

0100 785034

DONELAN, CLEARY, WOOD & MASER, P.C.

ATTORNEYS AND COUNSELORS AT LAW
SUITE 750
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WASHINGTON, D.C. 20005-3934

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September 21, 1995

RECORDATION NO. 15553-E FILED 1995

SEP 21 1995 - 11 10 AM

INTERSTATE COMMERCE COMMISSION

Recordation No. 15553-E

Dear Mr. Williams:

On behalf of Signal Capitol Corporation, I submit for filing and recording under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder, executive counterparts of a secondary document, not previously recorded, entitled Amendment and Assignment ("Document"), dated as of September 21, 1995.

The parties to the enclosed Document are:

Signal Capitol Corporation 55 Ferncroft Road Danvers, MA 01923	--	ASSIGNOR
First Union Commercial Corporation 1 First Union Center Charlotte, NC 28288	--	ASSIGNEE

The said Document, among other things, amends the Loan and Security Agreement under Recordation No. 15553 and the Lease Agreement under Recordation No. 15553-A, deleting from each SP 6833 (formerly SSW 9389) and SP 6847 (formerly SP 9182), two locomotives, and acts as an assignment of all right, title, interest, and obligation of Signal Capitol Corporation as Owner/debtor under the aforesaid Loan and Security Agreement and as Lessor under the aforesaid Lease Agreement, both as amended and supplemented, to First Union Commercial Corporation, and the Document should be recorded under the next available letter under Recordation No. 15553 which we believe is -E.

The units of equipment covered by the Document are those units of equipment covered in the aforesaid Loan and Security Agreement and likewise covered in the aforesaid Lease Agreement, both as amended by the Document, both current and prior known identification numbers as listed in Exhibit A hereto.

LICENSING BRANCH

SEP 21 11 08 AM '95

RECEIVED
OFFICE OF THE
SECRETARY

Charlotte Parts - old money

A short summary of the Document to appear in the ICC Index is as follows:

"Deletes SP 6833 (formerly SSW 9389) and SP 6847 (formerly SP 9182) from Loan and Security Agreement and Lease Agreement, and assignment by Signal Capitol Corporation of its interest under and in each said document to First Union Commercial Corporation".

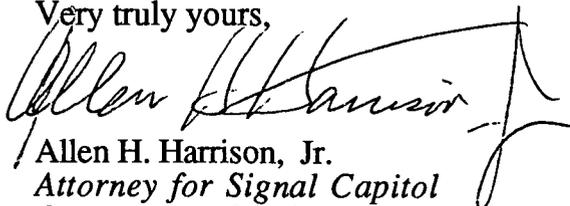
Please also index in the "Vendee" Index Book ("white pages") the Document (saying, "See Recordation No. 15553-E"), under the name of the Assignee therein, namely under:

First Union Commercial Corporation

Enclosed is a check in the amount of twenty-one dollars (\$21.00) in payment of the filing fee.

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the letter/fee receipt from the ICC acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,



Allen H. Harrison, Jr.
*Attorney for Signal Capitol
Corporation for the purpose of
this filing.*

The Honorable Vernon A. Williams
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Enclosures

BY HAND

8385-020

EXHIBIT A

38 LOCOMOTIVES - 3600 HP GENERAL MOTORS

6 AXLE SD 45-T2

DIESEL - ELECTRIC LOCOMOTIVES

NEW (CURRENT) NOS.

ALL SP NUMBERS

OLD NO.

ORIGINAL (PRIOR) NOS.

