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FEDERAL COMMERCE COMMISSION

SALE AND LEASE BACK AGREEMENT

SALE AND LEASE BACK AGREEMENT dated as of January 1, 1975, between MANUFACTURERS NATIONAL BANK OF DETROIT, as Trustee under a Trust Agreement (hereinafter called the "Trust Agreement") dated as of January 1, 1975 (hereinafter called the "Trustee"), and NATIONAL RAILROAD PASSENGER CORPORATION, a corporation organized under the Rail Passenger Service Act, as amended, and the laws of the District of Columbia (hereinafter called the "Railroad").

WHEREAS the Railroad has agreed to purchase four turbine-powered passenger "RTG" trains pursuant to and more fully described in the Passenger Equipment Purchase Agreement (hereinafter called the "Purchase Agreement") dated as of June 24, 1974, as amended as of January 23, 1975, between ANF-Industrie, S.A. and the Railroad in accordance with the specifications agreed to with said manufacturer, and the Railroad hereby agrees to complete the furnishing of such trains as contemplated by Article 3(a)(v) hereof (each such train, comprising a front and rear power section, two intermediate trailer sections and one intermediate bar-grill section, completely furnished as aforesaid, being hereinafter called a "Train" and all such trains being hereinafter collectively

called the "Trains";

WHEREAS the Railroad has arranged to finance the acquisition of the Trains under the Loan Agreement and Chattel Mortgage (hereinafter called the "Loan and Mortgage") dated as of January 1, 1975, between the Railroad and Federal Financing Bank (hereinafter called the "Lender"); and

WHEREAS the Railroad desires to sell all its right, title and interest in and to the Trains to, and to lease the Trains back from, the Trustee, and the Trustee desires to purchase the Trains from and lease the Trains to the Railroad as aforesaid;

NOW, THEREFORE, in consideration of the mutual promises, covenants and agreements hereinafter set forth, the parties hereto do hereby agree as follows:

ARTICLE 1. The Railroad hereby agrees to sell, and the Trustee hereby agrees to purchase, subject to the rights of the Lender as defined in the Loan and Mortgage, each Train prior to it having been placed in service by the Railroad provided that all the conditions of Section 15 of the Equipment Lease (hereinafter called the "Lease"), dated as of January 1, 1975, between the Trustee, as Lessor, and the Railroad, as Lessee, have been satisfied.

ARTICLE 2. The Trustee agrees that, upon request of the Railroad following delivery to, and acceptance by,

the Railroad of each Train (as evidenced by delivery of the Certificate of Completion and Acceptance provided for in Section 1.2 of the Lease), and conveyance of title thereto by bill of sale, the Trustee will, subject to all the terms and conditions provided for in the Lease and this Agreement, purchase such Train from the Railroad on such date (each such date being hereinafter called a "Settlement Date") as shall be fixed by the Railroad on at least five days' notice to the Trustee, by making the payments and assuming the obligations provided for in Article 3 hereof, and accept title thereto (subject to the security interest of the Lender under the Loan and Mortgage) by a bill of sale in the form attached hereto as Schedule I and lease such Train back to the Railroad on the terms and subject to the conditions of the Lease.

ARTICLE 3. As the purchase price for each Train being purchased by the Trustee from the Railroad hereunder, the Trustee agrees as follows:

(a) to pay to the Railroad from time to time, upon request of the Railroad following delivery to the Railroad of such Train, an amount equal to 27.8% of each of the following expenditures made by the Railroad in respect of such Train so long as the aggregate of such expenditures does not exceed \$3,600,000* per Train:

* Less, as to one of the Trains, the cost of one auxiliary engine which will not be included in the front power section thereof.

(i) the Purchase Price of such Train as defined in Article 2 of the Loan and Mortgage;

(ii) the cost of transporting such Train from Le Havre, France, to Port Elizabeth, New Jersey;

(iii) the cost of insurance of such Train during transportation referred to in clause (ii) of this Article 3(a);

(iv) the import duties and taxes imposed by the United States of America on such Train; and

(v) the cost of completion of the furnishings for such Train as described in Schedule II hereto; (all of the items referred to in clauses (i), (ii), (iii), (iv) and (v) of this Article 3(a) to be set forth in an invoice from the Railroad to the Trustee);

(b) to assume and pay the instalments of the Loans, as defined in the Loan and Mortgage, including interest thereon (excluding the interest due and payable on the Settlement Date) and pay prepayments thereof required or permitted by the last paragraph of Article 2 of the Loan and Mortgage in respect of such Train; provided that, it is understood and agreed that the total unpaid principal amount of the Loans outstanding under the Loan and Mortgage shall equal 72.2% of the expenditures made by the Railroad as set forth in clauses (i) through (v) of Article 3(a) above and that the Trustee shall

have received satisfactory evidence thereof; and

(c) to assume and discharge all the other obligations of the Railroad under the Loan and Mortgage in respect of such Train.

