

MORGAN, LEWIS & BOCKIUS

PHILADELPHIA  
LOS ANGELES  
MIAMI  
HARRISBURG

COUNSELORS AT LAW  
101 PARK AVENUE  
NEW YORK, NEW YORK 10178  
TELEPHONE: (212) 309-6000  
CABLE ADDRESS: MORLEBOCK

1 6130

WASHINGTON  
NEW YORK  
SAN DIEGO  
LONDON

MURIEL DESLOOVERE  
DIAL DIRECT (212) 309-6032

8-365 AD 15  
No. S-365 AD 15  
Date DEC 30 1988  
1/3  
ICC Washington, D.C.

DEC 30 1988 - 11 55 AM

INTERSTATE COMMERCE COMMISSION

December 30, 1988

RECORDATION NO. FILED 2288

DEC 30 1988 - 11 55 AM

INTERSTATE COMMERCE COMMISSION

Dec 30 11 41 AM '88  
110 0000 00  
110 0000 00

Ms. Noretta R. McGee, Secretary  
Interstate Commerce Commission  
Twelfth Street and Constitution Avenue, N.W.  
Washington, D.C. 20423

Dear Secretary:

On behalf of our client, DB Export-Leasing GmbH, enclosed are an original and one counterpart of the document described below to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code:

Accounts Receivable Purchase Agreement No. 1, dated as of June 25, 1988, a Primary document (the "Document").

The names and addresses of the parties to the Document are as follows:

Purchaser of Accounts Receivable and Secured Party:

Deutsche Credit Corporation  
2333 Waukegan Road  
Deerfield, Illinois 60015

Seller of Accounts Receivable and Debtor:

DB Export-Leasing GmbH  
Taunusanlage 12  
D-6000 Frankfurt am Main 1  
Federal Republic of Germany

A description of the equipment covered by the Document follows:

34 commuter rail coaches manufactured by Messerschmitt-Bolkow-Blohm GmbH (the "Manufacturer") pursuant to the Purchase Agreement, dated August 7, 1985, as amended, between the Manufacturer and Massachusetts

*Handwritten signature: Robert Campbell*

Ms. Noreta R. McGee, Secretary  
December 30, 1988  
Page 2

Bay Transportation Authority ("MBTA") and identified by MBTA vehicle identification numbers 500 through 516, inclusive, and 1500 through 1516, inclusive.

A fee of \$10.00 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to Goodwin, Procter & Hoar, Exchange Place, Boston, MA 02109, Attention: F. Beirne Lovely, Jr., Esq.

A short summary of the Document to appear in the index follows:

Primary Document. Accounts Receivable Purchase Agreement No. 1, dated as of June 25, 1988, between Deutsche Credit Corporation ("DCC"), as purchaser and secured party, and DB Export-Leasing GmbH ("DBX"), as seller and debtor, pursuant to which DBX sells a portion of the rentals to be paid under that certain Lease Agreement ("Headlease"), dated as of June 25, 1988, between DBX, as lessor, and Security Pacific Equipment Leasing, Inc. ("Security Pacific"), Four Embarcadero Center, Suite 1200, San Francisco, CA 94111, as lessee, with respect to the lease of 34 commuter rail coaches manufactured by Messerschmitt-Bolkow-Blohm (the "Equipment") to DCC, and to secure such obligations, grants to DCC a security interest in, among other things, DBX's interest in the Equipment, in the Headlease, and in that certain Restated Lease Agreement, dated as of June 25, 1988, between Security Pacific, as lessor, and Massachusetts Bay Transportation Authority, Ten Park Plaza, Boston, MA 02116, as lessee, with respect to the sublease of the Equipment.

A short summary of the transaction of which the Document is a part follows:

The Document has been entered into in connection with the refinancing of a leveraged lease transaction (which originally closed on December 31, 1987) pursuant to an Agreement to Purchase and Lease (the "Agreement to Purchase and Lease") dated as

Ms. Noreta R. McGee, Secretary  
December 30, 1988  
Page 3

of June 25, 1988, among Massachusetts Bay Transportation Authority (the "Sublessee"), Security Pacific Equipment Leasing, Inc. (the "U.S. Lessor"), DB Export-Leasing GmbH (the "German Lessor"), Deutsche Credit Corporation (the "Purchaser"), New England Merchants Funding Corporation (the "Original Noteholder") and Wilmington Trust Company, not in its individual capacity (except as therein provided) but solely as Indenture Trustee (the "Indenture Trustee"). In accordance with the Agreement to Purchase and Lease, the U.S. Lessor will transfer its interest in 34 commuter rail coaches (the "Equipment") currently leased to the Sublessee to the German Lessor and lease the Equipment back pursuant to a Lease Agreement, dated as of June 25, 1988 (the "Headlease"); the Equipment will continue to be leased to the Sublessee pursuant to a Restated Lease Agreement, dated as of June 25, 1988 (the "Sublease"). The purchase price of the Equipment will be financed by the sale by the German Lessor to the Purchaser of a portion of the rentals to be paid under the Headlease pursuant to an Accounts Receivable Purchase Agreement No. 1, dated as of June 25, 1988 (the "Accounts Receivable Purchase Agreement"). The U.S. Lessor will use the proceeds of the sale to repay in full the loan made in 1987 by the Original Noteholder and the Indenture Trustee will discharge the Trust Indenture and Security Agreement, dated as of December 30, 1987, as supplemented by Trust Indenture Supplement No. 1, dated as of December 31, 1987 (as so supplemented, the "Indenture") entered into by the U.S. Lessor. The obligations of the U.S. Lessor under the Headlease will be secured by an assignment to the German Lessor of the U.S. Lessor's interest in the Sublease, among other things, pursuant to the Collateral Assignment and Security Agreement, dated as of June 25, 1988 (the "Collateral Assignment"), and the obligations of the German Lessor under the Accounts Receivable Purchase Agreement will be secured by an assignment to the Purchaser of the German Lessor's interest in the

Ms. Noreta R. McGee, Secretary  
December 30, 1988  
Page 4

Equipment, the Headlease and the Collateral Assignment. In addition, the German Lessor will grant a second security interest in the Equipment to the U.S. Lessor pursuant to a German Lessor Security Agreement, dated as of June 25, 1988, to secure the purchase option given to the U.S. Lessor under the Headlease.

The names and addresses of the other parties to such transaction are:

Sublessee:

Massachusetts Bay Transportation Authority  
Ten Park Plaza  
Boston, MA 02116  
Attention: Treasurer-Controller

Sublessor (U.S. Lessor):

Security Pacific Equipment Leasing, Inc.  
Four Embarcadero Center  
Suite 1200  
San Francisco, California 94111  
Attention: Manager, Operations Department LEV

and, only for the purposes of agreeing to the prepayment of the note held by the Original Noteholder and the discharge of the Indenture:

Original Noteholder:

New England Merchants Funding Corporation  
28 State Street  
Boston, MA 02109  
Attention: Halsey B. Collins, Esq.

Indenture Trustee:

Wilmington Trust Company  
Rodney Square North  
Wilmington, DE 19890  
Attention: Corporate Trust Administration

MORGAN, LEWIS & BOCKIUS

Ms. Noreta R. McGee, Secretary  
December 30, 1988  
Page 5

Please acknowledge receipt of this letter of transmittal and its enclosures by appropriately stamping the enclosed copy of this letter and by returning it to Mr. Lovely in the addressed envelope enclosed for your convenience.

Very truly yours,

Muriel Desloovere

MD:jpb

Enclosures:      Accounts Receivable Purchase Agreement No. 1 -  
                    Original and Notarized Copy  
                    Transmittal Letter (Copy)  
                    Check (\$10.00)  
                    Return Envelope (Postage Prepaid)

1 6130

REGISTRATION NO. \_\_\_\_\_ FILED 2188

DEC 30 1988 - 11 56 AM

INTERSTATE COMMERCE COMMISSION

STATE OF NEW YORK )  
 ) SS.:  
COUNTY OF NEW YORK )

I have compared the annexed instrument to the original thereof and have found it to be an exact copy of the original.

Noreen M. Berardino  
Notary Public

[Seal]

My Commission Expires 9/89

**NOREEN M. BERARDINO, NOTARY PUBLIC**  
State of New York, No. 03-4906136  
Qualified in Bronx County  
Cert. Filed in New York County  
Commission Expires Sept. 21, 1989

1 6130

RECORDED NO. \_\_\_\_\_ FILE NO.

