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RECORDATION NO. 9588-C FILED 1/25

DEC 2 - 1994 - 2 30 PM

December 2, 1994

INTERSTATE COMMERCE COMMISSION

THOMAS J. WOODFORD
DIAL DIRECT (202) 467-7159

BY HAND DELIVERY

Vernon A. Williams, Secretary
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, D.C. 20423

Dear Mr. Williams:

I have enclosed one original and one counterpart of the secondary document described below, to be recorded pursuant to Section 11303 of Title 49 of the United States Code.

The enclosed document is an Amendment and Extension to Lease of Railroad Equipment, a secondary document, dated as of August 15, 1993 (the "Amendment"), between State Street Bank and Trust Company (as successor to The Connecticut Bank and Trust Company), as Lessor (the "Lessor") and Burlington Northern Railroad Company (as successor to St. Louis - San Francisco Railway Company), as Lessee (the "Lessee"). The primary document to which the Amendment is connected is that certain Lease of Railroad Equipment dated as of June 1, 1978 (the "Lease"), between The Connecticut Bank and Trust Company and St. Louis - San Francisco Railway Company, as Lessee, recorded with the Interstate Commerce Commission on July 19, 1978 at 11:20 a.m. and assigned Recordation No. 9588.

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

Lessor: State Street Bank and Trust Company
750 Main Street
Suite 1114
Hartford, Connecticut 06103

Lessee: Burlington Northern Railroad Company
3200 Continental Plaza
777 Main Street
Fort Worth, Texas 76102

A description of the equipment covered by the documents follows:

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MORGAN, LEWIS & BOCKIUS

Mr. Vernon A. Williams, Secretary
December 2, 1994
Page 2

Eight GMC-EMD 3,000 h.p. diesel electric locomotives bearing identification numbers BN 950 through BN 957, both inclusive.

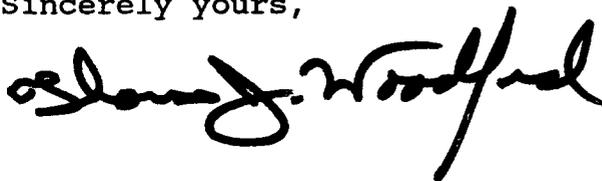
A check in the amount of \$21.00 is enclosed to cover the fee for filing the Amendment. Please return the counterpart of the Amendment and the extra copy of this letter, time and date-stamped as to filing and return any extra copies of the Amendment or this letter not needed by the Commission for recordation to Thomas J. Woodford, Esq., Morgan, Lewis & Bockius, 1800 M Street, N.W., Washington, D.C. 20036.

A short summary of the document follows:

1. An Amendment and Extension to Lease of Railroad Equipment dated as of August 15, 1993 between State Street Bank and Trust Company (as successor to The Connecticut Bank and Trust Company), as Trustee, 750 Main Street, Suite 1114, Hartford, Connecticut 06103, as Lessor, and Burlington Northern Railroad Company (as successor to St. Louis - San Francisco Railway Company), 3200 Continental Plaza, 777 Main Street, Fort Worth, Texas 76102, as Lessee, amending and extending that certain Lease of Railroad Equipment dated as of June 1, 1978 between The Connecticut Bank and Trust Company and St Louis - San Francisco Railway Company, covering eight GMC-EMD 3,000 h.p. diesel electric locomotives.

If you have any questions, please do not hesitate to call the undersigned.

Sincerely yours,



Thomas J. Woodford

Enclosures
TWJ:11

RECORDATION NO. 9588 - C

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DEC 2 - 1994 - 2 30 PM

INTERSTATE COMMERCE COMMISSION

AMENDMENT AND EXTENSION TO LEASE OF RAILROAD EQUIPMENT

Dated as of August 15, 1993

Between

STATE STREET BANK AND TRUST COMPANY (as successor to
The Connecticut Bank and Trust Company) as Trustee, as Lessor,

and

BURLINGTON NORTHERN RAILROAD COMPANY (as successor to
St. Louis-San Francisco Railway Company), as Lessee.

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AMENDMENT AND EXTENSION TO LEASE OF RAILROAD EQUIPMENT

THIS AMENDMENT AND EXTENSION TO LEASE OF RAILROAD EQUIPMENT dated as of August 15, 1993 (the "Amendment") is between STATE STREET BANK AND TRUST COMPANY (as successor to The Connecticut Bank and Trust Company), a national banking association (the "Lessor"), not individually but solely in its capacity as Trustee under a Trust Agreement dated as of June 1, 1978 with Connell Finance Company, Inc. (as successor to Connell Rice & Sugar Co., Inc. (Connell Leasing Company Division)) and Norwest Bank Minnesota, National Association (as successor to Northwestern National Bank of Minneapolis) and BURLINGTON NORTHERN RAILROAD COMPANY (a successor to St. Louis-San Francisco Railway Company), a Delaware corporation (the "Lessee").