The obligations so assumed by the Trustee under paragraph (a) of this Article 3 shall be payable only to the extent of amounts furnished by the Trustor (as defined in the Trust Agreement) to the Trustee pursuant to the Trust Agreement. The obligations so assumed by the Trustee under paragraphs (b) and (c) of this Article 3 shall be payable only out of the "income and proceeds from the Equipment" (as hereinafter defined), and such payments shall be made by the Trustee only to the extent that the Trustee or any assignee of the Trustee shall have actually received sufficient "income and proceeds from the Equipment" to make such payments. The Railroad agrees that the Trustee in its capacity as trustee and the trust in respect of which the Trustee is acting as trustee shall have no personal liability to make any payments under this Agreement whatsoever except, in so far as payments under paragraph (a) of this Article 3 are concerned, as hereinabove provided, and except, in so far as payments under paragraphs (b) and (c) of this Article 3 are concerned, from the "income and proceeds from the Equipment" to the extent actually received by the Trustee or any assignee of the Trustee as above provided. As used

herein the term "income and proceeds from the Equipment" shall mean (1) if one of the events of default specified in Article 15 of the Loan and Mortgage shall have occurred and while it shall be continuing, so much of the following amounts as are indefeasibly received by the Trustee or any assignee of the Trustee at any time after any such event and during the continuance thereof: (i) all amounts of rental and amounts in respect of Casualty Occurrences (as defined in Section 11 of the Lease) paid for or with respect to the Trains pursuant to the Lease and (ii) any and all payments (excluding, however, any amounts paid by the Railroad to the Trustee pursuant to Sections 6, 10.2, or 16 of the Lease) or proceeds received by the Trustee or any assignee of the Trustee under the Lease or for or with respect to the Trains as the result of the sale (including any purchase by the Railroad pursuant to Section 25 of the Lease), lease or other disposition thereof (after deducting all reasonable costs and expenses of such sale, lease or other disposition), and (2) at any other time only that portion of the amounts referred to in the foregoing clauses (i) and (ii) of this sentence as are indefeasibly received by the Trustee or any assignee thereof and as shall equal the portion of the Loans (including required prepayments) and/or interest thereon due and payable on the date such

amounts received by the Trustee or any assignee of the Trustee were required to be paid to it pursuant to the Lease, except that, in the event of a purchase by the Railroad pursuant to Section 25 of the Lease, there shall be included such portion of the purchase price received by the Trustee as shall equal the unpaid balance of the Loans and the interest accrued thereon, it being understood that "income and proceeds from the Equipment" shall in no event include amounts referred to in the foregoing clauses (i) and (ii) of this sentence which were received by the Trustee or any assignee of the Trustee prior to the existence of such an event of default and which exceeded the amounts required to discharge that portion of the Loans (including required prepayments thereof) and/or interest thereon due and payable on the payment date corresponding to the date on which amounts with respect thereto received by the Trustee or any assignee of the Trustee were required to be paid to it pursuant to the Lease or, in the case of the purchase price received by the Trustee pursuant to Section 25 of the Lease, which exceeded the amount required to pay the Loans and the interest accrued thereon. The obligations of the Railroad under the Loan and Mortgage assumed by the Trustee hereunder (other than the obligation to pay the Loans, and interest accrued thereon) shall, as to the Trustee, be deemed in all respects satisfied

by the Railroad's execution and delivery of the Lease (whether or not the Lease shall be amended or be in effect at any time).

ARTICLE 4. The Railroad agrees that, notwithstanding the provisions of this Agreement, it shall remain liable to the Lender for the discharge of all the obligations of the Railroad under the Loan and Mortgage to the extent such obligations are not discharged by the Trustee under this Agreement.

ARTICLE 5. In the event that the Railroad shall purchase any Train pursuant to Section 16 of the Lease, the Trustee shall have no further obligation with respect thereto under the Loan and Mortgage, including, without limitation, the obligation to pay the instalments of the Loans with respect to such Trains becoming due after the date of purchase, or interest thereafter accruing, and in such event the Railroad agrees to release the Trustee from all its obligations assumed hereunder with respect to such Trains, including the obligation to pay such Loans and the interest thereafter accruing thereon.