DEC 30 1988 - 11 52 AM

INTERSTATE COMMERCE COMMISSION

ACCOUNTS RECEIVABLE PURCHASE AGREEMENT NO. 1  
dated June 25, 1988

between

Deutsche Credit Corporation

and

DB Export-Leasing GmbH

Table of Contents

Page

§1	Definitions.....	1
§2	Accounts Receivable Purchased.....	2
§3	Payment of Purchase Price.....	2
§4	Assignment of DCC Accounts Receivable; Covenants.....	3
§5	Disclaimer.....	4
§6	Collection of DCC Accounts Receivable.....	4
§7	Grant of Security Interest.....	5
§8	Notices.....	5
§9	Assignment of this Agreement.....	6
§10	Miscellaneous Provisions.....	6
§11	Applicable Law and Jurisdiction.....	7
Schedule I	Portion of Headlease Stipulated Loss Value Included in DCC Accounts Receivable	
Schedule II	DCC Deferred Purchase Price Installments	
Schedule III	Accounts Receivable Constituting Headlease Stipulated Loss Value Payable to German Lessor Pursuant to §6.1	
Schedule IV	Accounts Receivable Constituting Headlease Basic Rent Payable to German Lessor Pursuant to §6.1	
Restated Schedule X	Definitions	

THIS ACCOUNTS RECEIVABLE PURCHASE AGREEMENT is made as of the 25th day of June 1988,

between

Deutsche Credit Corporation  
(hereinafter referred to as "Purchaser"),

and

DB Export-Leasing GmbH, Frankfurt am Main  
(hereinafter referred to as "German Lessor"):

WHEREAS German Lessor as lessor has leased certain equipment (the "Equipment") to U. S. Lessor under a lease agreement dated as of June 25, 1988 (hereinafter referred to as the "Headlease");

WHEREAS German Lessor desires to sell and assign, and Purchaser desires to purchase and to accept, the assignment of certain accounts receivable to be due to German Lessor under the Headlease.

NOW, THEREFORE, it is hereby agreed as follows:

§1 Definitions

1.1 The capitalized terms used herein which are defined in, or by reference in, Restated Schedule X annexed hereto and by this reference incorporated herein, as such capitalized terms may be amended from time to time in accordance with 10.1, shall have the meanings specified therein whether or not such terms are defined herein. No amendment to Restated Schedule X attached hereto shall become effective until a corresponding amendment is made to Restated Schedule X attached to each of the other Cross Border Documents to which it is so attached or until the parties to each such other Cross Border Document shall have waived this condition in writing with respect to such amendment.

1.2 Words of the masculine and feminine genders shall be deemed and construed to include the neuter gender. Unless the context otherwise indicates, the singular number shall include the plural number and vice versa, and words importing persons shall include corporations and associations, including public bodies, as well as natural persons. Whenever reference is made in this Agreement to any agreement, instrument or document, the same shall (unless the context otherwise requires) mean and refer to such agreement, instrument or document as amended and in effect at the relevant time of reference thereto.

## §2 Accounts Receivable Purchased

2.1 Purchaser hereby purchases the right to receive and collect the following described accounts receivable of German Lessor under the Headlease (such accounts receivable being herein called the "DCC Accounts Receivable"):

(a) all Basic Headlease Rent receivable by German Lessor on each Rent Payment Date;

(b) the portion of Headlease Stipulated Loss Value receivable by German Lessor, or any other receivable measured by reference to Headlease Stipulated Loss Value, calculated with reference to each Headlease Stipulated Loss Value Date as specified in Schedule I attached hereto;

(c) any amounts recoverable upon an exercise by German Lessor of its rights under the Headlease and the Collateral Assignment in respect of the accounts receivable in the foregoing clauses (a) and (b); and

(d) the interest, if any, payable by U.S. Lessor in respect of the accounts receivable described in the foregoing clauses (a) through (c).

2.2 Accounts receivable not specified in §2.1 or other rights of German Lessor under the Headlease are not purchased by or assigned to Purchaser hereunder.

## §3 Payment of Purchase Price

3.1 Purchaser shall pay, as the purchase price for the DCC Accounts Receivable, the sum of (a) \$28,590,582.90 (the "Initial Purchase Price"), payable upon the closing of the transactions contemplated by the Agreement to Purchase and Lease as follows: (i) \$20,232,441.39 shall be paid directly to U.S. Lessor on behalf of German Lessor as a portion of the consideration payable by German Lessor to U.S. Lessor for the Equipment pursuant to Section 2(a) of the Agreement to Purchase and Lease and (ii) \$8,358,141.51 shall be paid to U.S. Lessor on behalf of German Lessor by entering into Accounts Receivable Purchase Agreement No. 2 pursuant to which U.S. Lessor will acquire a portion of the DCC Accounts Receivable in part by granting a credit in such amount toward payment of a portion of the consideration payable by German Lessor to U.S. Lessor for the Equipment pursuant to said Section 2(a) plus (b) additional amounts (the "DCC Deferred Purchase Price") expressed as percentages of Lessor's Purchase Price of the units of Equipment subject to the Sublease on the date of payment, in amounts and payable (directly to German Lessor by Purchaser) on the dates specified in Schedule II attached hereto, provided that the obligation of Purchaser to pay the installment of the DCC Deferred

Purchase Price due on December 30, 2004 is subject to the receipt by Purchaser of all Basic Headlease Rent receivable on or before such date and its obligation to pay each installment of the DCC Deferred Purchase Price due on each Rent Payment Date occurring thereafter (each, an "Ultimate Payment Date") is subject to receipt by Purchaser of all Basic Headlease Rent receivable on or before December 30, 2004 and of an amount of Basic Headlease Rent receivable on such Ultimate Payment Date and on any prior Ultimate Payment Date at least equal to 0.47462 percent of Lessor's Purchase Price of the units of Equipment subject to the Sublease on such Ultimate Payment Date. Subject to the proviso to the immediately preceding sentence, Purchaser acknowledges that the obligation to pay the DCC Deferred Purchase Price is a direct recourse obligation of Purchaser payable from its own funds. The assignment effected by §4.1 shall not become effective until the closing of the transactions contemplated by the Agreement to Purchase and Lease.

§4 Assignment of DCC Accounts Receivable; Covenants

4.1 German Lessor hereby sells, assigns, transfers and sets over to Purchaser all of German Lessor's right, title and interest in and to the DCC Accounts Receivable. Purchaser hereby accepts such assignment.

4.2 German Lessor will faithfully abide by, perform and discharge each and every obligation, covenant and agreement which the Headlease provides are to be performed by German Lessor; without the written consent of the Purchaser, German Lessor will not anticipate the payments under the Headlease or waive, excuse, condone, forgive or in any manner release or discharge U.S. Lessor thereunder of or from the obligations, covenants, conditions and agreements to be performed by the U.S. Lessor, including, without limitation, the obligation to make payments in the manner and at the time and place specified therein or enter into any agreement amending, modifying or terminating the Headlease, and German Lessor agrees that any amendment, modification or termination thereof without such consent shall be void.

4.3 German Lessor agrees that at any time and from time to time upon the written request of Purchaser, German Lessor will promptly and duly execute and deliver any and all such further instruments and documents and take such further action as Purchaser may reasonably request in order to obtain the full benefits of this Agreement and of the rights and powers herein granted.

4.4 German Lessor will not sell, assign or encumber any of the DCC Accounts Receivable otherwise than pursuant to this Agreement.

## §5 Disclaimer

5.1 GERMAN LESSOR DOES NOT MAKE NOR SHALL BE DEEMED TO HAVE MADE (a) ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE TITLE, AUTHENTICITY, LEGALITY, ENFORCEABILITY, OR COLLECTABILITY OF THE DCC ACCOUNTS RECEIVABLE, OR OF THE FINANCIAL CONDITION OF U.S. LESSOR OR ANY OTHER REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, WITH RESPECT TO THE DCC ACCOUNTS RECEIVABLE OR U.S. LESSOR, except that German Lessor represents and warrants to Purchaser that on the Effective Date the DCC Accounts Receivable shall be free of Lessor Liens attributable to it, and after the Effective Date shall remain free of Lessor Liens attributable to it, or (b) any representation or warranty as to the validity, legality or enforceability of the DCC Accounts Receivable, except that German Lessor represents and warrants to Purchaser that this Agreement has been duly authorized, executed and delivered by it for a valuable consideration and that, assuming the due authorization, execution and delivery by Purchaser, this Agreement is a legal and valid agreement binding upon German Lessor.

