

RECORDATION NO. 7557A
Filed & Recorded

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INTERSTATE COMMERCE COMMISSION

SALE AND LEASE BACK AGREEMENT

SALE AND LEASE BACK AGREEMENT dated as of May 1, 1974, between FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, a national banking association, not in its individual capacity but solely as Trustee under a Trust Agreement (hereinafter called the "Trust Agreement") dated as of May 1, 1974 (hereinafter called the "Trustee"), and NATIONAL RAILROAD PASSENGER CORPORATION, a corporation organized under the Rail Passenger Service Act of 1970, as amended, and the laws of the District of Columbia (hereinafter called the "Railroad");

WHEREAS the Railroad has agreed to purchase the railroad equipment (hereinafter called the "Equipment") described in Schedule A to the Conditional Sale Agreement (hereinafter called the "Conditional Sale Agreement") dated as of May 1, 1974, between General Motors Corporation (Electro-Motive Division) and the Railroad; and

WHEREAS the Railroad desires to sell all its right, title and interest in and to the Equipment to, and to lease the Equipment back from, the Trustee, and the Trustee desires to purchase the Equipment from, and lease the Equipment 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 Vendor as defined in the Conditional Sale Agreement, the Equipment prior to the same 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 May 1, 1974, 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 of the Equipment to the Railroad (as evidenced by delivery of the Certificate of Acceptance provided for in the Conditional Sale Agreement), and conveyance of title (subject to the security title of the Vendor under the Conditional Sale Agreement) thereto by bill of sale, the Trustee will, subject to all the terms and conditions provided for in the Lease and this Agreement, purchase the Equipment from the Railroad by making the payments and assuming the obligations provided for in Article 3 hereof and accept title thereto (subject as aforesaid) by a bill of sale in the form attached hereto as Schedule I and lease the Equipment back to the Railroad.

ARTICLE 3. As the purchase price for the Equipment 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 Equipment and the payment by the Railroad to the Builder, as defined in the Conditional Sale

Agreement, of any payment required by subparagraph (a) of Article 3 of the Conditional Sale Agreement, an amount equal to such payment made by the Railroad under said subparagraph (a) in respect of such Equipment;

(b) to assume and pay the instalments of the Conditional Sale Indebtedness (hereinafter called the Conditional Sale Indebtedness), as defined in the Conditional Sale Agreement, including interest thereon and prepayments thereof required or permitted by the last two paragraphs of Article 3 of the Conditional Sale Agreement in respect of such Equipment; and

(c) to assume and discharge all the other obligations of the Railroad under the Conditional Sale Agreement in respect of such Equipment.

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 Trustors (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 Conditional Sale Agreement 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 Equipment 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, 16.1 or 16.2 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 Equipment 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) as are indefeasibly received by the Trustee or any assignee thereof and as shall equal the portion of the Conditional Sale Indebtedness (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 Conditional Sale Indebtedness 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) 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 Conditional Sale Indebtedness (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 Conditional Sale Indebtedness and the interest accrued thereon. The obligations of the Railroad under the Conditional Sale Agreement assumed by the Trustee hereunder (other than the obligation to pay the Conditional Sale Indebtedness, and interest accrued thereon) shall be deemed in all respects satisfied by the Railroad's undertakings contained in the Lease.

ARTICLE 4. The Railroad agrees that, notwithstanding the provisions of this Agreement, it shall remain liable to the Vendor for the discharge of all the obligations of the Railroad under the Conditional Sale Agreement 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 Items of Equipment pursuant to Section 16.1 of the Lease, the Trustee shall have no further obligation with respect thereto under the Conditional Sale Agreement, including, without limitation, the obligation to pay the instalments of the Conditional Sale Indebtedness with respect to such Items of Equipment becoming due after the date of purchase, or interest thereafter accruing, and in such event the Rail-

road agrees to release the Trustee from all its obligations assumed hereunder with respect to such Items of Equipment, including the obligation to pay such Conditional Sale Indebtedness 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 any 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 any Trustor under the Trust Agreement may assign to the Vendor 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 shall have the right to enforce this provision irrespective of any other provision of this Agreement.

ARTICLE 8. It is understood by the parties hereto that this Agreement shall not be effective as to the last ten items of Equipment to be delivered under the Conditional Sale Agreement until the Board of Directors of the Railroad has approved the financing contemplated hereby of such ten items, but this Agreement shall be effective in respect of all other items of Equipment whether or

not such Board approval is obtained in respect of such ten items.

ARTICLE 9. 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 Robert C. Wood
Vice President

[Corporate Seal]

Attest:

M. Medvedsky
Secretary

FIRST SECURITY BANK OF UTAH,
NATIONAL ASSOCIATION, as Trustee,

by *M. Bridges*
Authorized Officer

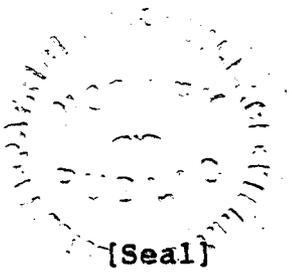
[Corporate Seal]

Attest:

Patricia Richards
Authorized Officer

CITY OF WASHINGTON,)
DISTRICT OF COLUMBIA,) ss.:

On this 27th day of June 1974, before me me personally appeared Robert C. Hoar, to me personally known, who being by me duly sworn, says that he is a Vice President of NATIONAL RAILROAD PASSENGER CORPORATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said 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 said corporation.



[Seal]

Patricia A. Squellicce
Notary Public

My Commission expires: My Commission Expires August 31, 1978

STATE OF UTAH,)
) ss.:
COUNTY OF SALT LAKE,)

On this ~~25th~~ day of June 1974, before me personally appeared *M E Bridge*, to me personally known, who being by me duly sworn, says that he is an Authorized Officer of FIRST SECURITY BANK OF UTAH, NATIONAL ASSOCIATION, that one of the seals affixed to the foregoing instrument is the corporate seal of said association, that said instrument was signed and sealed on behalf of said association 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 association.

Aubrey B. Eubank

Notary Public

[Seal]

My Commission expires: My Commission Expires Nov. 11, 1975

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS THAT:

NATIONAL RAILROAD PASSENGER CORPORATION, a corporation organized under the Rail Passenger Service Act of 1970, 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 First Security Bank of Utah, National Association, a national banking association, as Trustee under a Trust Agreement dated as of May 1, 1974 (hereinafter referred to as "Buyer") the following property:

Seller's R. R. Nos.

Description

3,000 H. P. Diesel Electric
Locomotives Model SDP40F

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 title of the Vendor as defined in the Conditional Sale Agreement dated as of May 1, 1974, between General Motors Corporation (Electro-Motive Division) 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 Vendor as defined in the Conditional Sale Agreement 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 thereunto duly authorized and its

