



Regional Transportation Authority

300 N. State Street, Chicago, IL 60606
312 836-4000

Lewis W. Hill
Chairman

RECORDATION NO. 12065-A Filed & Recorded

RECORDATION NO. 12065 Filed & Recorded

AUG 4 1980 - 11 30 AM

AUG 4 1980 - 11 30 AM

RECORDATION NO. 12065-B Filed & Recorded

INTERSTATE COMMERCE COMMISSION

(312) 558-6620

AUG 4 1980 - 11 30 AM 3734-77-22

July 18, 1980 INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 12065-C Filed & Recorded

No. 0-217A024

Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Date AUG 4 1980

Fee \$ 100.00

REGISTERED MAIL - Return Receipt Requested

ICC Washington, D.C.

Re: Lease of Equipment to Norfolk and Western Railway Company

Dear Sir:

Enclosed herewith for filing on behalf of the Regional Transportation Authority please find one original and two certified copies of:

- a) "Equipment Lease Agreement between Regional Transportation Authority and Norfolk and Western Railway Company", dated July 16, 1979;
- b) "Equipment Lease Supplement No. 1", dated July 25, 1979;
- c) "Equipment Lease Supplement No. 2", dated July 25, 1979;
- d) "Equipment Lease Supplement No. 3", dated July 25, 1979;
- e) "Equipment Lease Supplement No. 4", dated October 15, 1979;
- f) "Equipment Lease Supplement No. 5", dated June 16, 1980.

Also enclosed is this firm's check for \$100.00 for the filing fee.

RECEIVED
AUG 4 9 24 AM '80
I.C.C.
FEE OPERATION BR.

INTERSTATE COMMERCE COMMISSION
AUG 1 1980
2 ADMINISTRATIVE SERVICES MAIL UNIT

RECORDATION NO. 12065
AUG 4 1980 - 11 30 AM
INTERSTATE COMMERCE COMMISSION

RECORDATION NO. 12065-E Filed & Recorded

AUG 4 1980 - 11 30 AM
INTERSTATE COMMERCE COMMISSION

Interstate Commerce Commission
July 18, 1980
Page Two

The parties to the lease and lease supplements are the Regional Transportation Authority, 300 North State Street, Chicago, Illinois 60610, as lessor, and Norfolk and Western Railway Company, 8 North Jefferson, Roanoke, Virginia 24042, as lessee.

The equipment covered by the lease supplement consists of two passenger locomotives and fifteen bi-level commuter cars more particularly described as follows:

A.A.R. Mechanical Description: Passenger Locomotives and
Bi-Level Commuter Cars

Manufacturer: EMD Electro-Motive, Div. of General Motors
Corp. and The Budd Company

Manufacturer's Numbers: 766062-16; 766062-17;
9655-830/9679-830-8258;
9655-830/9679-830-8259;
9655-830/9679-830-8260;
9655-830/9679-830-7327;
9655-830/9679-830-7329;
9655-830/9679-830-7330;
9655-830/9679-830-7331;
9655-830/9679-830-7332;
9655-830/9679-830-7336;
9655-830/9679-830-7284;
9655-830/9679-830-7296;
9600-910/8267;
9600-910/7349;
9600-910/7350;
9600-910/7351;

RTA Numbers: 115; 116; 8258; 8259; 8260; 7327;
7329; 7330; 7331; 7332; 7336; 7284;
7296; 8267; 7349; 7350; 7351.

Quantity: Seventeen

Identifying Marks: "Regional Transportation Authority -
Owner"

Interstate Commerce Commission
July 18, 1980
Page Three

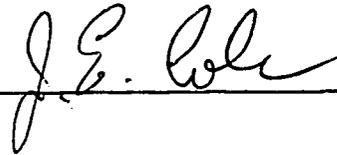
The original documents should be returned to:

William G. McMaster, Jr.
Hopkins, Sutter, Mulroy,
Davis & Cromartie
One First National Plaza
52nd Floor
Chicago, Illinois 60603
(312) 558-6620

Please return any questions concerning this matter
directly to Mr. McMaster.