5.2 Anything herein contained to the contrary notwithstanding: (a) German Lessor shall at all times remain liable to U.S. Lessor under the Headlease to perform all the duties and obligations of the "Lessor" thereunder to the same extent as if this Agreement had not been executed; (b) the exercise by Purchaser of any of the rights assigned hereunder shall not release German Lessor from any of its duties or obligations to U.S. Lessor under the Headlease except to the extent that such exercise by Purchaser shall constitute performance of such duties and obligations; and (c) Purchaser shall have no obligation or liability under the Headlease by reason of, or arising out of, this Agreement or be obligated to perform any of the obligations or duties of German Lessor under the Headlease or to make any payment (other than payment of installments of the DCC Deferred Purchase Price as required by §3.1 hereof) or to make any inquiry as to the sufficiency of any payment received by any of them or to present or file any claim or to take any other action to collect or enforce any claim for any payment assigned hereunder.

## §6 Collection of DCC Accounts Receivable

6.1 German Lessor shall cause all payments receivable by it under the Headlease, except payments required by Sections 10.2 and 10.3 of the Agreement to Purchase and Lease, to be paid by U.S. Lessor (or by Sublessee pursuant to the Sublease) to Purchaser at its account with Chase Manhattan Bank N.A., New York, New York, Account No. 910-2-432029, reference MBTA-I, in the name of Deutsche Credit Corporation. Purchaser agrees that in each case in which Purchaser receives any payment or amount under the Headlease, whether such payment or amount constitutes

any part of the DCC Accounts Receivable or is received pursuant to the provisions of the Headlease and the Sublease requiring payments of Headlease Rent and Sublease Rent to be paid to Purchaser, or otherwise, so much of such payment or amount as shall be required to pay to German Lessor (a) the accounts receivable under the Headlease not purchased by or assigned to Purchaser hereunder, in the case of a payment of Headlease Stipulated Loss Value as specified on Schedule III attached hereto, and (b) that portion of the installment of the DCC Deferred Purchase Price due on each of the Rent Payment Dates occurring after June 30, 2004 specified in Schedule IV attached hereto, shall be paid over to German Lessor and the balance, if any, shall be retained by Purchaser for application pursuant to the Accounts Receivable Purchase Agreement No. 2. Nothing in this §6.1 shall relieve Purchaser of its obligation to pay in full to German Lessor all amounts of DCC Deferred Purchase Price (subject to the proviso to the first sentence of §3.1 and after giving credit to payments to German Lessor pursuant to clause (b) of the immediately preceding sentence).

#### §7 Grant of Security Interest

7.1 As security for the prompt and complete payment when due of all DCC Accounts Receivable, German Lessor hereby mortgages and assigns to Purchaser, and grants to Purchaser a security interest in, all of German Lessor's right, title and interest in and to the Equipment and in, to and under the Headlease and each item of Collateral under the Collateral Assignment, and all Proceeds (as such term is used in Section 9-306(1) of the Uniform Commercial Code as in effect in the Commonwealth on the date hereof) thereof. If a Headlease Default, a Headlease Event of Default, a Collateral Assignment Default or a Collateral Assignment Event of Default shall occur and be continuing, Purchaser shall have and may exercise all of the rights and remedies of German Lessor under the Headlease and the Collateral Assignment and, subject to the last paragraph of Section 13.1 and Section 13.2 of the Headlease, of a secured party under the Uniform Commercial Code as in effect in the Commonwealth. No default by Purchaser of its obligation to pay any installment of the DCC Deferred Purchase Price hereunder shall entitle German Lessor to exercise any of its rights or remedies under the Headlease, the Collateral Assignment or the Uniform Commercial Code except upon the occurrence and during the continuance of a Headlease Default, a Headlease Event of Default, a Collateral Assignment Default or a Collateral Assignment Event of Default.

#### §8 Notices

8.1 Every notice, request, demand or other communication under this Agreement shall be directed:

To Seller at:

DB Export-Leasing GmbH  
Taunusanlage 12  
D-6000 Frankfurt am Main 1  
Federal Republic of Germany

Telex: 417 300 fmd  
Fax: 7150 4225

To Purchaser at:

Deutsche Credit Corporation  
2333 Waukegan Road  
P. O. Box 329  
Deerfield, IL 60015

Fax: 312-948-5058 (Domestic)  
Fax: 312-948-7272 Ext. 2663 (International)

or to such other address or telex or telefax number as shall from time to time be notified by one party to the other parties hereto.

8.2 All notices and requests in connection with this Agreement shall be given in English and in writing and may be given by airmail, telegram, cable or telex or any other electronic means for which the addressee will receive a tangible record. Any such notice shall be effective when received.

§9 Assignment of this Agreement

9.1 The assignment of any rights of either party under this Agreement shall only be valid if the other party has given its written consent thereto, which consent shall not be unreasonably withheld, provided, that Purchaser may enter into the Accounts Receivable Purchase Agreement No. 2 and, provided, further, that either party may assign and transfer its rights to any Affiliate of German Lessor without such consent it being agreed that such assignments and transfers shall be notified to the other party hereunder without undue delay.

§10 Miscellaneous Provisions

10.1 Neither the terms of this Agreement nor the definition of any capitalized term used herein which is defined in, or by reference in, Restated Schedule X, as such capitalized term is used herein, shall be altered, modified, amended or supplemented, nor shall this Agreement or any other terms hereof be waived or terminated, in any manner whatsoever except by written instrument signed by the party against which the

enforcement of such alteration, modification, amendment, supplement, waiver or termination is sought.

10.2 This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns.

10.3 All amounts and moneys referred to in this Agreement shall be construed to mean Dollars.

10.4 Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. To the extent permitted by Applicable Laws, German Lessor and Purchaser hereby waive any provision of law which renders any provision hereby prohibited or unenforceable in any respect.

10.5 Section (§) headings are for ease of reference only and shall be disregarded in the construction of this Agreement.

10.6 This Agreement may be executed in any number of counterparts and by the parties hereto on separate counterparts, all of which together shall constitute but one and the same instrument.

#### §11 Applicable Law and Jurisdiction

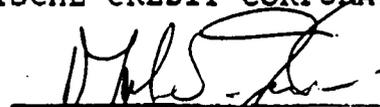
11.1 This Agreement shall be governed by and construed in accordance with the laws of the Federal Republic of Germany except that the creation, perfection and enforcement of the security interest granted in §7 hereof shall be governed by the Uniform Commercial Code as in effect in the Commonwealth.

11.2 Any legal action or proceeding arising out of or in connection with this Agreement may be brought in the District court (Landgericht) in the City of Frankfurt/Main, Federal Republic of Germany. Each of Purchaser and German Lessor hereby accepts for itself and in respect of its assets and revenues generally and unconditionally the non-exclusive jurisdiction of the aforesaid court. The submission to such jurisdiction shall not (and shall not be construed so as to) limit the right of German Lessor or Purchaser to bring any legal action or proceeding with respect to this Agreement in any other competent jurisdiction.

IN WITNESS WHEREOF, the Purchaser and the German Lessor  
have each caused this Agreement to be duly executed as of the day  
and year first above written.

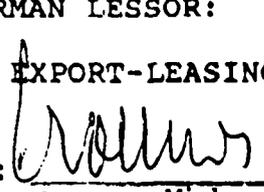
PURCHASER:

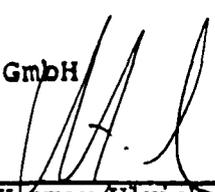
DEUTSCHE CREDIT CORPORATION

By: 

Name: Mark S. Zucker  
Title: Attorney-in-Fact

GERMAN LESSOR:

DB EXPORT-LEASING GmbH 

By: 

Name: Michael Kremer/Ulrich Stucke  
Title: General Manager/Vice President  
/Assistant

Commonwealth of Massachusetts )  
 ) ss:  
County of Suffolk )

On this 30th day of June, 1988, before me personally appeared MICHAEL KREMER, to me personally known, who being by me duly sworn, says that he is the GENERAL MANAGER of DB Export-Leasing GmbH, that said instrument was signed on behalf of said corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Frances E. DeFuria  
My Commission expires 5/25/95

Commonwealth of Massachusetts )  
 ) ss:  
County of Suffolk )

On this 30th day of June, 1988, before me personally appeared ULRICH STUCKE, to me personally known, who being by me duly sworn, says that he is the VICE PRESIDENT of DB Export-Leasing GmbH, that said instrument was signed on behalf of said corporation, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Frances E. DeFuria  
My Commission expires 5/25/95

Commonwealth of Massachusetts )  
 ) ss:  
County of Suffolk )

On this 30th day of June, 1988, before me personally appeared MARK ZUCKER, to me personally known, who being by me duly sworn, says that he is ATTORNEY-IN-FACT of Deutsche Credit Corporation, that said instrument was signed 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.