6829	SSW9157	
6830	SSW9397	
6831	SSW9161	
6832	SPW9209	
6834	SSW9162	
6835	SSW9261	
6836	SP9320	
6837	SP9357	
6838	SP9326	
6839	SP9352	
6840	SP9360	
6841	SP9369	
6842	SP9370	
6843	SP9230	
6844	SSW9283	
6845	SP9225	
6846	SP9236	
6848	SSW9274	
6849	SP9187	
6850	SP9175	
6851	SP9214	
6852	SSW9268	
6853	SP9166	
6854	SSW9158	
6855	SP9302	SP9185
6856	SP9192	

6857	SSW9275	SP9189
6858	SP9307	SP9190
6859	SSW9377	SP9259
6860	SP9253	SSW9164
6861	SP9227	
6862	SSW9262	
6863	SSW9266	SSW9264
6864	SP9244	SSW9272
6865	SSW9248	SSW9281
6866	SP9188	
6867	SP9237	SSW9287
6868	SSW9284	

SP = SOUTHERN PACIFIC TRANSPORTATION COMPANY
SSW = ST. LOUIS SOUTHWESTERN RAILWAY COMPANY



Interstate Commerce Commission
Washington, D.C. 20423-0001

9/21/95

Office Of The Secretary

Allen H. Harrison, Jr.
Donelan, Cleary, Wood & Maser, P.C.
1100 New York Avenue, NW., Ste. 750
Washington, DC., 20005-3934

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 9/21/95 at 11:10AM, and assigned recordation number(s) 15553-E.

Sincerely yours,

Vernon A. Williams
Secretary

Enclosure(s)
(0100785034)

\$ 21.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one typed on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine your document.

Signature

ACC file copy

RECORDATION NO. 15553-E FILED 1425

SEP 21 1995 - 11 10 AM

AMENDMENT AND ASSIGNMENT

INTERSTATE COMMERCE COMMISSION

Amendment and Assignment ("Assignment") by and between Signal Capital Corporation, 55 Ferncroft Road, Danvers, MA 01923, ("Assignor") and First Union Commercial Corporation, 1 First Union Center, Charlotte, N. C. 28288, ("Assignee") of PARTICIPATION AGREEMENT dated as of March 30, 1988 among SOUTHERN PACIFIC TRANSPORTATION COMPANY as Lessee, SIGNAL CAPITAL CORPORATION as Owner, and BANK OF AMERICA NATIONAL TRUST AND SAVINGS ASSOCIATION, as the Initial Lender and as Agent for the Persons which may hereafter become parties hereto as Lenders pursuant to the terms hereof (the "Participation Agreement"); LEASE AGREEMENT dated as of March 30, 1988 between SIGNAL CAPITAL CORPORATION as Lessor, and SOUTHERN PACIFIC TRANSPORTATION COMPANY as Lessee (the "Lease" Recordation No. 15553-A); and the Tax Indemnity Agreement, the Loan and Security Agreement (Recordation No. 15553), the Acceptance Certificates, the Support Agreement, and all other documents, certificates, and instruments executed and delivered pursuant thereto (with the exception of the Bills of Sale) and referred to as the "Operative Documents"; and referred to collectively herein as the "Operative Documents" (such phrase herein to be exclusive of the Bills of Sale).

For value received, Assignor hereby irrevocably and unconditionally assigns, sells and transfers to Assignee and its successors and assigns, without recourse (i) the above-referenced Participation Agreement, Lease Agreement and Operative Documents, (ii) all of Assignor's rights, title and interest and remedies in, to and under the Operative Documents, including without limitation, the right to all payments, all insurance proceeds, condemnation awards and other monies and security payable by the Lessee in the event of default by the Lessee under the Operative Documents, taken in Assignor's or Assignee's name, any and all proceedings, legal, equitable, or otherwise, Assignor might otherwise take, but for this Assignment; and (iii) all of Assignor's rights and remedies under and all amounts payable under any guaranty or guarantees of the Lessee's obligations under the Operative Documents (the "Guarantee(s)"), and any purchase agreement(s) or similar undertaking(s), relating to any obligation of the Lessee or any other party

to purchase the Equipment (the "Purchase Agreement(s)"). Assignee shall have all of the obligations of Assignor under the Operative Documents.

