

**OSTER**  
**Researching Services**

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1-345A001

17620

REGISTRATION NO. \_\_\_\_\_ FILED 103

DEC 11 1991 -9 55 AM

INTERSTATE COMMERCE COMMISSION

December 11, 1991

Ms. Mildred Lee  
Recordations Unit  
Interstate Commerce Commission  
12th & Constitution Avenue, N.W.  
Washington, D.C. 20423

Dear Ms. Lee:

Please find enclosed a Lease Agreement dated May 1, 1991, between the following parties:

Lessor: General Motors Corporation,  
Electro-Motive Division  
LaGrange, IL 60525

Lessee: Southern Pacific Transportation Co.  
San Francisco, CA

The equipment involved in this transaction is listed Schedule A-2 to the lease.

Please file this agreement as a primary document. The filing fee of \$16 is enclosed. Thank you for your assistance.

Sincerely,

*Mary Ann Oster*

Mary Ann Oster  
Research Consultant

Enclosures

*1 December 1991 - Mary Ann Oster*

DEC 11 1991 11 16 AM '91  
RECORDATIONS UNIT

RECORDING NO. 17620

DEC 11 1991 - 9 55 AM

INTERSTATE COMMERCE COMMISSION

LEASE AGREEMENT

THIS AGREEMENT made as of this 1st day of May, 1991 by and between SOUTHERN PACIFIC TRANSPORTATION COMPANY, a Delaware corporation, herein called "Lessee" and GENERAL MOTORS CORPORATION (Electro-Motive Division), a Delaware corporation, herein called "Lessor".

The parties hereto agree as follows:

1. Except as specifically amended below, the terms of the Lease Agreement dated as of June 9, 1989, by and between Lessee and Lessor ("1989 Agreement") attached hereto and incorporated herein are adopted as the terms of this Agreement. (This Agreement is not intended to affect in any manner the validity or any terms of the 1989 <sup>H</sup> Agreement which shall remain in effect between the parties in accordance with its terms and without modifications hereby.)
2. Schedule A of the 1989 Agreement shall be stricken and the attached Schedule A-2 is inserted in its place. All references in the 1989 Agreement to "Schedule A" shall be deemed to mean "Schedule A-2".
3. Schedule B of the 1989 Agreement is stricken and the attached Schedule B-2 is inserted in its place. All references in the 1989 Agreement to "Schedule B" shall be deemed to mean "Schedule

B-2".

4. Exhibit A to the 1989 Agreement is stricken and the attached Exhibit A-2 is inserted in its place. All references in the 1989 Agreement to "Exhibit A" shall be deemed to mean "Exhibit A-2".
5. The number "\$375,000" in the thirty-second line of Section 6 in the 1989 Agreement is stricken and the number "\$450,000 for GP38-2 Locomotives; \$350,000 for GP40-1DE Locomotives; and \$550,000 for SD40-2 Locomotives" is inserted in its place.
6. Exhibit C to the 1989 Agreement and all references thereto are stricken.
7. The number "\$425 and \$340"" in the eleventh and twelfth lines of Section 2 of the 1989 Agreement is stricken and the following is inserted in its place: "\$275 for GP38-2 Locomotives; \$225 for GP40-1DE Locomotives, and \$225 for each of the first 60 locomotives days and \$300 for each of the remaining locomotive days for the SD40-2 Locomotives" is inserted in its place.
8. The following sentence is added at the end of Section 10:

"Notwithstanding the above, a Locomotive may operate in Canada if Lessee makes all filings with all Canadian national government provincial and local governmental entities necessary to protect Lessor's ownership interest in the Locomotives and agrees to take no action to jeopardize Lessor's ownership interest and further agrees to indemnify Lessor against any increased cost, expense, liability, or claim, including taxes, that arises because of the use of the Locomotive in Canada."

9. The number "\$600" in the forth line of Section 16 of the 1989 Agreement is stricthen and the number "\$500" is inserted in its place.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed the day and the year first herein written.