*Frances E. DeJure*  
My Commission expires 5/25/95

Schedule I to Accounts  
 Receivable Purchase  
 Agreement No. 1

Portion of Headlease Stipulated Loss Values  
Included in DCC Accounts Receivable

<u>Headlease Stipulated Loss Value Date</u>	<u>Headlease Stipulated Loss Value Percentage</u>	<u>Headlease Stipulated Loss Value Date</u>	<u>Headlease Stipulated Loss Value Percentage</u>
06/30/1988	91.35247	06/30/1997	61.66578
12/30/1988	90.32401	12/30/1997	59.07135
06/30/1989	89.24130	06/30/1998	56.34006
12/30/1989	88.10147	12/30/1998	53.46469
06/30/1990	86.90152	06/30/1999	50.43765
12/30/1990	85.63827	12/30/1999	47.25093
06/30/1991	84.30838	06/30/2000	43.89611
12/30/1991	82.90834	12/30/2000	40.36432
06/30/1992	81.43445	06/30/2001	36.64624
12/30/1992	79.88282	12/30/2001	32.73202
06/30/1993	78.24933	06/30/2002	28.61133
12/30/1993	76.52968	12/30/2002	24.27327
06/30/1994	74.71931	06/30/2003	19.70638
12/30/1994	72.81345	12/30/2003	14.89859
06/30/1995	70.80706	06/30/2004	9.83718
12/30/1995	68.69482	12/30/2004	8.05288
06/30/1996	66.47117	06/30/2005	5.72361
12/30/1996	64.13022	12/30/2005	3.01187
		06/30/2006	0.00000

Schedule II to Accounts  
Receivable Purchase  
Agreement No. 1

DCC Deferred Purchase Price Installments

<u>Date</u>	<u>Percentage Rate</u>
12/30/2004	3.5440889
06/30/2005	3.0932545
12/30/2005	2.8336416
06/30/2006	2.6765569

Schedule III to Accounts  
Receivable Purchase  
Agreement No. 1

Accounts Receivable Constituting Headlease Stipulated  
Loss Value Payable to German Lessor Pursuant to §6.1

<u>Date</u>	<u>Headlease Stipulated Loss Value Percentage</u>
06/30/1988	14.13852
12/30/1988	18.54719
06/30/1989	23.52265
12/30/1989	25.24102
06/30/1990	25.58018
12/30/1990	25.76581
06/30/1991	25.78569
12/30/1991	25.76179
06/30/1992	25.63541
12/30/1992	25.38851
06/30/1993	25.07310
12/30/1993	24.76751
06/30/1994	24.41893
12/30/1994	24.05748
06/30/1995	23.66709
12/30/1995	23.27525
06/30/1996	22.86754
12/30/1996	22.46938
06/30/1997	22.06773
12/30/1997	21.68644
06/30/1998	21.31356
12/30/1998	20.97189
06/30/1999	20.65025
12/30/1999	20.37086
06/30/2000	20.12311
12/30/2000	19.92899
06/30/2001	19.77828
12/30/2001	19.69311
06/30/2002	19.66346
12/30/2002	19.71198
06/30/2003	19.82850
12/30/2003	20.03305
06/30/2004	20.31785
12/30/2004	17.25576
06/30/2005	14.57496
12/30/2005	12.17355
06/30/2006	10.00000

Schedule IV to Accounts  
Receivable Purchase  
Agreement No. 1

Accounts Receivable Constituting Headlease  
Basic Rent Payable to German Lessor Pursuant to §6.1

<u>Date</u>	<u>Percentage Rate</u>
12/30/2004	3.5440889
06/30/2005	0.4746225
12/30/2005	0.4746225
06/30/2006	0.4746225*

---

\* Additional accounts receivable under the Headlease will be payable by Purchaser to German Lessor pursuant to §6.1 of Accounts Receivable Purchase Agreement No. 2 on 06/30/2006 if U.S. Lessor has exercised its option pursuant to Article 16 of the Headlease.

---

---

RESTATED SCHEDULE X

---

---

RESTATED SCHEDULE X

The following terms shall have the respective meanings set forth below:

"Acceptance Certificate" means an Acceptance Certificate substantially in the form of Exhibit A to the Headlease, delivered pursuant to Section 2.3 of the Headlease.

"Accounts Receivable Purchase Agreement" means the Accounts Receivable Purchase Agreement No. 1, dated June 25, 1988, between the Purchaser and the German Lessor, as such Accounts Receivable Purchase Agreement No. 1 may be amended, modified or supplemented in accordance with the terms thereof.

"Accounts Receivable Purchase Agreement No. 2" means the Accounts Receivable Purchase Agreement No. 2, dated June 25, 1988, between the Purchaser and the U.S. Lessor, as such Accounts Receivable Purchase Agreement No. 2 may be amended, modified or supplemented in accordance with the terms thereof.

"Actual Knowledge" means (a) with respect to the Sublessee, actual knowledge of its Chairman, General Manager, Treasurer-Controller, or Director of Railroad Operations, (b) with respect to the U.S. Lessor, actual knowledge of the President, any Vice President, Treasurer, Secretary and any Contract Administrator (whether or not any such title is preceded by any modifier such as Assistant) and (c) with respect to the German Lessor, actual knowledge of any General Manager. "Actual Knowledge" shall be deemed to exist following receipt of written notice of a fact, event, condition or other circumstance by any such Person.

"Additional Investment" has the meaning specified in Section 8.1 of the Sublease.

"Additions" has the meaning specified in Article 6 of the Sublease.

"Affiliate", of any Person, means any other Person controlling, controlled by or under direct or indirect common control with such Person. For the purposes of this definition, "control", when used with respect to any specified Person, means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms "controlling" and "controlled" have meanings correlative to the foregoing.

"After-tax Basis," or "after-tax basis," or similar term, means, when used with respect to the payment of any amount

and a requirement or contemplation that a gross amount paid shall produce a net amount received and retained by the recipient after payment or proper provision for Taxes and any other taxes imposed on the disbursement or receipt of such gross amount, that gross amount which, after deduction of all Taxes and any other taxes imposed by any jurisdiction or other taxing authority upon or measured by, or otherwise resulting from, the disbursement or receipt of such gross amount or any part thereof, will provide such net amount to the recipient, free of all Taxes and taxes.

"Agreement to Purchase and Lease" means the Agreement to Purchase and Lease, dated as of June 25, 1988, among the Sublessee, the U.S. Lessor, the German Lessor, the Purchaser, the Indenture Trustee and the Original Noteholder.

"Applicable Law" means all applicable laws, treaties, judgments, decrees, injunctions, writs and other orders of any court, governmental agency or authority and rules, regulations, orders, directives, licenses and permits of any governmental body, instrumentality, agency or authority and, with respect to the Equipment shall include the rules in effect from time to time of the American Association of Railroads.

"Authorized Investments" means (a) readily marketable obligations of, or fully and unconditionally guaranteed (as to both principal and interest) by, the United States of America and having a maturity not in excess of one Business Day from the date of acquisition thereof; (b) certificates of deposit (having a maturity not in excess of 30 days from the date of acquisition thereof) evidencing direct obligations of any commercial bank or trust company organized in the United States of America and having capital, surplus and undivided profits of at least \$1,000,000,000; and (c) so-called money market funds, banker's acceptances or similar obligations (having a maturity not in excess of 30 days) issued by the Purchaser.

"Base Rate" means the interest rate per annum announced and made effective from time to time by Security Pacific National Bank, at its principal office in Los Angeles, California, as the prime rate or, as the case may be, the base, reference or other similar rate then designated by it for general commercial lending reference purposes, it being understood that such rate is a reference rate, not necessarily the lowest, which serves as the basis upon which effective rates of interest are calculated for obligations making reference thereto.

"Basic Headlease Rent" means the rent payable for the Equipment pursuant to and as defined in Section 8.1 of the Headlease.

"Basic Sublease Rent" means the rent payable for the Equipment with respect to the Basic Sublease Term pursuant to and as defined in Section 8.1 of the Sublease, subject to adjustments as provided in Sections 8.1 and 8.6 of the Sublease and in the Tax Indemnity Agreement.

"Basic Sublease Term" means the period beginning on January 30, 1988 and ending December 30, 2012 or such earlier date as the Sublease shall be terminated as provided therein, including any termination of the Sublease pursuant to Section 2.7 thereof.

"Board" means the Board of Directors of the Sublessee.

"Board Resolution" means a resolution of the Board certified by the Secretary or Assistant Secretary of the Sublessee to have been duly adopted by the Board and to be in full force and effect on the date of such certification.