REGIONAL TRANSPORTATION
AUTHORITY

By: _____

A handwritten signature in cursive script, appearing to read "J. E. Cole", is written over a horizontal line.

Interstate Commerce Commission
Washington, D.C. 20423

8/5/80

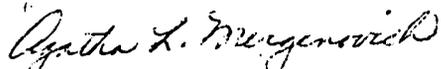
OFFICE OF THE SECRETARY

William G. McMaster, Jr.
Hopkins, Sutter, Malroy, Davis, & Cromartie
One First National Plaza, 52nd Fl.
Chicago, Illinois 60603

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on **8/4/80** at **11:30am**, and assigned re-
recording number(s). **12065, 12065-A, 12065-B, 12065-C, 12065-D, 12065-E**

Sincerely yours,


Agatha L. Mergenovich
Secretary

Enclosure(s)

12065
RECORDATION NO. Filed & Recorded

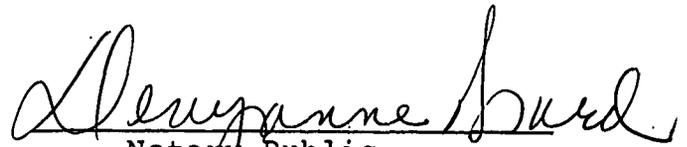
AUG 4 1980 - 11 30 AM

INTERSTATE COMMERCE COMMISSION

State of Illinois))
County of Cook) SS
)

Certificate

I, Devyanne Ward, a notary public in and for the county and state aforesaid, hereby certify that I have examined the foregoing copy of Equipment Lease Agreement No. 1, dated July 16, 1979, have compared it to the original thereof, and that the foregoing copy is a true, correct and complete copy of such original in all respects.


Notary Public

(SEAL)

ORDINANCE NO. 79-134.

BE IT ORDAINED that:

1. The Regional Transportation Authority ("Authority") hereby authorizes an Equipment Lease Agreement ("Agreement") between the Authority and the Norfolk and Western Railway Company ("Lessee"), for the lease of equipment to the Lessee, as set forth in the Agreement.

2. The Equipment Lease Agreement, a copy of which is attached to this ordinance, is hereby approved.

3. The Chairman of the Authority is hereby authorized and directed on behalf of the Authority to execute and deliver said Agreement, and the Secretary of the Authority is hereby authorized and directed on behalf of the Authority to attest said Agreement.

4. The Chairman of the Authority is hereby authorized and directed to take such action as he deems necessary or appropriate to implement, administer, and enforce said Agreement.

JUL 12 1979

EQUIPMENT LEASE AGREEMENT
BETWEEN
REGIONAL TRANSPORTATION AUTHORITY
AND
NORFOLK AND WESTERN RAILWAY COMPANY

Summary of Agreement

SUMMARY OF LEASE AGREEMENT

This Lease Agreement is similar in most respects to lease agreements already signed with the Rock Island and the Milwaukee Road. Pursuant to the Lease Agreement, the Authority agrees to lease equipment to the Norfolk and Western Railway Company (the "Railroad").

1. The Lease (§§1,6). The Authority will lease to the Railroad for a rental of \$1.00 per year, such railroad commuter cars and locomotives as shall be described from time to time in Equipment Lease Supplements.

2. Use (§3). Railroad agrees to use the equipment only in the Metropolitan Region for provision of public transportation.

3. Acceptance (§5). The Railroad is presumed to have inspected and accepted each unit of equipment used in revenue service as of the time such unit was placed in revenue service.

4. Encumbrances (§§7,17). Railroad may not impair the Authority's title to the equipment, and the

equipment will bear a sign designating the Authority as owner.

5. Early Termination (\$8). The lease terminates whenever Railroad ceases to operate its commuter service or elects to return all units of equipment to the Authority.

6. Maintenance (\$9). Railroad will maintain and repair the equipment at its cost in accordance when no service agreement is in effect. The Authority will maintain the equipment when a service agreement is in effect.

7. Return of Equipment (\$10). Upon termination of the lease, Railroad will return the equipment in good order and repair. If the equipment is not in good order and Railroad does not repair, it must pay to the Authority the cost of repair, together with interest thereon.

