



Chicago and North Western
Railway Company



165 N. Canal St.
Chicago, Illinois 60606

Office of the Secretary
312.559.6156

RECORDATION NO. 11072-D FILED 1495
APR 6 1995 - 1 50 PM
INTERSTATE COMMERCE COMMISSION

April 4, 1995

File No: A-11115-B
EOC: O-015

Mr. Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, DC 20423

Re: Conditional Sales Agreement dated as of October 15, 1979 between First Security State Bank, Trustee, and General Motors Corporation, Builder, Recorded November 20, 1979 and assigned Recordation No. 11072 and Lease of Railroad Equipment (B) between Chicago and North Western Transportation Company (Lessee) and First Security State Bank (Trustee) dated as of October 15, 1979, and assigned Recordation No. 11072-B

Dear Mr. Strickland:

Pursuant to Section 11303 of the Interstate Commerce Act, enclosed for recordation in relation to the above-referenced agreements are four (4) original counterparts of First Amendment and Extension to Lease of Railroad Equipment dated as of January 15, 1995 by and between Chicago and North Western Railway Company, formerly known as Chicago and North Western Transportation Company, and First Security Bank of Idaho, N.A.

The name and addresses of the parties to the above agreements are as follows:

Chicago and North Western Railway Company
165 North Canal Street
Chicago, IL 60606

First Security Bank of Idaho, N.A.
P. O. Box 30007
Salt Lake City, UT 84125

Enclosed is a check to cover the recording fee. Please assign a sub-file recordation number to the Lease of Railroad Equipment, retain one counterpart for your files and return to me the remaining counterparts with the stamped recordation data.

Sincerely,

K. A. Dombrowski
Assistant Secretary

Enclosures

RECEIVED
OFFICE OF THE
SECRETARY
APR 7 1 46 PM '95
LICENSING BRANCH

Counterparts - In Collected



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

4/6/95

Office Of The Secretary

K. A. Dombrowski
Assistant Secretary
Chicago and NorthWestern Railway Company
165 N. Canal Street
Chicago, Illinois 60606

Dear Madam:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of
the Interstate Commerce Act, 49 U.S.C. 11303, on 4/6/95 at 1:50PM, and
assigned recordation number(s).

11072 D

Sincerely yours,

Vernon A. Williams
Secretary

Enclosure(s)

(0100585036)

\$ _____ 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

FIRST AMENDMENT AND EXTENSION TO LEASE OF RAILROAD EQUIPMENT

THIS FIRST AMENDMENT AND EXTENSION TO LEASE OF RAILROAD EQUIPMENT (this "Amendment") is made and entered into as of the 15th day of January, 1995, by and between CHICAGO AND NORTH WESTERN RAILWAY COMPANY, a Delaware corporation ("Lessee"), formerly known as Chicago and North Western Transportation Company, and FIRST SECURITY BANK OF IDAHO, N.A., a national banking association ("Trustee"), not in its individual capacity but solely as successor trustee under a Trust Agreement dated as of October 15, 1979.

W I T N E S S E T H:

WHEREAS, Trustee, as successor trustee to First Security State Bank, and Mercantile Bank of St. Louis National Association, a national banking association ("Owner"), as successor by merger to Mercantile Trust Company National Association, are parties to a Trust Agreement dated as of October 15, 1979;

WHEREAS, Lessee and Trustee entered into a certain Lease of Railroad Equipment dated as of October 15, 1979 (the "Lease") covering the 12 locomotives more fully described therein (the "Units");

WHEREAS, the Lease was assigned for security to First Security Bank of Utah, National Association, acting as Agent under the certain Participation Agreement referred to in the Lease pursuant to the Assignment of Lease and Agreement (the "Assignment") dated as of October 15, 1979;

WHEREAS, Trustee entered into a Conditional Sale Agreement dated as of October 15, 1979 (the "CSA"), with General Motors Corporation (Electro-Motive Division) providing for the manufacture, sale and delivery to Trustee of the Units;

WHEREAS, all sums due from Trustee under the CSA have been fully discharged and satisfied and as a result thereof, the Assignment and all rights therein assigned to Agent have terminated and all estate, right, title and interest of Agent in and to the Lease has reverted to the Trustee;

WHEREAS, Lessee and Trustee desire to amend the Lease in the manner hereinafter set forth;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessee and Trustee hereby agree as follows:

1. Lessee and Trustee have agreed, pursuant to the first paragraph of Section 13 of the Lease, to extend the term of the Lease in respect of all of the Units covered by the Lease, for a five-year period commencing on the scheduled expiration of the original term of the Lease. The term of the Lease as extended hereby is referred to herein and in the Lease as the "extended

term." Such extension shall be on the same terms and conditions as are contained in the Lease, except as specifically otherwise agreed herein.

2. Lessee agrees to pay to Trustee as rental ten (10) consecutive semiannual payments in arrears during the extended term, each in the amount of Thirty-Seven Thousand Four Hundred Twelve and 50/100 Dollars (\$37,412.50) for each Unit subject to the Lease payable on the fifteenth day of each January and July, with the first such payment due July 15, 1995.

3. Section 7.1 of the Lease is hereby amended to read in its entirety as follows:

"7.1 Maintenance. Lessee at its own expense will maintain and service each Unit (including any parts installed or replacements made to any Unit and considered an Addition [as defined in § 9.2 hereof] hereunder) in accordance with standards and practices which are at least as good as those utilized for similar equipment owned or leased by Lessee and which, in any case, will include testing, repair and overhaul of each Unit so that each Unit will remain (a) in as good operating condition as when delivered (ordinary wear and tear excepted), (b) in compliance with any and all applicable laws and regulations, and (c) eligible for railroad interchange in accordance with the interchange rules of the Association of American Railroads, if such rules are applicable."