Assignor represents and warrants to Assignee that: (a) Assignor is a corporation duly organized, validly existing and in good standing in the state of its incorporation and in each other state where the nature of its business requires it to be so qualified. Assignor has the corporate power and authority to own its property and carry on its business as currently conducted. Upon execution of this Amendment and Assignment, such Amendment and Assignment shall be binding and enforceable against Assignor in accordance with its terms; (b) Assignor has the full right and authority to execute this Amendment and Assignment, and such execution and the compliance by Assignor with the terms thereof and the transfer contemplated thereby does not and will not violate any law or the terms of any agreement to which Assignor is a party; (c) the Operative Documents have been duly authorized, are genuine, are in full force and effect, and are the only Operative Documents executed by Assignor concerning the thirty-eight locomotives which now are the subject of the Operative Documents (the "Equipment"); (d) Assignor owns, and upon satisfaction of the conditions set forth herein to be fulfilled by Assignee, at closing, Assignor will convey to Assignee, absolute, good, marketable and valid title ("Title") in and to the Equipment free and clear of all liens, encumbrances and claims arising by, through, or under Assignor, and upon execution and delivery of the Assignment by Assignor, no further action will be necessary or required to transfer, convey and assign to Assignee Title in and to the Equipment; (e) all executed original counterparts of the Operative Documents in possession of Assignor as amended or modified have been delivered to Assignee, and all signatures, names, addresses, amounts and other statements and facts contained therein are true and correct to the best knowledge of Assignor; (f) all written information supplied by Assignor or any of its agents to Assignee with respect to the Equipment or the transactions contemplated hereby was, at the time delivered, and continues to be true and correct in all material respects to the best of Assignor's knowledge; (g) the Equipment has been delivered to and unconditionally accepted by the Lessee, and is subject to all of the terms, conditions and provisions of the Operative Documents and Assignee specifically acknowledges that of the forty locomotives which originally comprised the Equipment one has been sold (identified as SP 6847 and as SP 9182) by Assignor to Southern Pacific Transportation Company and one (identified as SP 6833 and as SSW 9389) has been destroyed and any insurance proceeds or other payment arising from such loss are not subject to this Assignment; (h) the aforesaid Loan and Security Agreement and Lease Agreement, recorded respectively with the Interstate Commerce Commission, under Recordation Nos. 15553 and 15553-A, are amended to delete from each in Exhibit B and Exhibit A respectively to each thereto the two above-mentioned and identified locomotives; (i) Assignor will do, execute, acknowledge and deliver all and every further acts, instruments, and assurances reasonably requested by Assignee in order to give effect to or to more fully perfect the assignment made hereunder; (j) Exhibit B is a true, correct and complete listing of any and all documents and agreements affecting the Equipment, including all Operative Documents. There are no other documents or agreements that affect the rights, obligations or liabilities of Assignor or any other party under or with respect to the Equipment, to the best of Assignor's knowledge; (k) Assignor has furnished or made available to Assignee true, correct and complete copies of the Operative Documents. There

has been no prepayment of rent or any other amount required to be made by any party under the terms of the Operative Documents. Assignor has entered into no agreement causing the Equipment to be subject to any lease, remarketing, residual sharing or similar agreement (other than set forth in the Operative Documents) which would be binding upon or enforceable against Assignee, against the Equipment (or any portion thereof) or against the proceeds of any leasing, sale or other disposition of the Equipment; (l) Assignor has fulfilled its obligations required to be fulfilled by it under the Operative Documents in all material respects and no condition or event exists which, upon the giving of notice or the lapse of time, or both, would constitute such a default by Assignor thereunder. Assignor has no knowledge and has not received any notice of a default under the Operative Documents or any event or condition that is existing or continuing which, upon the giving of notice or lapse of time, or both, would constitute such a default. Assignor has no knowledge or notice of any event that would give rise to a tax indemnification or other indemnification obligation of the Lessee under the Operative Documents for which Assignor or any other party would have a claim. The Lessee under the Operative Documents has no defense, setoff or counterclaim under or with respect to the Operative Documents; (m) The Assignment and the transfer contemplated thereby do not constitute an act, by Assignor, that violates any provision of, or creates any relationship that would be in violation of the Securities Act of 1933, as amended, or the Securities Act of 1934, as amended, or any other applicable Law, as defined in the Participation Agreement; (n) Assignor has complied with Section 11.1 (iv) of the Participation Agreement and has no knowledge that this Assignment will contravene Section 11.1 (vi) of the Participation Agreement; and (o) Assignor will execute and deliver to Lessee, Agent, Lender and Noteholder a Notice of Assignment prior to the date of assignment herein.