8. Inspection and Audit (\$\$11,27). The Authority may inspect the equipment at any time during normal operating hours, and may audit Railroad's records.

9. Risk of Loss (\$13). Railroad will insure to the extent of the actual cash value of each unit of equipment, with a deductible amount of \$50,000.

10. Miscellaneous. Other Sections provide for default, alterations in the equipment, a warranty disclaimer, succession to the lease by certain successors to Railroad's business, counsel's opinion, compliance with the Civil Rights Act, testing of equipment by the Authority, equipment transfer, and other matters.

EQUIPMENT LEASE AGREEMENT
BETWEEN
NORFOLK AND WESTERN RAILWAY COMPANY
AND
THE REGIONAL TRANSPORTATION AUTHORITY

This Equipment Lease is entered into this 16th, day of JULY, 1979, by and between the REGIONAL TRANSPORTATION AUTHORITY ("Authority"), a municipal corporation duly organized and existing under the provisions of the Regional Transportation Authority Act of the State of Illinois and the NORFOLK AND WESTERN RAILWAY COMPANY, a Virginia corporation ("Railroad").

1. The Lease. On the terms and conditions set forth in this Equipment Lease and except as otherwise provided in any Service Agreement, the Authority agrees to lease to Railroad for Railroad's exclusive possession and use, and Railroad agrees to lease from the Authority, for the Lease Term the railroad commuter cars and locomotives described in the Equipment Lease Supplements executed concurrently herewith and from time to time hereafter.

2. Definitions. The following words shall have the following meanings when used in this Equipment Lease:

Act -- the Regional Transportation Authority Act (Ill. Rev. Stat. 1975 ch. 111 2/3 §701.01, et seq.) as heretofore or hereafter amended.

Commuter Service -- Railroad's usual business as a Transportation Agency providing Public Transportation Service by rail within the Metropolitan Region.

Delivery Date -- with respect to a Unit, the date on which such Unit is first delivered to Railroad.

Equipment --- all units of equipment described in Equipment Lease Supplements.

Equipment Lease -- this Equipment Lease Agreement.

Equipment Lease Supplement and Supplement -- each document substantially in the form of Appendix A, and executed in accordance with Section 1, by which Units are added to this Equipment Lease Agreement.

Event of Default -- the meaning thereof set forth in Section 16.

IDOT -- the Illinois Department of Transportation and any agency, division or administration thereof.

Metropolitan Region -- the meaning thereof set forth in the Act.

Lease Term -- the meaning thereof set forth in Section 14.

Public Transportation Services -- the meaning thereof set forth in the Act.

Revenue Service -- the use of a Unit by Railroad in Commuter Service or in any other manner which produces revenues to Railroad or which involves carriage of members of the public.

Service Agreement -- at any time, the Purchase of Service Agreement, between the Authority and Railroad, effective July 1, 1979, or any successor agreement then in effect under which the Authority purchases any Commuter Service from Railroad.

Transportation Agency -- the meaning thereof set forth in the Act.

UMTA -- the United States Department of Transportation and any agency, division or administration thereof.

Unit -- each locomotive included in the Equipment and each bi-level commuter car included in the Equipment.

3. Use. (a) Except as otherwise provided in this Equipment lease or in a Service Agreement, Railroad hereby agrees that it will retain and use each Unit during the Lease Term only for Commuter Service.

(b) Railroad shall not remove any Unit of Equipment from the Metropolitan Region. Railroad shall use the Equipment

only in the manner for which it was designed and intended and so as to subject it only to ordinary wear and tear. Railroad shall not permit any Equipment to be used in violation of any federal, state or municipal laws, ordinances, rules or regulations, or contrary to the provisions of the insurance policy required to be purchased pursuant to Section 13(a) hereof. Railroad shall indemnify and hold the Authority, UMTA and IDOT harmless from any and all fines, forfeitures, damages or penalties resulting from such violations of law by Railroad.

4. Delivery. The Authority will deliver each Unit to Railroad, and will advise Railroad from time to time of expected Delivery Dates. The Authority shall not be liable to Railroad hereunder for any failure or delay in delivery of any Unit to Railroad.