"Business Day" means any day other than a Saturday or a Sunday or a day on which commercial banking institutions in the City of Boston, Massachusetts, the City of San Francisco, California, or The City of New York, New York or (with reference to any payment to be made to the German Lessor) the City of Frankfurt am Main, Federal Republic of Germany, are authorized by law to be closed. Any reference herein to "days" (unless Business Days are specified) shall mean calendar days.

"CFA Amendment" means the Consent and Agreement of the Commonwealth (agreed to by the Sublessee), dated the Effective Date, amending the Contract for Financial Assistance.

"Code" means the Internal Revenue Code of 1986, as from time to time amended, and any redesignated or successor provisions, except that references to Section 168 and Section 103 of the Code shall refer to such provisions of the Internal Revenue Code of 1954 as amended by the Tax Equity and Fiscal Responsibility Act of 1982 as continue to apply to the determination of certain of the U.S. Lessor's Tax Benefits as a consequence of the provisions of Section 31(g)(5) of the Deficit Reduction Act of 1984 and Section 204(a)(4) of the Tax Reform Act of 1986.

"Collateral" has the meaning specified in the granting clause of the Collateral Assignment.

"Collateral Assignment Default" means an event or condition which, with notice or lapse of time or both, would constitute a Collateral Assignment Event of Default.

"Collateral Assignment Event of Default" has the meaning specified in Section 4.2 of the Collateral Assignment.

"Collateral Assignment" means the Collateral Assignment and Security Agreement, dated as of June 25, 1988, between the U.S. Lessor and the German Lessor, as such Collateral Assignment and Security Agreement may from time to time be supplemented, amended or modified in accordance with the terms thereof.

"Commitment", of each Participant, means the amount set forth opposite such Participant's name in Schedule 1 to the Participation Agreement in the column relating to "Commitments".

"Commonwealth" means The Commonwealth of Massachusetts.

"Consent and Agreement of Lessee" means the Consent and Agreement of the Lessee, dated as of the Delivery Date, between the U.S. Lessor and the Sublessee, as such Consent and Agreement of Lessee has been amended and restated as of the Effective Date and may from time to time be further amended, modified or supplemented in accordance with the terms thereof.

"Contract Assistance Provisions" has the meaning specified in Section 8.7 of the Sublease.

"Contract for Financial Assistance" means an agreement, dated December 30, 1987 between the Sublessee and the Commonwealth, with respect to the Participation Agreement and the transactions contemplated thereby, as such agreement may from time to time be supplemented, amended or modified in accordance with its terms.

"Cost Recovery Deductions" has the meaning specified in Section 2 of the Tax Indemnity Agreement.

"Cross Border Transaction" means the transfer of the Equipment by the U.S. Lessor to the German Lessor, the lease of the Equipment by the German Lessor to the U.S. Lessor under the Headlease and the related transactions contemplated in the Agreement to Purchase and Lease.

"Cross Border Documents" has the meaning specified in Section 4(c) of the Agreement to Purchase and Lease.

"DBAG Letter Agreement" means the letter agreement, dated June 30, 1988, from Deutsche Bank A.G. in favor of the Sublessee and the U.S. Lessor relating to the Profit Transfer Agreement between Deutsche Bank A.G. and the German Lessor.

"DCC Accounts Receivable" has the meaning specified in Section 2 of the Accounts Receivable Purchase Agreement.

"Delivery Date" means December 31, 1987.

"Designated Payment Date" has the meaning specified in Sections 13(d) of the Sublease and of the Headlease.

"Destroyed Equipment" has the meaning specified in Sections 10.1(b) of the Sublease and of the Headlease.

"Dollars" or "\$" means lawful currency of the United States of America.

"Effective Date" means June 30, 1988.

"Equipment" means the 34 Messerschmitt-Bolkow-Blohm commuter rail coaches manufactured by the Manufacturer and sold to the Sublessee pursuant to the Purchase Agreement, sold by the Sublessee to the U.S. Lessor and leased by the U.S. Lessor to the Sublessee under the Lease and Lease Supplement No. 1 pursuant to the Participation Agreement and to be transferred by the U.S. Lessor to the German Lessor and then leased by the German Lessor to the U.S. Lessor pursuant to the Headlease, the Sublessee's and Manufacturer's serial numbers of such commuter rail coaches being specified in Lease Supplement No. 1, together with Parts; and any commuter coach(es), parts or other items of Equipment which may from time to time be substituted for any commuter rail coach(es) or other items of Equipment pursuant to Sections 10.1(b) of the Sublease and the Headlease. An "item of Equipment" means any one or more such commuter rail coaches or Parts, as the context may require.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended.

"Event of Loss", with respect to any item of Equipment, means any of the following events with respect to such item of Equipment: (a) the loss of such item of Equipment or of the use thereof due to the destruction of, or damage beyond repair to such item of Equipment which (in the good faith and reasonable opinion of the Sublessee) renders it permanently unfit for normal use by the Sublessee for any reason whatsoever, such determination to be made promptly after the occurrence of such event and to be evidenced by an Officer's Certificate of the Sublessee delivered to the U.S. Lessor, the German Lessor and the Purchaser; (b) the loss of the use for 180 consecutive days or more of such item of Equipment due to wear or damage which in the good faith and reasonable opinion of the Sublessee can and will be repaired; (c) any damage to such item of Equipment which

results in an insurance settlement with respect to such item of Equipment on the basis of a total loss or a constructive or compromised total loss; (d) the requisition of title to or the loss of title to such item of Equipment; (e) the confiscation, condemnation or seizure of, or the requisition for use of, such item of Equipment which shall have resulted in the loss of possession of such item of Equipment for 180 consecutive days or more; or (f) the theft or disappearance of such item of Equipment which shall have resulted in the loss of possession of such item of Equipment by the Sublessee for 60 consecutive days or more.

"Excepted Rights" means the non-exclusive rights of the U.S. Lessor to obtain relief and recovery from and to pursue and enforce against the Sublessee the remedies enumerated in clauses (2) and (3) of Article 13(e) of the Sublease, at law, in equity and/or in bankruptcy or any insolvency proceeding, including without limitation, mandamus proceedings, together with any action in the nature of declaratory relief to construe the terms of the Operative Documents and the Cross Border Documents as they affect the relative rights of the U.S. Lessor and Sublessee only and/or any laws or statutes with respect to the Overall Transaction and the Cross Border Transaction as they affect the relative rights of the U.S. Lessor and the Sublessee only with respect to the payment of damages, costs and indemnities due the U.S. Lessor under the Sublease, the Agreement to Purchase and Lease, including without limitation to Sections 10.2 and 10.3 thereof, the VAT Agreement, and/or the Tax Indemnity Agreement, and to require the Sublessee specifically to perform all of its obligations under the Operative Documents and the Cross Border Documents. Notwithstanding the foregoing, Excepted Rights shall not be deemed to preclude the simultaneous exercise of such rights by the German Lessor against the Sublessee, and shall not be exercisable by the U.S. Lessor in a manner inconsistent with the rights of the German Lessor to pursue and enforce its rights as the full assignee of the Sublease pursuant to the terms of the Collateral Assignment.

"Excluded German Taxes" means any taxes imposed by the Federal Republic of Germany on any payment of Headlease Rent or Sublease Rent solely by reason of the Federal Republic of Germany treating such payment as having been made to the Purchaser by or on behalf of the German Lessor.

"Excluded Payments" means (a) indemnity payments (i) paid or payable by the Sublessee to or on behalf of the U.S. Lessor as Sublease Rent (specifically including any Sublease Rent or other payment required to be paid by the Sublessee to the U.S. Lessor pursuant to Section 10.2 or 10.3 of the Agreement to Purchase and Lease and any amounts required to be paid by the Sublessee to the U.S. Lessor pursuant to the VAT Agreement and

the Tax Indemnity Agreement) or (ii) paid or payable by the U.S. Lessor or the Sublessee to the German Lessor as Headlease Rent under the Headlease or under the Collateral Assignment or the Agreement to Purchase and Lease, (b) adjustments to Basic Sublease Rent and Sublease Stipulated Loss Value as a result of an Additional Investment pursuant to Section 8.1 of the Sublease to reflect certain Transaction Costs and (c) amounts payable pursuant to Section 3(d)(iv) of the Purchase Agreement Assignment.

"Execution Date" means December 30, 1987.

"Funding Date" means the Delivery Date.

"German Lessor" means DB Export-Leasing GmbH, a German company, and its successors and permitted assigns.

"German Lessor Disposition" means the consummation of the transaction contemplated in Article 16, clause Third of Section 13.2 or paragraph (a) of Section 10.1 (as to all of the Equipment) of the Headlease or Section 2.2 of the Collateral Assignment.