**SOUTHERN PACIFIC TRANSPORTATION COMPANY**

By: \_\_\_\_\_

(Title)

**GENERAL MOTORS CORPORATION  
(ELECTRO-MOTIVE DIVISION)**

By: \_\_\_\_\_

(Title)

**ASSISTANT SECRETARY**

**SCHEDULE A-2**

Road #'s of GP38-2

768  
835

Road #'s of GP40-1DE

182.  
183.  
184.  
185.  
186.  
187.  
188.  
189.  
190.  
191.  
192.  
193.

Road #'s of SD40-2

6301  
6302  
6303  
6304  
6305  
6307  
6309  
6310  
6311  
6312.  
6313  
6314.  
6345.  
6346  
6347.  
6348  
6381.

**SCHEDULE B-2**

**LEASE TERM AND OPTION TO RENEW**

**LEASE TERM:**

Each Locomotive delivered under the terms of the Lease Agreement shall have a Lease term commencing on the date Lessee executes a "Delivery and Acceptance Certificate" in the form and substance the same as Attachment 1 to this Schedule B-2 and terminating in the case of (i) GP38-2 models 90 days thereafter, (ii) GP40-1DE models 30 days thereafter, and (iii) SD40-2 models 120 days thereafter.

**OPTION TO RENEW:**

Lessee shall have an option to renew the Lease Agreement with respect to all or any of the Locomotives for additional 30 day period, provided Lessee furnishes Lessor with written notice of its exercise of such option at least 10 days prior to the scheduled termination date of the Lease Agreement.

State of Illinois )  
County of Cook )

On this 3rd day of October, 1991, before me personally appeared KETH McEwen, to me personally known, who, being by me duly sworn, did say that he is a Asst. Secretary of Electro-Motive Division, General Motors Corporation, 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.

Juanita Acantilado  
Notary Public

My commission expires:  
April 17, 1992

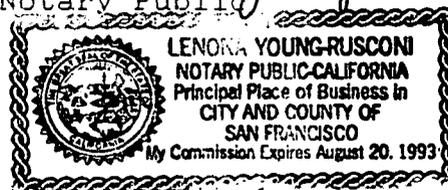


State of California )  
County of San Francisco

On this 3rd day of October, 1991, before me personally appeared C.T. Shurstad, to me personally known, who, being by me duly sworn, did say that he is a Vice President - Intermodal - Chief Transportation Officer of Southern Pacific Transportation Company, 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.

Lenora Young-Rusconi  
Notary Public

My commission expires:  
August 20, 1993



**EXHIBIT A-2**

Maintenance responsibilities for the Locomotives, road numbers shown in Schedule A-2, covered by this Lease will be as follows:

During the term of this Lease, Lessee at its expense will:

1. Conduct all FRA required inspections and keep the Locomotives in compliance with such regulations.
2. Be responsible for material and labor for:
  - a. Scheduled maintenance per latest revision of EMD Maintenance Instruction MI1738, and SP Maintenance Schedule SFS through M24.
  - b. Failure repair (other than Lessor's responsibility as specified in items 5 and 6 below).
  - c. Wheel truing.
  - d. Failures described in 6 below. if same failure is result of improper use, abuse, or misapplication by Lessee.
3. Use best efforts to purchase replacement materials from EMD. EMD has option to supply OEM parts at own expense.
4. Use fuel, lubricants, lube oil and coolant that meet the latest revision of EMD Maintenance Instructions 1748, 1752, 1750, 1756 and 1764, and SP Maintenance Schedule SFS through M24.

During the term of the Lease, Lessor will be responsible for:

5. Any overhauls required. Lessee agrees that Lessor has at its option, the right to perform overhaul whenever the Lessor feels that it is necessary.
6. Repair or failures requiring replacement of the engine, turbocharger or blowers, crankshaft, geartrain, four or more power assemblies, main generator, a traction motor, air compressor, fire damage to control or hi-voltage wiring, or catastrophic failure of the Dynamic Braking System.

Lessor may, at its sole option, authorize Lessee to perform Lessor's above-mentioned repair responsibilities, and if repairs are authorized. Lessee shall render a bill to Lessor for said repairs.