Assignee represents and warrants to Assignor, Lender, Lessee and Noteholders that: (a) Assignee is a corporation duly organized, validly existing and in good standing in the state of its incorporation and in each other state where the nature of its business requires it to be so qualified. Assignee has the corporate power and authority to own its property and carry on its business as currently conducted. Upon execution of this Amendment and Assignment, such Assignment shall be binding and enforceable against Assignee in accordance with its terms; (b) Assignee has full right and authority to execute this Assignment and the Operative Documents, and such execution and compliance by Assignee with the terms thereof does not and will not violate any law or the terms of any agreement to which Assignee is a party; (c) The Assignment and the transfer contemplated thereby do not constitute an act, by Assignee, that violates any provision of, or create any relationship that would be in violation of the Securities Act of 1933, as amended, or the Securities Act of 1934, as amended, or any other applicable Law, as defined in the Participation Agreement; (d) Assignee confirms that each reference to "Owner" in the Operative Documents (as defined herein to exclude the Bills of Sale which are superseded by the Bill of Sale attached herein as Exhibit A) includes the Assignee and Assignee is bound by all the terms of, and agrees to undertake and assume all of the obligations of Owner in respect to the right, title and interest so conveyed by, or contained, in said Operative Documents to which Owner is a party; (e) the Assignee is a corporation doing business under the laws of the United States or one of the states thereof having at the time of transfer a combined capital, surplus and undivided profits of at least \$60,000,000; (f) the representations and

warranties of Assignee contained herein or in any other document, agreement, or instrument, including but not limited to financial statements provided to Assignor, delivered in connection herewith shall have been accurate, true and correct in all material respects on and as of the date of this Amendment and Assignment; (g) Assignee represents and warrants to Assignor, Lender, Lessee and Noteholders that (i) it meets or has complied with the requirements of Section 11.1 (i) (A) of the Participation Agreement and (ii) to the best of its knowledge the Amendment and Assignment does not violate Section 11.1 (iii) of the Participation Agreement.

Assignee hereby indemnifies Assignor for all reasonable, out-of-pocket costs and expenses incurred by Agent, Lessee, Lender or Noteholders in connection with this Amendment and Assignment and transfer or alleged breach pursuant to Section 11.1 of the the Participation Agreement other than arising from breach by Assignor of any of its representations, warranties or covenants hereunder.

Except for any breach by Assignor of any of its representations, warranties or covenants made herein or in any exhibit or addendum hereto, Assignee specifically agrees and acknowledges that neither Assignee nor the executors, administrators, successors or assigns of Assignee shall have any recourse to Assignor or the successors of the Assignor in any event whatsoever and the Assignee and its successors, hereby discharge the Assignor and successors of the Assignor for any liability under or in connection with the Operative Documents or the assignment thereof pursuant to this Agreement. Except as otherwise specifically provided herein, without limiting the generality of the foregoing, Assignee, on behalf of itself and its successors, specifically acknowledges that Assignee and its successors shall have no recourse to Assignor or its successors for any environmental liability arising under CERCLA or any State or Federal law or regulation. Assignee hereby indemnifies and holds harmless Assignor and its successors from any such environmental or any other liability which may be asserted without regard to the date or cause of such liability.