4. As it relates to either Casualty Value or any "economic casualty" value referred to in Sections 7.3 and 7.8, respectively, of the Lease, Schedule 2 of the Lease is hereby amended to incorporate the following additional Payment Dates and Percentages of Purchase Price during the extended term:

<u>Payment Dates</u>	<u>Percentage of Purchase Price</u>
"January 15, 1995	70.859122
July 15, 1995	67.660630
January 15, 1996	64.288395
July 15, 1996	60.706424
January 15, 1997	56.886320
July 15, 1997	52.819730
January 15, 1998	48.519328
July 15, 1998	43.972574
January 15, 1999	39.192960
July 15, 1999	34.164367
January 15, 2000	28.900870"

5. If any Unit shall suffer a Casualty Occurrence after termination of the Lease at the expiration of the extended term and before such Unit shall have been returned in the manner provided in Section 14 of the Lease, as contemplated in Section 7.3 thereof,

Lessee and Trustee hereby agree that the Casualty Value of any such Unit shall be equal to 28.900870% of such Unit's Purchase Price.

6. Section 7.8 of the Lease is hereby amended to read in its entirety as follows:

"7.8 Economic Casualty. In the event Lessee shall in its reasonable judgment determine that the Units shall have become obsolete or shall be surplus to its requirements or it is not feasible to comply with the provisions of § 9.2 hereof (other than in the case of the occurrence and continuance of an Event of Default hereunder except for an Event of Default resulting from a violation of § 9.2 hereof) during the extended term of this Lease, Lessee shall have the right, at its option, on at least 90 days' prior written notice to Trustee, to terminate this Lease as to the Units (subject to the provisions for the survival of indemnification obligations contained in §§ 6 and 9 hereof) as of the next scheduled rental payment date. In such event, Lessee shall return the Units to Trustee as soon as reasonably practical in accordance with and in compliance with the terms and conditions of Section 14 in as good operating condition as when delivered (ordinary wear and tear excepted), and the Units shall otherwise be treated as having suffered a Casualty Occurrence; provided, however, that during the 90-day period following such notice, Lessee shall use its best efforts to dispose of the Units at the best price obtainable on an "as is, where is" basis and Trustee shall have the right, but not the obligation, to (a) solicit bids for the Units, and (b) retain the Units. If Trustee elects to retain the Units, Lessee shall have no obligation to pay the Casualty Value thereon."

7. Section 13 of the Lease is hereby amended as follows:

7.1 The first paragraph of Section 13 is hereby amended to read in its entirety as follows:

"Provided that this Lease has not been earlier terminated and Lessee is not in default hereunder, Lessee may by written notice delivered to Trustee not less than six months prior to the end of the original term of this Lease elect to extend the term of the Lease in respect to all but not less than all of the Units then covered by this Lease, for a five-year period (the "first extended term") commencing on the scheduled expiration of the original term of this Lease. Provided that this Lease has not been earlier terminated and Lessee is not in default hereunder, Lessee may by written notice delivered to Trustee not less than six months prior to the end of the first extended term of this Lease elect to extend the

term of the Lease in respect to all but not less than all of the Units then covered by this Lease, for a five-year period commencing on the scheduled expiration of the first extended term of this Lease. Such extensions shall be on the same terms and conditions as are contained in this Lease, except as to the amount of rentals, which shall be at a "Fair Market Rental" (as such term is defined in this Section 13) payable semiannually in arrears, and except as to applicable Casualty Values, which shall be as agreed upon between Trustee and Lessee at the time of any such extension."

7.2 The final sentence of the final paragraph of Section 13 is hereby amended to read in its entirety as follows:

"The expenses of the appraisal procedure shall be borne equally by Lessee and Trustee if Lessee purchases the Units pursuant to its right of first refusal and shall be borne solely by Lessee if Lessee does not so purchase the Units."

8. All references in the Lease to this "Lease," and any other references of similar import shall henceforth mean the Lease as amended by this Amendment. All capitalized terms used and not otherwise defined herein shall have the respective meanings ascribed to them in the Lease as amended by this Amendment.

9. Except to the extent specifically amended by this Amendment, all of the terms, provisions, conditions, covenants, representations and warranties contained in the Lease shall be and remain in full force and effect and the same are hereby ratified and confirmed.

10. This Amendment shall be binding upon and inure to the benefit of Lessee and Trustee and their respective permitted successors and assigns.

11. This Amendment shall be governed by and construed in accordance with the internal laws of the State of Illinois.

STATE OF UTAH)
) SS.
COUNTY OF SALT LAKE)

On this 13th day of February, 1995, before me personally appeared Brett L. King, to me personally known, who, being by me duly sworn, did say that he is Must Helle of FIRST SECURITY BANK OF IDAHO, N.A., a national banking association, and that the foregoing instrument was signed on behalf of said association by authority of its Board of Directors; and said Brett L. King acknowledged said instrument to be the free act and deed of said association.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

 NOTARY PUBLIC
DIANNE MORENO
79 South Main
S.L.C. UT 84111
COMMISSION EXPIRES
NOV. 30, 1998
STATE OF UTAH

[SEAL]

Dianne Moreno
Notary Public

EQUIPMENT LIST

CNWA-4600

CNWA-4601

CNWA-4602

CNWA-4603

CNWA-4604

CNWA-4605

CNWA-4606

CNWA-4607

CNWA-4608

CNWA-4609

CNWA-4610

CNWA-4611