 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.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Loretta Dandridge
Name: Loretta Dandridge
Notary Public
My Commission Expires: Sept. 21, 1998



EXHIBIT A

UNITS

EQUIPMENT	QUANTITY	ROAD NUMBERS
General Motors Corporation (Electro-Motive Division) Model SD60I Diesel Electric Locomotives	Twenty-one (21)	5614 through 5627, inclusive, and 5630 through 5636, inclusive