The obligations of Assignee under this Amendment and Assignment shall not be effective unless and until the satisfaction of the following conditions, any one or more of which may be waived at the sole option of Assignee:

(a) The representations and warranties of Assignor contained herein or in any other document, agreement or instrument delivered in connection herewith shall have been accurate, true and correct in all material respects on and as of the date of this Amendment and Assignment.

(b) Assignor shall have delivered to Assignee an opinion of ICC counsel acceptable to Assignee, using its reasonable discretion, and in form and substance reasonably acceptable to Assignee that no Liens exist on the Equipment except Permitted Liens, as defined in the Operative Documents, arising under the Loan Agreement or the Lease Agreement and arising by, through or under Lessee.

Assignor shall indemnify and hold harmless Assignee from and against any and all costs, expenses, losses, claims, damages or liabilities (collectively "Losses") incurred or suffered by Assignee to the extent such Losses arise out of or are based upon any misrepresentation made herein or a breach of any warranty, covenant or agreement made or to be performed by Assignor pursuant

to this Amendment and Assignment, and will reimburse Assignee for any legal or other expenses reasonable incurred by it in connection with investigating or defending such action or claim as such expenses are incurred.

Assignee shall indemnify and hold harmless Assignor from and against any and all costs, expenses, losses, claims, damages or liabilities (collectively "Losses") incurred or suffered by Assignor to the extent such Losses arise out of or are based upon any misrepresentation made herein or a breach of any warranty, covenant or agreement made or to be performed by Assignee pursuant to this Amendment and Assignment, and will reimburse Assignor for any legal or other expenses reasonable incurred by it in connection with investigating or defending such action or claim as such expenses are incurred.

Assignor agrees that it shall henceforth not make any demands for payment or take any action pursuant to the Operative Documents with respect to the Equipment or otherwise. This Amendment and Assignment shall be governed by, and construed in accordance with, the laws of the State of California and 49 U.S.C. Section 11303 as to recording and enforceability against third parties. All capitalized terms which are not otherwise defined herein shall have the same meaning as is given to such terms in the Operative Documents. This assignment shall not be effective until signed and accepted by Assignee and approved in form and substance by Agent and Lessee.

Dated: 21 September, 1995

SIGNAL CAPITAL CORPORATION

By: Bess Palmisciano
Title: VP & General Counsel

Address of Assignor:
55 Fenwick Road
Danvers, MA 01923

Attest or Witness:

Walter H. Jensen
Vice-President
Clerk/Secretary

(Corporate Seal)

AGREED AND ACCEPTED:

FIRST UNION COMMERCIAL CORPORATION

By: [Signature]

Title: Senior Vice President

Address of Assignee:

Attest or witness:

[Signature]

Assistant Secretary

Clerk/Secretary

(Corporate Seal)

Accepted as to form and substance:
Bank of America National Trust and Savings Association,
as Lender and Agent

By: _____

Title: _____

Accepted as to form and substance:
Southern Pacific Transportation Company
as Lessee

By: _____

Title: _____

State of _____

County of _____

The foregoing instrument was acknowledged before me on this _____ day of _____, 1995 by _____ known to me to be the person who executed the foregoing Amendment and Assignment on behalf of Signal Capital Corporation.

Notary Public: _____ My commission expires: _____

(seal)

AGREED AND ACCEPTED:

FIRST UNION COMMERCIAL CORPORATION

Attest or Witness:

By: _____

Title: _____

Address of Assignee:

Clerk/Secretary

(Corporate Seal)

Accepted as to form and substance:

Bank of America National Trust and Savings Association,
as Lender and Agent

By: Candace D. Hoge

Title: Vice President

Accepted as to form and substance

Southern Pacific Transportation Company
as Lessee

By: _____

Title: _____

State of _____

County of _____

The foregoing instrument was acknowledged before me on this _____ day of _____, 1995 by _____ known to me to be the person who executed the foregoing Amendment and Assignment on behalf of Signal Capital Corporation.