RECITALS:

A. The capitalized terms used in this Amendment shall have the respective meanings specified in the Lease (as hereinafter defined) unless otherwise herein defined or the context hereof shall otherwise require.

B. St. Louis - San Francisco Railway Company, as Lessee, and The Connecticut Bank and Trust Company, not individually but solely in its capacity as Trustee (the "Owner-Trustee") under a Trust Agreement dated as of June 1, 1978, with Connell Rice & Sugar Co., Inc. (Connell Leasing Company Division) and Northwestern National Bank of Minneapolis have heretofore entered into that certain Lease of Railroad Equipment dated as of June 1, 1978 (the "Lease") covering 8 GMC-EMD 3,000 h.p. diesel electric locomotives.

C. The Lease was filed and recorded with the Interstate Commerce Commission on July 19, 1978 at 11:20 a.m. and assigned Recordation No. 9588.

D. The parties hereto desire to extend and amend the Lease in the respects, but only in the respects, hereinafter set forth.

In consideration of the foregoing and the premises hereof, the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

SECTION 1. LEASE EXTENSION.

Section 1.1. Term. The parties hereby agree that the term of the Lease as to all of the Units subject to the Lease as of the date hereof shall terminate on January 3, 1994 and that such term shall be extended for a period of seven years (the "First Extended Term") commencing on January 4, 1994 and terminating on January 3, 2001.

Section 1.2. Rentals. With respect to each Unit subject to the Lease during the First Extended Term, the Lessee will pay to the Lessor, as rental for each such Unit, in arrears, 14 consecutive semiannual installments payable on January 3 and July 3 in each year, commencing July 3, 1994. The 14

consecutive semiannual rental installments shall each be in an amount equal to the product of (i) \$ * and (ii) the number of Units subject to the Lease on the first day of such semiannual period for which such rental installment is due.

SECTION 2. AMENDMENTS TO LEASE.

The Lease is hereby amended as follows:

(a) Section 6 of the Lease is hereby amended by adding the words "(including, without limitation, those Impositions imposed upon the Lessor arising from the use or operation of any Unit in Canada or Mexico)" after the words "Lessor solely by reason of its ownership thereof" appearing in the second sentence of the first paragraph thereof.

(b) Section 7 of the Lease is hereby amended as follows:

(1) A new paragraph is inserted after the original third paragraph and prior to the original fourth paragraph, such new paragraph to read in its entirety as follows:

"The provisions of this Section 7 shall be complied with in all respects as to all Units covered by this Lease, including any Units caused to be operated or present in Mexico; provided however, that to the extent that Lessee is prevented by governmental authorities in Mexico from complying in one or more respects with the provisions hereof, or is required to modify the Units in ways not contemplated by this Section; then, at Lessee's expense, (i) Lessee shall comply with Mexican governmental requirements; and (ii) Lessee shall cause the Units to be fully in compliance with the terms of this Lease upon the return of the Units to the continental United States."

(2) For and only for the period of the First Extended Term, the second and third sentence of the original fourth paragraph of Section 7 are deleted. In lieu thereof, the following language is hereby inserted:

"The date that a Casualty Occurrence has occurred shall hereinafter be called a "Casualty Date". On a date (a "Casualty Payment Date") no more than thirty days after the Casualty Date, the Lessee shall pay to the Lessor a sum equal to the Casualty Value (as hereinafter defined) of any such Unit as of such Casualty Payment Date, plus any rental (on a daily pro-rata basis if the Casualty Date is not a rental payment date) accrued up to and including the Casualty Date, in respect of such Unit."

(3) For and only for the period of the First Extended Term, the fifth and sixth original paragraphs of Section 7 of the Lease (i.e., the paragraphs setting forth the "Casualty Values") shall be deleted. In lieu thereof, the following language is hereby inserted:

"The Casualty Value of each Unit as of the Casualty Payment Date on which payment is made shall be determined as follows:

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(5)

(a) if the Casualty Date coincides with a "Date" set forth on Schedule A to the Amendment and Extension to Lease of Railroad Equipment dated as of August 10, 1993 ("Schedule A"), the Casualty Value shall be an amount equal to that amount as is set forth on Schedule A for such Date; or

(b) if the Casualty Date coincides with a date other than a Date set forth on Schedule A, the Casualty Value shall be an amount equal to that amount as is set forth on Schedule A opposite the Date next preceding the Casualty Date."