5. Acceptance. At the time of delivery of each Unit to Railroad, and before such Unit is used in Revenue Service, Railroad shall execute and deliver to the Authority an Equipment Lease Supplement with respect to such Unit. No Unit shall be placed in Revenue Service until an Equipment Lease Supplement has been executed and delivered. If a Unit is used in Revenue Service and an Equipment Lease Supplement has not been executed and delivered with respect to such Unit, Railroad shall be deemed to have executed and delivered an Equipment Lease Supplement with respect to such Unit and it shall be conclusively presumed

as between the Authority and Railroad that such Unit has been inspected and accepted by Railroad for lease hereunder as of the time such Unit was placed in Revenue Service.

 or , and such other persons as may be designated by Railroad in a notice to the Authority, are authorized to execute Equipment Lease Supplements on behalf of Railroad.

6. Rentals. Railroad agrees to pay to the Authority on each anniversary of the date of this Equipment Lease a rental of One Dollar (\$1.00) per year for the possession and use of the Equipment during the continuance of this Equipment Lease.

7. No Encumbrances (a) Nothing in this Agreement shall affect the Authority's absolute ownership of and title to the Equipment. Such ownership and title are hereby expressly reserved to and retained by the Authority. Railroad agrees not to sublease any of the Equipment, nor to permit any of the Equipment to pass from under its control, nor to be taken off its property or the property of its subsidiaries other than for the purpose of repairs or except as hereinafter provided in the equipment transfer provision of Section 25 or as otherwise provided in this Equipment Lease.

(b) Railroad agrees that it will not, in any manner, suffer or permit any of the Equipment to be pledged, seized,

or held for any tax, debt, lien, or obligation whatsoever, nor to be in any manner encumbered by or in consequence of any such tax, debt, lien, or obligation.

(c) Railroad will pay and discharge when due and payable all taxes, fees, assessments and other governmental charges or levies imposed with respect to any of the Equipment, provided that any such tax, fee, assessment, charge or levy need not be paid if, and so long as, the validity thereof shall currently be contested by appropriate proceedings, and further provided, however, that payment thereof shall not impair, waive or release any right of Railroad to be reimbursed therefor arising pursuant to any Service Agreement. In case of Railroad's failure so to do, the Authority may pay such taxes, fees, assessments or other governmental charges or levies and the amount so paid by the Authority, with interest thereon at the rate of 10% per annum from the time of such payment by the Authority, shall forthwith be due and payable from Railroad to the Authority.

(d) This Equipment Lease is a net lease. Except as otherwise specifically provided in this Equipment Lease, all expenses and costs attributable to the use, maintenance, repairs, possession, or operation of the Equipment and all expenses of the Authority in enforcing this Equipment Lease with respect to an Event of Default, subsequent to such Event

of Default, shall be paid by Railroad, provided, however, that payment thereof shall not impair, waive or release any right of Railroad to be reimbursed therefor arising pursuant to any Service Agreement.

8. Termination for Cessation of Use. In the event Railroad shall for any reason whatsoever cease to operate its Commuter Service, or Railroad, at termination of a Service Agreement when no succeeding Service Agreement has been requested by Railroad, elects to return Equipment to the Authority, or in the event Railroad's Commuter Service is sold or otherwise disposed of (other than by a transfer of substantially all of the assets of its Commuter Service to the Authority or a wholly-owned subsidiary of Railroad or by a merger, consolidation, exchange or sale of stock or sale of assets to a successor corporation approved by the Interstate Commerce Commission), each Unit shall be returned to the Authority and this Equipment Lease shall terminate. In the event any Unit (other than a Unit which is replaced pursuant to Section 13) ceases to be used for any reason by Railroad in providing Commuter Service, each such Unit shall be returned to the Authority and this Equipment Lease shall terminate with respect to such Unit.