Notary Public: _____ My commission expires: _____

(seal)

AGREED AND ACCEPTED:

FIRST UNION COMMERCIAL CORPORATION

Attest or Witness:

By: _____

Title: _____

Address of Assignee: _____

Clerk/Secretary

(Corporate Seal)

Accepted as to form and substance:
Bank of America National Trust and Savings Association,
as Lender and Agent

By: _____

Title: _____

Accepted as to form and substance
Southern Pacific Transportation Company
as Lessee

By: *L. C. YARBERRY*

Title: L. C. YARBERRY
Vice President - Finance

State of _____

County of _____

The foregoing instrument was acknowledged before me on this ____ day of _____, 1995 by _____ known to me to be the person who executed the foregoing Amendment and Assignment on behalf of Signal Capital Corporation.

Notary Public: _____ My commission expires: _____

(seal)

AGREED AND ACCEPTED:

FIRST UNION COMMERCIAL CORPORATION

Attest or Witness:

By: _____

Title: _____

Address of Assignee:

Clerk/Secretary

(Corporate Seal)

Accepted as to form and substance:

Bank of America National Trust and Savings Association,
as Lender and Agent

By: _____

Title: _____

Accepted as to form and substance

Southern Pacific Transportation Company
as Lessee

By: _____

Title: _____

Commonwealth
State of Massachusetts

County of Essex

September, 1995 by Beas Palmisciano known to me to be the person who executed the foregoing Amendment and Assignment on behalf of Signal Capital Corporation.

Notary Public: Christine P. Nichols My commission expires: 2-6-98.

(seal)

State of _____

County of _____

The foregoing instrument was acknowledged before me on this _____ day of _____, 1995 by _____ known to me to be the person who executed the foregoing Amendment and Assignment on behalf of Southern Pacific Transportation Company.

Notary Public: _____ My commission expires: _____

(seal)

State of _____

County of _____

The foregoing instrument was acknowledged before me on this _____ day of _____, 1995 by _____ known to me to be the person who executed the foregoing Amendment and Assignment on behalf of Bank of America National Savings Association.

Notary Public: _____ My commission expires: _____

(seal)

State of North Carolina

County of Rowan

The foregoing instrument was acknowledged before me on this 18th day of September, 1995 by Paul W. Van Wie known to me to be the person who executed the foregoing Amendment and Assignment on behalf of First Union Commercial Corporation.

Notary Public:  My commission expires: 11/24/95

Linda L.G. Ciemny

(seal)

State of _____

County of _____

The foregoing instrument was acknowledged before me on this _____ day of _____, 1995 by _____ known to me to be the person who executed the foregoing Amendment and Assignment on behalf of Southern Pacific Transportation Company.

Notary Public: _____ My commission expires: _____

(seal)

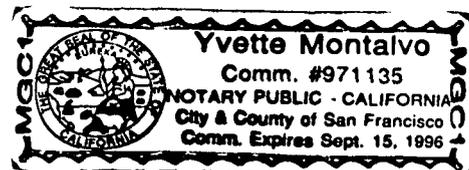
State of CALIFORNIA

County of SAN FRANCISCO

The foregoing instrument was acknowledged before me on this 18th day of SEPTEMBER, 1995 by CANDACE L. HAGE known to me to be the person who executed the foregoing Amendment and Assignment on behalf of Bank of America National Trust and Savings Association.

Notary Public: Yvette Montalvo My commission expires: 9-15-96

(seal)



State of _____

County of _____

The foregoing instrument was acknowledged before me on this _____ day of _____, 1995 by _____ known to me to be the person who executed the foregoing Amendment and Assignment on behalf of First Union Commercial Corporation.