(c) Section 9 of the Lease is hereby amended by adding the words "(including, without limitation, the use or operation of any Unit in Canada or Mexico)" after the word "operation" appearing at the beginning of the twenty-second line of the third paragraph thereof.

(d) Section 11 of the Lease is hereby amended by inserting the words "in the continental United States" after the words "point or points" appearing at the beginning of the seventh line of clause (a) of that Section.

(e) Section 12 of the Lease is hereby amended by adding the words ", Canada or Mexico" after the words "outside the United States of America" appearing in the fourth paragraph thereof.

(f) Section 13 of the Lease is hereby amended by deleting said Section in its entirety and substituting the following language in lieu thereof:

"Provided that this Lease has not been earlier terminated and no Event of Default hereunder has occurred and is continuing, the Lessee may, by written notice delivered to the Lessor not less than 180 days prior to the end of the First Extended Term, the second extended term, or the third extended term of this Lease, elect to extend such extended term of this Lease, in respect of all but not less than all the Units then covered by this Lease, for an additional two-year period commencing on the scheduled expiration date of the respective extended term of this lease, at \$ * per Unit payable in arrears in semiannual payments on the month and day such rentals were payable for the Units in each year of the First Extended Term."

(g) Section 14 of the Lease is hereby amended by:

(1) inserting the words "in the continental United States" immediately following the words "all such Units to the Lessor" appearing at the beginning of the sixth line of such Section 14.

(2) inserting the following after the last sentence of Section 14 commencing as a new paragraph:

"If, upon the expiration of an extended term of this Lease with respect to any Unit that had been operated in Mexico, Lessee fails to deliver possession of such Unit in the continental United States per this Section 14, then Lessee shall comply with whichever of the following two options shall be elected by Lessee

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in written notice to Lessor (provided, however, that this paragraph shall not apply to the first Unit, if any, that is the subject of a Casualty Occurrence in Mexico):

(i) Lessee shall deliver possession of a replacement Unit of Equipment of the same or similar make and model, in any case to be acceptable to Lessor as being of equal value and utility, and in the condition required by this Lease (a "Replacement Unit"); or

(ii) Lessee shall pay Lessor the greater of the Fair Market Sale Value of the Unit or the Casualty Value for the subject Unit.

In the event that Lessee elects option (i) above, and Lessee fails to make the delivery required under option (i) forthwith, then Lessee shall continue to pay rental at the daily equivalent of the rental applicable to the last rent due under the extended Lease term (and bear any and all other obligations and risks under the Lease as to such Unit) for such affected Unit for a period equal to the time elapsed between the end of the extended Lease term and the date the affected Unit or a Replacement Unit is actually delivered to Lessor, but in no event longer than 365 days from the date of expiration of the extended Lease term. During this period, Lessee shall in good faith attempt to obtain possession of such Unit and deliver such Unit over to Lessor. At the conclusion of such one year period, if Lessee has been unable to obtain and deliver such Unit or Replacement Unit over to Lessor, then Lessee shall pay Lessor the greater of the Fair Market Sale Value of the Unit or the Casualty Value for the subject Unit.

"Fair Market Sale Value" shall be the amount which would obtain in an arm's length transaction between an informed and willing purchaser under no compulsion to buy and an informed and willing seller under no compulsion to sell, and, for purposes of such determination, the Unit shall be assumed to be in the possession of the Lessor and in the condition required by the Lease. If, after 90 days from the expiration of an extended term of this Lease without a permitted renewal having taken place, one or more Units have not been returned to Lessor from Mexico, and Lessor and Lessee have been unable to agree upon a determination of Fair Market Sale Value of a Unit, such value shall be determined in accordance with the foregoing definition by the following procedure:

"If either party to such determination shall have given written notice to the other requesting determination of such value by this appraisal procedure, the parties shall consult for the purpose of appointing a qualified independent appraiser by mutual agreement. If no such appraiser is so appointed within 20 days after such notice is given, each party shall appoint an independent appraiser within 25 days after such notice is given, and the two appraisers so appointed shall within 35 days after such notice is given appoint a third independent appraiser. If no such appraiser is appointed within 35 days after such notice is given, either party may apply, to make such appointment, to the American Arbitration Association, and both parties shall be bound by any appointment so made. Any appraiser or appraisers appointed pursuant to the foregoing procedure shall be instructed to determine the Fair Market Sale Value of the Units subject to the proposed

extended term within 90 days after his or their appointment. If the parties shall have appointed a single appraiser or if either party shall have failed to appoint an appraiser, the determination of Fair Market Sale Value of the single appraiser appointed shall be final. If three appraisers shall be appointed, the determination of the appraiser which differs most from the other two appraisers shall be excluded, the remaining two determinations shall be averaged and such latter average shall be final and binding upon the parties hereto as the Fair Market Sale Value. The appraiser proceedings shall be conducted in accordance with the Commercial Arbitration Rules of the American Arbitration Association as in effect on the date hereof, except as modified hereby. The provision for this appraisal procedure shall be the exclusive means of determining Fair Market Sale Value and shall be in lieu of any judicial or other procedure for the determination thereof, and each party hereto consents and agrees not to assert any judicial or other procedures. The expenses of the appraisal procedure shall be borne by the Lessee."