"German Lessor Security Agreement" means the Security Agreement, dated as of the Effective Date, between the German Lessor, as debtor, and the U.S. Lessor, as secured party, as such Security Agreement may be amended, modified or supplemented in accordance with the terms thereof.

"German Lessor's Purchase Price" means with respect to any item of Equipment, the amount specified as the cost of such item in Annex 1 attached to the Acceptance Certificate.

"Headlease" means the Lease Agreement, dated as of June 25, 1988 between the German Lessor, as lessor, and the U.S. Lessor, as Lessee, as such Lease Agreement may be amended, modified or supplemented in accordance with the terms thereof.

"Headlease Default" means an event or condition which, with the giving of notice or lapse of time or both, would constitute a Headlease Event of Default.

"Headlease Event of Default" has the meaning specified in Section 12 of the Headlease.

"Headlease Rent" means Basic Headlease Rent and Supplemental Headlease Rent.

"Headlease Stipulated Loss Value" as of any Headlease Stipulated Loss Value Date during the Headlease Term, means, with respect to any item of Equipment, an amount determined by multiplying German Lessor's Purchase Price thereof by the percentage specified in Exhibit B to the Headlease opposite the Headlease Stipulated Loss Value Date with respect to which the amount is determined. Anything contained in the Headlease (including Exhibit B thereto) to the contrary notwithstanding, the Headlease Stipulated Loss Value for the Equipment as of each such date shall in no event be less than an amount at least sufficient to pay in full the DCC Accounts Receivable receivable by the Purchaser on such date.

"Headlease Stipulated Loss Value Date" means each date set forth on Exhibit B to the Headlease.

"Headlease Term" means, with respect to the Headlease, the term for which any item of Equipment is leased thereunder.

"Indemnified Persons" means the U.S. Lessor, the German Lessor, the Purchaser, the Collateral and their respective successors, assigns, agents, partners and the servants and employees of each thereof.

"Indenture" means the Trust Indenture and Security Agreement, dated as of the Execution Date, between the U.S. Lessor and the Indenture Trustee, as amended or supplemented by Trust Indenture Supplement No. 1, dated the Delivery Date, between the U.S. Lessor and the Indenture Trustee.

"Indenture Estate" means the property granted to the Indenture Trustee pursuant to the Granting Clause of the Indenture (but excluding from the Indenture Estate all Excluded Payments and Excepted Rights).

"Indenture Trustee" means Wilmington Trust Company, a Delaware banking corporation, not in its individual capacity (except as set forth in the Participation Agreement) but solely as indenture trustee under the Indenture, and, to the extent permitted by the Indenture, its successors and assigns.

"Interim Rent" means the Rent payable pursuant to Section 8.1(a)(1) of the Lease.

"Interim Term" means, with reference to the Lease, the period commencing on the Delivery Date and expiring on January 29, 1988.

"Interest Deductions" has the meaning specified in Section 2 of the Tax Indemnity Agreement.

"Investment Grade" means, as to the Sublessee's long-term, unsecured tax-exempt debt, those obligations which are rated Baa or higher by Moody's or BBB or higher by S&P. For purposes of this definition, "Moody's" means Moody's Investors Service, Inc., a Delaware corporation, its successors and assigns; and S&P means Standard & Poor's Corporation, a New York corporation, its successors and assigns. If either Moody's or S&P shall for any reason no longer perform the functions of a securities rating agency, "Moody's" or "S&P", as the case may be, shall be deemed to refer to any other nationally recognized rating agency designated by the Sublessee and satisfactory to the U.S. Lessor and in such event the rating by such agency shall be equivalent to Baa or higher by Moody's or BBB or higher by S&P.

"Lease" means the Lease Agreement, dated as of December 30, 1987, between the U.S. Lessor, as lessor, and the Sublessee, as lessee, as amended and supplemented by Lease Supplement No. 1.

"Lease Supplement No. 1" means Lease Supplement No. 1, dated December 31, 1987, between the U.S. Lessor and the Sublessee, and identifying the items of Equipment subject to the Lease.

"Lessor Lien" or "Lessor's Liens" means any Lien or disposition of title which results from a claim against or act of the U.S. Lessor or the German Lessor that is not a claim against or act of the Sublessee and either (a) results from claims against the U.S. Lessor or the German Lessor not related to the Overall Transaction or the Cross Border Transaction, (b) results from an affirmative act of the U.S. Lessor or the German Lessor which is neither required or permitted to be taken by the U.S. Lessor or the German Lessor, as the case may be, pursuant to a provision of any Operative Document or any Cross Border Document nor consented to by the Sublessee nor taken as a result of the occurrence and continuance of a Sublease Event of Default as permitted under the Sublease or a Headlease Event of Default as permitted under the Headlease, or (c) results from nonpayment by the U.S. Lessor or the German Lessor of any taxes imposed on such Person or the consolidated group of taxpayers of which such Person is a part which the Sublessee is not required to indemnify against pursuant to any of the Operative Documents or the Cross Border Documents or is so required and has made such indemnification payment.

"Lessor's Cost", as of any date means, with respect to any item of Equipment, the Lessor's Purchase Price thereof

plus Transaction Costs, as such aggregate amount may be adjusted to reflect each Additional Investment or Reduced Investment pursuant to Section 8.1 of the Sublease.

"Lessor's Purchase Price" means, with respect to any item of Equipment, the amount specified as such as the cost of such item in Annex 1 attached to Lease Supplement No. 1, being the sum of (a) an amount equal to the aggregate payments for such item of Equipment made to or on behalf of the Sublessee by the U.S. Lessor pursuant to the Participation Agreement on or prior to the Delivery Date thereof, as specified in invoices and/or bills of sale, and (b) any taxes applicable to the purchase of such item of Equipment by the U.S. Lessor which must be capitalized for Federal tax purposes, including, without limitation, sales, use, excise or similar taxes.

"Lien" means any mortgage, pledge, lien, charge, encumbrance, security interest or lease in the nature thereof (including any conditional sale agreement, equipment trust agreement or other title retention agreement).

"Majority Noteholders", as of a particular date of determination, means the Noteholders (other than the U.S. Lessor, if a Noteholder) holding more than 50% in aggregate unpaid principal amount of all Notes, if any, outstanding as of such date. If one or more but less than all of the Notes are owned or controlled by the U.S. Lessor (or an Affiliate thereof), then the other Noteholders who are not the U.S. Lessor (or Affiliates thereof) shall have sole power to vote such Notes and to take other similar action with respect thereto (such power to be divided among such other Noteholders based on the respective unpaid aggregate principal amount of Notes held by each of them).

"Manufacturer" means Messerschmitt-Bolkow-Blohm GmbH, a German company, and its successors and assigns.

"Manufacturer's Consent" means the Consent and Agreement, dated as of June 27, 1988, by the Manufacturer to the assignment by the U.S. Lessor to the German Lessor pursuant to the Collateral Assignment, by the German Lessor to the Purchaser pursuant to the Accounts Receivable Purchase Agreement and by the Purchaser to the U.S. Lessor pursuant to Accounts Receivable Purchase Agreement No. 2 of certain of the Sublessee's right, title and interest in, to and under the Purchase Agreement with respect to the Equipment.

"Net Economic Return" has the meaning specified in Section 1 of the Tax Indemnity Agreement.

"Notes" means the Series A Notes and the Series B Notes.

"Noteholders" means the Original Noteholder (only so long as such Person is the registered holder of a Note) and each other holder from time to time of a Note.

"Obsolete Parts" has the meaning specified in Articles 6 of the Headlease and of the Sublease.

"Officer's Certificate" means (a) with respect to the Sublessee, a certificate executed on behalf of the Sublessee by its duly authorized Chairman, General Manager, Treasurer, Controller or General Counsel (or by any duly authorized person holding any such office in an "Acting" capacity), signing alone; (b) with respect to the U.S. Lessor, a certificate executed on behalf of the U.S. Lessor by the duly authorized President or any Vice President, Treasurer or Secretary or Contract Administrator (whether or not any such title is preceded by any modifier such as Assistant), signing alone; (c) with respect to the German Lessor, a certificate executed on behalf of the German Lessor by any two of its duly authorized General Managers; and (d) with respect to the Purchaser, a certificate executed on behalf of the Purchaser by the duly authorized President or any Vice President, Treasurer or Secretary (whether or not any such title is preceded by any modifier such as Executive, Senior or Assistant).

"Operative Documents" means the Participation Agreement, the Indenture, the Lease, the Contract for Financial Assistance, the Sublessee's Assignment, the Consent and Agreement of Sublessee, the Tax Indemnity Agreement, the Purchase Agreement and the Purchase Agreement Assignment.