ARTICLE 6. The terms of this Agreement and all rights and obligations hereunder shall be governed by the laws of the District of Columbia.

ARTICLE 7. Before any amendment or modification

of this Agreement, or any assignment or transfer of the interest of the Trustee hereunder or the Trustor under the Trust Agreement (other than to insurance companies, commercial and savings banks and financing corporations of recognized standing organized under the laws of the United States or of any state thereof) or of the interest of the Railroad hereunder, becomes effective, the Federal Railroad Administrator must approve the same in writing. However, the Trustee or the Trustor under the Trust Agreement may assign to the Lender its rights hereunder and under the Trust Agreement. In consideration of his guaranty of the Railroad's financial obligations under this Agreement, the Federal Railroad Administrator (or such official to whom the powers of the Federal Railroad Administrator shall have been duly delegated pursuant to Section 102(2) of the Rail Passenger Service Act, as amended, and 49 U.S.C. 1657(e)) shall have the right to enforce this provision irrespective of any other provision of this Agreement.

ARTICLE 8. This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same contract, which shall be sufficiently evidenced by any such original counterpart. Although this Agreement is dated as of the date first set

forth above, for convenience, 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.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed in their respective corporate names by their respective officers thereunto duly authorized, and their respective corporate seals to be hereunto affixed and duly attested.

NATIONAL RAILROAD PASSENGER CORPORATION,

by *David D. Brazier*

[Corporate Seal]

Attest:

R. A. Medvedsky
Secretary

MANUFACTURERS NATIONAL BANK OF DETROIT, as Trustee,

by *Wm. G. B.*

Second Vice President and Trust Officer

[Corporate Seal]

Attest:

Wm. G. B.

Second Vice President and Trust Officer

CITY OF WASHINGTON)

) ss:

DISTRICT OF COLUMBIA)

On this 20 day of March 1975, before me personally appeared Donald E. Black, to me personally known, who being by me duly sworn, says that he is an Authorized Officer of MANUFACTURERS NATIONAL BANK OF DETROIT, that one of the seals affixed to the foregoing instrument is the seal of said Bank, that said instrument was signed and sealed on behalf of said Bank 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 Bank.

Patricia A. Spullace
Notary Public

[Seal]

My Commission Expires:

My Commission Expires August 31, 1975

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS THAT:

NATIONAL RAILROAD PASSENGER CORPORATION, a corporation organized under the Rail Passenger Service Act, as amended, and the laws of the District of Columbia (hereinafter referred to as the "Seller") in consideration of One Dollar and other good and valuable considerations, receipt whereof is hereby acknowledged, does hereby grant, bargain, sell and assign to MANUFACTURERS NATIONAL BANK OF DETROIT, as Trustee under a Trust Agreement dated as of January 1, 1975, with Ford Motor Credit Company as beneficiary (said Trustee being hereinafter referred to as "Buyer") the following property:

<u>Seller's R. R. Nos.</u>	<u>Description</u>
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TO HAVE AND TO HOLD said property to Buyer, its successors and assigns, to its and their own use forever.

The interest of Seller in said property, and the interest transferred by this Bill of Sale, is that of absolute ownership.

Seller hereby warrants that it is the lawful owner of said property and that its title to said property is free and clear of all liens, security interests, charges, claims and encumbrances of every kind whatsoever (except the security interest of the Lender as defined in the Loan Agreement and Chattel Mortgage dated as of January 1, 1975, between Federal Financing Bank and the Seller); that its title to said property is hereby conveyed to Buyer free and clear of all liens, charges, security interests, claims and encumbrances of every kind whatsoever (except the security title of the Lender as defined in the Loan Agreement and Chattel Mortgage referred to above); and that Seller will warrant and defend such title forever against all claims and demands whatsoever.

IN WITNESS WHEREOF, National Railroad Passenger Corporation has caused this instrument to be executed in its corporate name by its respective officer hereunto duly authorized

SCHEDULE II

<u>Description</u>	<u>Cost Per Train</u>	<u>Total Cost</u>
The Purchase Price (as defined in Article 2 of the Loan and Mortgage)	\$2,925,000*	\$11,700,000*
The cost of transportation from Le Havre, France, to Port Elizabeth, New Jersey	85,000	340,000
The cost of insurance during transportation	3,750	15,000
The import duties and taxes imposed by the United States of America	450,000	1,800,000
The cost of completion of furnishings including, among other things, the installation of seats, carpeting, water coolers, and emergency sashes	136,250	545,000
	<u>\$3,600,000*</u>	<u>\$14,400,000*</u>

* Less the cost of one auxiliary engine which will not be included in front power section No. 66.