(h) Section 20(b) of the Lease is hereby amended to read in its entirety as follows:

"if to the Lessee, at 3200 Continental Plaza, 777 Main Street, Ft. Worth TX 76102, Attention: Vice President, Finance

SECTION 3. MISCELLANEOUS.

Section 3.1. Governing Law. The terms of this Amendment and all rights and obligations hereunder shall be governed by the laws of the State of Missouri.

Section 3.2. Counterparts. This Amendment may be executed in several counterparts, such counterparts together constituting but one and the same instruments. Although for convenience this Amendment is dated as of the date first set forth above, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgments hereto annexed.

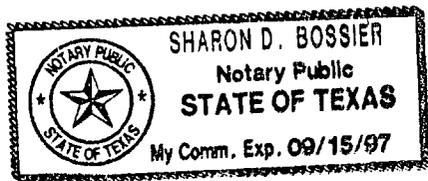
Section 3.3. Reference to Lease. Any and all notices, requests, certificates and other instruments executed and delivered concurrently with or after the execution and delivery of this Amendment may refer to the "Lease of Railroad Equipment dated as of June 1, 1978" without making specific reference to this Amendment but nevertheless all such references shall be deemed to include this Amendment unless the contact shall otherwise require.

Section 3.4. Ratification. Except to the extent hereby extended, amended or modified, the Lease is in all respects hereby ratified, confirmed and approved by the parties hereto.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Amendment and Extension to Lease of Railroad Equipment to be executed as of the date first above written.

STATE OF TEXAS)
) SS.:
COUNTY OF TARRANT)

On this 23rd day of December, 1993, before me personally appeared Robert F. McKenney, to me personally known, who being by me duly sworn, says that he/she is Sr. VP & Treasurer of BURLINGTON NORTHERN RAILROAD COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



[Notarial Seal]

Sharon D. Bossier
Notary Public

My Commission expires

Schedule A
to Amendment and Extension to Lease of Railroad Equipment
dated as of August 15, 1993 for 8 locomotives

<u>Date</u>	<u>Casualty Value</u>
1/3/1994	
2/3/1994	
3/3/1994	
4/3/1994	
5/3/1994	
6/3/1994	
7/3/1994	
8/3/1994	
9/3/1994	
10/3/1994	
11/3/1994	
12/3/1994	
1/3/1995	
2/3/1995	
3/3/1995	
4/3/1995	
5/3/1995	
6/3/1995	
7/3/1995	
8/3/1995	
9/3/1995	
10/3/1995	
11/3/1995	
12/3/1995	
1/3/1996	
2/3/1996	
3/3/1996	
4/3/1996	
5/3/1996	
6/3/1996	
7/3/1996	
8/3/1996	
9/3/1996	
10/3/1996	
11/3/1996	
12/3/1996	
1/3/1997	
2/3/1997	
3/3/1997	
4/3/1997	
5/3/1997	
6/3/1997	
7/3/1997	

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Schedule A
to Amendment and Extension to Lease of Railroad Equipment
dated as of August 15, 1993 for 8 locomotives

<u>Date</u>	<u>Casualty</u> <u>Value</u>
8/3/1997	
9/3/1997	
10/3/1997	
11/3/1997	
12/3/1997	
1/3/1998	
2/3/1998	
3/3/1998	
4/3/1998	
5/3/1998	
6/3/1998	
7/3/1998	
8/3/1998	
9/3/1998	
10/3/1998	
11/3/1998	
12/3/1998	
1/3/1999	
2/3/1999	
3/3/1999	
4/3/1999	
5/3/1999	
6/3/1999	
7/3/1999	
8/3/1999	
9/3/1999	
10/3/1999	
11/3/1999	
12/3/1999	
1/3/2000	
2/3/2000	
3/3/2000	
4/3/2000	
5/3/2000	
6/3/2000	
7/3/2000	
8/3/2000	
9/3/2000	
10/3/2000	
11/3/2000	
12/3/2000	
1/3/2001	

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