"Original Noteholder" means New England Merchants Funding Corporation, a Massachusetts corporation.

"Original Noteholder Note" means the Series A Variable Rate, Registered, Non-Recourse Secured Note due January 30, 2010 in the principal amount of \$22,938,858.49 issued by the U.S. Lessor to the Original Noteholder.

"Original Participation" of a Participant in the Equipment, means the amount paid by such Participant pursuant to Section 2 of the Participation Agreement as such Participant's participation in the payment of the Lessor's Purchase Price of the Equipment.

"Overall Transaction" means the manufacture, purchase, ownership, financing, leasing, operation, maintenance, storage, return and disposition of the Equipment as described and contemplated by the Operative Documents.

"Overdue Interest Rate" means the rate per annum equal to the sum of one and one-half (1-1/2) percentage points plus the higher of (i) the Base Rate plus 1.5% or (ii) 10.5% per annum.

"Participants" means the U.S. Lessor and the Original Noteholder.

"Participation Agreement" means the Participation Agreement, dated as of the Execution Date, among the Sublessee, the U.S. Lessor, the Original Noteholder and the Indenture Trustee.

"Parts" means all appliances, parts, instruments, appurtenances, accessories, furnishings and other equipment of whatever nature so long as the same shall be incorporated or installed in or attached to any item of Equipment or so long as title thereto shall remain vested in the German Lessor in accordance with Section 5.3 or Article 6 of the Headlease after removal from such item of Equipment; provided, that in no event shall any appliance, part, instrument, appurtenance, accessory, furnishing or other equipment that does not become a portion of the Equipment, in accordance with Section 5.3 or Article 6 of the Headlease, constitute a Part.

"Permitted Liens" means (a) the Lien of the Collateral Assignment, (b) the subordinate rights of others under agreements or arrangements to the extent expressly permitted by the terms of Sections 4.2 of the Headlease and of the Sublease and Section 4.3(a) of the Collateral Assignment, (c) Lessor Liens, (d) Liens for taxes, assessments, charges or other governmental levies either not yet due or being contested in good faith by appropriate proceedings promptly initiated and diligently prosecuted but only so long as (i) such proceedings do not involve any material danger of the sale, forfeiture or loss of any item of Equipment, or any interest therein, and (ii) adequate reserves are maintained in accordance with applicable accounting principles with respect to such Liens, (e) materialmen's, mechanics', carriers', workmen's, repairmen's, employees' or other like Liens arising in the ordinary course of business for amounts the payment of which is not overdue for a period in excess of 30 days or is being contested in good faith by appropriate proceedings promptly initiated and diligently prosecuted but only so long as (i) such proceedings do not involve any danger of the sale, forfeiture or loss of any item of

Equipment, or any interest therein and (ii) adequate reserves are maintained in accordance with applicable accounting principles with respect to such Liens, and (f) Liens arising out of judgments or awards against the Sublessee with respect to which an appeal or proceeding for review is being diligently prosecuted in good faith and with respect to which a stay of execution shall have been secured or an appeal bond shall have been filed pending such appeal or proceeding for review but only so long as (i) such proceedings do not involve any danger of the sale, forfeiture or loss of any item of Equipment, or any interest therein, and (ii) adequate reserves are maintained in accordance with applicable accounting principles with respect to such judgments or awards.

"Person" means an individual, a corporation, a partnership, an unincorporated organization, an association, a joint stock company, a joint venture, a trust, an estate, a government or any agency or political subdivision thereof or any other entity.

"Prime Rate" means the interest rate per annum announced and made effective from time to time by Security Pacific National Bank, at its principal office in Los Angeles, California, as the prime rate or, as the case may be, the base, reference or other similar rate then designated by it for general commercial lending reference purposes, it being understood that such rate is a reference rate, not necessarily the lowest, which serves as the basis upon which effective rates of interest are calculated for obligations making reference thereto.

"Purchase Agreement" means the Agreement, dated August 7, 1985, between the Manufacturer and the Sublessee, as amended, modified and supplemented on or prior to the Delivery Date, providing, among other things, for the manufacture by the Manufacturer and sale to the Sublessee of the Equipment, as such Agreement may thereafter from time to time be amended, modified or supplemented in accordance with the applicable provisions thereof and of the Purchase Agreement Assignment.

"Purchase Agreement Assignment" means the Purchase Agreement Assignment, dated as of the Delivery Date, between the Sublessee and the U.S. Lessor (together, prior to the Effective Date, with the Consent and Agreement of the Manufacturer attached thereto and, after the Effective Date, with the Manufacturer's Consent), assigning to the U.S. Lessor certain of the Sublessee's right, title, and interest in, to and under the Purchase Agreement with respect to the Equipment, as such Purchase Agreement Assignment may from time to time be supplemented, amended or modified to the extent permitted by and in accordance with the terms thereof and of the Agreement to Purchase and Lease and the Collateral Assignment.

"Purchaser" means Deutsche Credit Corporation, a Delaware corporation, and its successors and assigns.

"Reduced Investment" has the meaning specified in Section 8.1 of the Sublease.

"Regulations" means the Treasury Regulations, as amended, promulgated under the Code or other Federal tax statutes (as referred to in clause (i) of the definition of "Tax Laws" in this Schedule X) by the Treasury Department of the United States of America.

"Renewal Rent" with respect to the first, three-year Renewal Term provided for in section 2.5 of the Sublease, means an amount equal to the lesser of (i) 50% of the average Basic Rent over the Basic Term of the Lease and (ii) the fair market rental value of the Renewal Equipment determined in accordance with the Sublease. "Renewal Rent" with respect to the second, seven-year Renewal Term provided for in Section 2.5 of the Sublease means the fair market rental value of the Renewal Equipment.

"Renewal Term" means, with respect to the Sublease, the three-year renewal term provided for in Section 2.5 of the Sublease beginning on December 31, 2012, and ending on December 30, 2015 and, if applicable, the seven-year renewal term provided for in Section 2.5 of the Sublease beginning on December 31, 2015 and ending on December 30, 2022.

"Rent Payment Date" means June 30, 1988, and each December 30 and June 30 thereafter, to and including the day after the last date included within, in the case of the Headlease, the Headlease Term and, in the case of the Sublease, the Sublease Term.

"Restated Consent and Agreement of the Lessee" means the agreement, dated the Effective Date, between the U.S. Lessor and the Sublessee, amending and restating the Consent and Agreement of the Lessee.

"Restated Sublessee's Assignment" means the agreement, dated the Effective Date, between the U.S. Lessor and the Sublessee, amending and restating the Lessee's Assignment.

"Satisfaction of Mortgage" means the Satisfaction of Mortgage, dated the Effective Date, executed by the Indenture Trustee evidencing the final discharge and satisfaction of the Indenture.

"Series A Notes" means the Series A Notes, each to be in substantially the form therefor set forth in Section 2.01(a) of the Indenture, issued by the U.S. Lessor pursuant to Section 2.02 of the Indenture to the Original Noteholder in the principal amount, bearing interest at the rates and payable as to principal and interest as provided in said Section 2.02, and secured as provided in the Granting Clause of the Indenture, and shall include any Series A Notes issued in exchange therefor or in replacement thereof pursuant to Sections 2.07 or 2.08 of the Indenture.

"Series B Notes" means the Series B Notes, each to be in substantially the form therefor set forth in Section 2.01(b) of the Indenture, issued by the U.S. Lessor pursuant to Section 2.13 of the Indenture in the principal amounts, bearing interest at the rates and payable as to principal and interest as provided in said Section 2.13, and secured as provided in the Granting Clause of the Indenture, and shall include any Series B Notes issued in exchange therefor or in replacement thereof pursuant to Sections 2.07 or 2.08 of the Indenture.

"SP Accounts Receivable" has the meaning specified in Section 2 of the Accounts Receivable Purchase Agreement No. 2.

"Special Event of Default" has the meaning set forth in Section 4.02 of the Indenture.

"Sublease" means the Lease, as amended and restated as of June 25, 1988, as the Lease (as so amended and restated) may from time to time be further amended, supplemented or modified in accordance with the terms thereof.

"Sublease Default" means an event or condition which, with the giving of notice or lapse of time or both, would constitute a Sublease Event of Default.

"Sublease Events of Default" has the meaning specified in Article 12 of the Sublease.

"Sublease Rent" means Interim Rent, Basic Sublease Rent, Renewal Rent and Supplemental Sublease Rent.