Notary Public: _____ My commission expires: _____

(seal)

State of California)
) ss.
County of San Francisco)

On September 20, 1995, before me, Lenona Rusconi, Notary Public, personally appeared L. C. Yarberry, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his 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

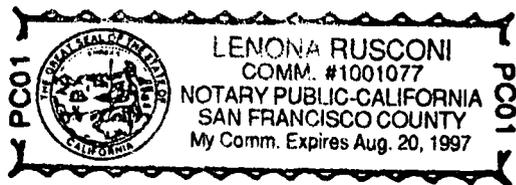


EXHIBIT A

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS:

SIGNAL CAPITAL CORPORATION, a Delaware corporation ("SELLER"), is the owner of the full legal and beneficial title to 38 General Motors SD45-T2 railroad locomotives currently bearing the following reporting marks and road numbers:

SP 6829, SP 6830, SP 6831, SP 6832, SP 6834, SP 6835,
SP 6836, SP 6837, SP 6838, SP 6839, SP 6840, SP 6841, SP 6842,
SP 6843, SP 6844, SP 6845, SP 6846, SP 6848, SP 6849, SP 6850,
SP 6851, SP 6852, SP 6853, SP 6854, SP 6855, SP 6856, SP 6857,
SP 6858, SP 6859, SP 6860, SP 6861, SP 6862, SP 6863, SP 6864,
SP 6865, SP 6866, SP 6867, SP 6868

and all appliances, parts, instruments, appurtenances, accessories, furnishings, logs, manuals and/or other equipment or property installed on or attached or belonging to said locomotives (the "Equipment").

For and in consideration of the sum of \$10.00 and other valuable consideration, receipt of which is hereby acknowledged, SELLER does hereby grant, convey, transfer, bargain and sell, deliver and set over pursuant and subject to the terms and conditions of the Participation Agreement dated March 30, 1988, all right, title and interest in and to the above-described Equipment unto FIRST UNION COMMERCIAL CORPORATION, a North Carolina corporation ("BUYER"); and BUYER hereby accepts such right, title and interest.

The SELLER is neither the manufacturer nor a distributor of, nor dealer or merchant in, the Equipment.

THE SELLER MAKES NO WARRANTY OF MERCHANTABILITY IN RESPECT TO THE EQUIPMENT, AND THE EQUIPMENT IS SOLD IN AN "AS IS, WHERE IS" CONDITION, WITH ALL FAULTS. By acceptance of delivery of the Equipment the Buyer affirms that it has not relied on the Seller's skill or judgment to select or furnish the Equipment for any particular purpose, AND THAT THE SELLER MAKES NO WARRANTY THAT THE EQUIPMENT IS FIT FOR ANY PARTICULAR PURPOSE AND THAT THERE ARE NO REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED OR STATUTORY, THAT EXTEND BEYOND THE DESCRIPTION OF THE EQUIPMENT, except that the Seller represents and warrants that the Seller owns the Equipment and has full power, right and authority to convey title thereto, and that the Property is conveyed free and clear of all liens and encumbrances arising by, through, or on behalf of Seller.

Except as expressly provided in the Amendment and Assignment to the Lease Agreement, this is a final and exclusive expression of the agreement of the Seller and the Buyer and no course of dealing or usage of trade or course of performance shall be relevant to explain or supplement any term expressed in this agreement.

By acceptance of delivery of the Equipment between Buyer and Seller, the

Buyer acknowledges that the Buyer has either examined the Equipment as fully as desired, or has been given the opportunity for such examination and has refused to make such examination.

SELLER hereby warrants to BUYER, its successors and assigns that SELLER has legal title to and beneficial ownership of, and good and lawful right to sell the Equipment.

SELLER hereby assigns to BUYER all of SELLER'S rights, to the extent relating to the Equipment, against the manufacturer or any vendor or supplier of the Equipment, including any warranty express or implied, as to title, materials, workmanship, design or patent infringement or otherwise including, without limitation, all claims for damages and any and all rights of SELLER to compel performance of the terms of any bill of sale or other purchase document relating to the Equipment.

IN WITNESS WHEREOF, SELLER has caused this instrument to be executed and delivered this 21st day of September, 1995.