"Sublease Stipulated Loss Value" as of any Sublease Stipulated Loss Value Date during the Basic Sublease Term, means, with respect to any item of Equipment, an amount determined by multiplying Lessor's Purchase Price thereof by the percentage specified in Exhibit B to the Sublease opposite the Sublease Stipulated Loss Value Date with respect to which the amount is determined, subject to adjustment as provided in Sections 8.1 and 8.5 of the Sublease. As of any Sublease Stipulated Loss Value

Date during the first, three-year Renewal Term the Sublease Stipulated Loss Value shall be an amount equal to the greater of (i) the then fair market sales value of the Equipment or (ii) 20% of the Lessor's Purchase Price thereof. The Sublease Stipulated Loss Value at June 30, 2016 shall be equal to the then fair market sales value of the Equipment, and as of each subsequent Sublease Stipulated Loss Value Date during the second, seven-year Renewal Term shall be equal to an amount determined (1) by estimating at December 30, 2015 the fair market sales value of the Equipment at December 30, 2022 and (2) equitably and ratably reducing at each such Sublease Stipulated Loss Value Date the amount of the fair market sales value at June 30, 2016 to such fair market sales value at December 30, 2022. Anything contained in the Sublease (including Exhibit B thereto) to the contrary notwithstanding, the Sublease Stipulated Loss Value for the Equipment as of each such date shall in no event be less than an amount at least sufficient to pay in full the aggregate unpaid principal amount of the Headlease Stipulated Loss Value due as of such date.

"Sublease Stipulated Loss Value Date" means (i) for the Basic Sublease Term each date set forth on Exhibit B to the Sublease, (ii) for the first Renewal Term, June 30, 2013 and each December 30 and June 30 thereafter to and including December 30, 2015, and (iii) for the second Renewal Term, June 30, 2016 and each December 30 and June 30 thereafter to and including December 30, 2022.

"Sublease Term" means, with respect to the Sublease, the term, including the Interim Term and any Renewal Term, if any, for which any item of the Equipment is leased thereunder.

"Sublessee" means Massachusetts Bay Transportation Authority, a body politic and corporate and a political subdivision of the Commonwealth, and its successors and, to the extent permitted by the Lease, assigns.

"Sublessee's Assignment" means the Lessee's Assignment, dated as of the Delivery Date, between the U.S. Lessor and the Sublessee, as such Lessee's Assignment has been or will be amended and restated as of the Effective Date may from time to time be further amended, modified or supplemented in accordance with the terms thereof.

"Substitute Equipment" has the meaning set forth in Section 10.2 of the Sublease.

"Supplemental Headlease Rent" means any and all amounts, liabilities and obligations (other than Basic Headlease

Rent) which the U.S. Lessor assumes or agrees to pay to or as directed by the German Lessor and the Purchaser under any of the Cross Border Documents, including, without limitation, Headlease Stipulated Loss Value and interest (including any payments at the Overdue Interest Rate) and payments pursuant to Accounts Receivable Purchase Agreement No. 2.

"Supplemental Sublease Rent" means any and all amounts, liabilities and obligations (other than Interim Rent, Basic Sublease Rent and Renewal Rent) which the Sublessee assumes or agrees to pay to or as directed by the U.S. Lessor, the German Lessor and the Purchaser under any of the Operative Documents or the Cross Border Documents, including, without limitation, Sublease Stipulated Loss Value and interest (including any payments at the Overdue Interest Rate) and indemnity payments, including, without limitation, any such payments pursuant to Section 10.2 or 10.3 of the Agreement to Purchase and Lease, the VAT Agreement, and the Tax Indemnity Agreement.

"Supplemental Tax Indemnity Agreement" means the Supplemental Tax Indemnity Agreement, dated as of the Effective Date, between the Sublessee and the U.S. Lessor.

"Tax" means any and all fees (including, without limitation, documentation, license, recording, filing and registration fees), taxes (including, without limitation, income, franchise, gross receipts, value added, turnover, sales, use, property (tangible and intangible) and stamp taxes), levies, assessments, imposts, duties, charges or withholdings of any nature whatsoever, as now or hereafter existing, imposed by any jurisdiction or taxing authority including, without limitation, the United States of America, the Commonwealth, and the Federal Republic of Germany and any political subdivision or taxing authority thereof at any time existing, together with any and all penalties, fines, additions to tax and interest thereon.

"Tax Assumptions" means those tax assumptions set forth in Section 2 of the Tax Indemnity Agreement.

"Tax Benefits" has the meaning specified in Section 1 of the Tax Indemnity Agreement.

"Tax Indemnity Agreement" means the Tax Indemnity Agreement, dated as of the Execution Date, between the Sublessee and the U.S. Lessor, as amended and supplemented by the Supplemental Tax Indemnity Agreement, as such Tax Indemnity Agreement may from time to time be further supplemented, amended or modified in accordance with the terms thereof.

"Tax Laws" means, with reference to any date or any period, (i) all Federal tax statutes, including, without limitation, (A) the Code, and (B) all other Federal tax statutes, such as but not limited to Revenue Acts and also including any Federal tax provisions included in any Public Law or other Federal statute, that are in force and effect with respect to such date or period; and (ii) all rules and regulations, including, without limitation, Treasury Regulations and Temporary Regulations, whether legislative regulations, statutorily authorized implementing regulations, interpretive rules and regulations, and procedural rules and regulations, that are at any time promulgated and in force and effect with respect to such date or period under a Federal tax statute that is in force and effect and applicable to such date or period, and includes, without limitation, revenue rulings or similar authority that may be cited as precedent.

"Transaction Costs" means all of the reasonable costs and expenses incurred by the Indenture Trustee, the U.S. Lessor or the Original Noteholder in connection with the negotiation, preparation, printing, execution and delivery of the Operative Documents, the Notes and the Cross Border Documents and in connection with the transactions contemplated thereby, all of which shall be evidenced by appropriate bills or invoices, including, without limitation:

(i) the reasonable fees, expenses and disbursements of (A) Messrs. Ropes & Gray, special counsel for the U.S. Lessor, (B) Messrs. Csaplar & Bok, special counsel for the Original Noteholders, and (C) Messrs. Richards, Layton & Finger, special counsel for the Indenture Trustee;

(ii) the initial fees and expenses and disbursements of the Indenture Trustee;

(iii) document production costs in connection with the Operative Documents and the Cross Border Documents;

(iv) the costs of the appraisals referred to in Section 5(n) of the Participation Agreement and Section 4(1) of the Agreement to Purchase and Lease;

(v) the fees, expenses and disbursements of an appraiser/consultant engaged by the U.S. Lessor to review the Operative Documents;

(vi) the fees of Xitech Inc., a Delaware corporation as invoiced on March 21, 1988; and

(vii) computer and data processing charges and other out-of-pocket expenses and costs relating to the Cross Border Transaction.

"Transfer" means the transfer of all right, title and interest of the U.S. Lessor or the German Lessor in the property being transferred, free and clear, in the case of a Transfer by the U.S. Lessor, of the Lien of the Collateral Assignment (if the German Lessor shall be required to release the Lien of the Collateral Assignment pursuant to the terms thereof) or, in the case of a Transfer by the German Lessor, of the Lien of the Accounts Receivable Purchase Agreement (if the Purchaser shall be required to release the Lien of the Accounts Receivable Purchase Agreement pursuant to the terms thereof) and of any Lessor Liens attributable to it, but otherwise without recourse, representation or warranty whatsoever, express or implied, except as to the nonexistence of any Lessor Liens attributable to it, which warranty shall be repeated at the time of such transfer and shall survive such transfer.

"Trust Indenture Supplement" means a supplement to the Indenture, in substantially the form of Exhibit A to the Indenture, that, pursuant to the Granting Clause of the Indenture, shall create a first mortgage and security interest on the items of Equipment referred to therein and assign and pledge the related Lease Supplement executed and delivered pursuant to the Lease to the Indenture Trustee as part of the Indenture Estate.

"U.S. Lessor" means Security Pacific Equipment Leasing, Inc., a Delaware corporation, its successors and permitted assigns.

"U.S. Lessor's Bill of Sale" means the Bill of Sale, dated the Effective Date, from the U.S. Lessor to the German Lessor.

"VAT Agreement" means the VAT Agreement, dated as of June 30, 1988, among the Sublessee, the U.S. Lessor, the German Lessor and the Purchaser relating to German value added tax, as such VAT Agreement may from time to time be amended, modified or supplemented in accordance with the terms thereof.

"Warranty Bill of Sale" means the Warranty Bill of Sale, dated as of the Delivery Date, from the Sublessee to the U.S. Lessor substantially in the form of Exhibit L to the Participation Agreement.