SIGNAL CAPITAL CORPORATION

By: Bess Palmisano
Title: VP General Counsel

EXHIBIT B

Southern Pacific Transportation Co. Transaction Documents

Closing Memorandum No. 1/Delivery of Principal Documents and Six SD45-T2 Locomotives and Amendment to Participation Agreement Dated as of March 30, 1988

1. Participation Agreement dated as of March 30, 1988; Closing Memorandum No. 1
2. Lease Supplement No. 1 dated as of September 29, 1988 and Lease Agreement dated as of March 30, 1988
3. Loan Agreement Supplement No. 1 and Loan and Security Agreement dated as of March 30, 1988
4. Promissory Note No. 1/\$2,869,745.97/March 31, 1988
5. Support Agreement as of March 30, 1988
6. Federal Income Tax Indemnity Agreement dated as of March 30, 1988
7. Letter dated March 29, 1988 from E.F. Grady re: delivery of six locomotives and attached Disbursement Agreement
8. Appointment of Authorized Representative by Signal Capital Corporation, A Delaware Corporation ("Owner"); Dated: March 30, 1988
9. Bill No. 030711/Month's Acct. March, 1988
10. Bill of Sale (6 General Motors SD45-T2 Railroad Locomotives); Dated: March 31, 1988
11. Acceptance Certificate; Dated: March 31, 1988
12. Letter Dated March 31, 1988 from Charles T. Kappler Re: documents executed and delivered pursuant to Participation Agreement dated March 30, 1988
13. Letter dated March 31, 1988 to the Interstate Commerce Commission from Charles T. Kappler with Documentation for Recordation
14. Financing Statements and Schedules Dated March 30, 1988
15. Certificate of Insurance Through Rollins Burdick Hunter of Illinois, Inc. Dated March 31, 1988
16. Detailed Specification for Remanufacture of SD45-T2 Locomotives, February 7, 1986; Revised: April 9, 1987 and November 3, 1987

17. Assistant Secretary's Certificate Pursuant to Sections 3.5(1) and 3.7 of Participation Agreement; Composite Certificate of Incorporation; Southern Pacific Transportation Co. Form 10-K
18. Certification of Incorporation, February 28, 1972; Certificate of Amendment, August 16, 1972; Certificate of Amendment, January 23, 1974; Certificate of Amendment, December 31, 1980; Certificate of Amendment, March 21, 1985; Certificate of Ownership, September 30, 1986; Certificate of Amendment, April 24, 1987; Certificate of Ownership, June 30, 1987; Certificate of Ownership, June 29, 1987; Certificate of Ownership, December 31, 1987; Certificate of Ownership, December 30, 1987, etc.
19. Opinion letter written by Thormund A. Miller, Vice President and General Counsel of Southern Pacific Transportation Company dated March 31, 1988
20. Opinion letter written by Charles Cross dated March 30, 1988; Opinion letter written by Thelen, Marrin, Johnson & Bridges dated March 31, 1988
21. Opinion letter written by Peter Leiter, Senior Counsel, Bank of America dated March 31, 1988
22. Opinion letter written by Peter Leiter, Senior Counsel, Bank of America dated March 31, 1988
23. Bank of America National Trust and Savings Association, Certificate Pursuant to Section 3.14(a) of Participation Agreement
24. Letter dated March 30, 1988 to Bank of America NT&SA and Signal Capital Corporation signed by E.J. Johnson and Thurmond A. Miller; Letter dated March 31, 1988 to Southern Pacific Transportation Company signed by D. Patton of Signal Capital Corporation
25. Southern Pacific 1988 Leveraged Lease Transaction, 40 SD45-T2 Locomotives; Letter to Signal Capital Corporation dated March 31, 1988 signed by Thelen, Marrin, Johnson & Bridges AND Original letter dated March 31, 1988 to Signal Capital Corporation and signed by Thelen, Marrin, Johnson & Bridges