9. Maintenance. (a) Commencing with the delivery of each Unit to Railroad, Railroad will, at its own cost and expense (except for parts or repairs the cost of which is reimbursed under manufacturer's warranties, if any), cause every Unit to be maintained and repaired at all times during the Lease Term in accordance with manufacturer's maintenance manuals, as supplemented or modified from time to time in writing by the Authority, provided, however, that provision of maintenance services or payment of maintenance expenses by Railroad shall not impair, waive or release any right of Railroad to be reimbursed therefor arising pursuant to any Service Agreement. Railroad shall also cause all of the Equipment to be maintained and repaired (i) as provided in a Service Agreement, or (ii) when no Service Agreement is in effect, in good order and repair and in a condition satisfying all requirements of law.

(b) Notwithstanding the preceding paragraph 9(a), the provisions thereof shall be deemed to be satisfied to the extent of maintenance required to be performed by or on behalf of the Authority during any period or periods with respect to which the Authority is obligated to Railroad to maintain the Equipment pursuant to any Service Agreement.

10. Return of Equipment. (a) Railroad will, at the end of the Lease Term or at the earlier expiration or other termination of this Equipment Lease with respect to any or all Units, deliver such Units to the Authority, or its nominee, in good order and repair, except for reasonable wear and tear and except for any damage or deterioration for which Railroad is relieved of responsibility under any Service Agreement, free and clear of all liens, charges and encumbrances of whatever nature.

(b) If any such Unit is not then in such good order and repair, Railroad shall pay to the Authority, on demand, such sum or sums of money as shall be necessary to make the necessary repairs, together with interest thereon from the date of such demand at the rate of 10% per annum.

11. Inspection. The Authority shall have the right and privilege, at any time, from time to time or on a continuing basis, during Railroad's normal operating hours, to cause any Unit or part thereof to be inspected by any persons designated in writing from time to time by the Authority to Railroad. The Authority shall have the right to station one or more of its representatives on the premises of Railroad for the purposes of observing and inspecting all maintenance performed by Railroad on the Equipment, and of assuring compliance with Railroad's maintenance obligations under this Equipment Lease. The

Authority shall have the further right to demand from time to time from Railroad, but with no more frequency than once in any 6-month period (unless more frequently requested by UMTA or IDOT), a written statement of the condition of each Unit. Upon receipt of any such demand, Railroad shall furnish such written statement of condition to the Authority within a reasonable time not to exceed thirty (30) days. Railroad will provide reasonable access to Railroad's maintenance and repair records, upon request, with respect to the Equipment.

12. Indemnification. Except to the extent such risks are otherwise expressly allocated between the parties by provisions of a Service Agreement during the term thereof and except to the extent the Authority, UMTA and IDOT are reimbursed by insurance, the Railroad will release fully and hold and keep the Authority, UMTA and IDOT, their respective Directors, agents and employees harmless and will indemnify them from any and all liability, including costs and legal fees, if any, and further including claims for damages on account of loss or damage of the property of, or loss, injury or death of or to the person of, members of the public, the agents, servants, employees, licensees, tenants, lessees and patrons of Railroad, in any manner attributable to or arising out of the operation of the Equipment, regardless of whether caused in whole or in part by the negligence of the Authority, UMTA or IDOT, provided,

however, that this provision shall not apply to liabilities proximately caused by acts of the Authority, UMTA or IDOT which constitute willfull or wanton negligence or criminal acts, and provided further, however, that this provision shall not apply with respect to liabilities caused by the Authority's use of property not owned or leased by Railroad and not in Railroad's possession or control.

13. Damage or Destruction. (a) Railroad shall purchase insurance insuring, at all times during the Lease Term, the actual cash value of each Unit against damage or destruction, with a deductible amount of \$50,000. As used in this Section, "actual cash value" means the cost of reproduction new of a unit of equipment of like kind and quality, less normal wear and tear. Railroad shall cause the Authority to be a named insured and such insurance shall provide that the proceeds thereof shall be payable to the Authority and Railroad as their interests may appear. This paragraph (a) of this Section 14 shall not be deemed to impair, waive or release any right of Railroad to reimbursement for insurance premiums paid which arises under any Service Agreement. Not later than 30 days after execution hereof, Railroad shall furnish to the Authority policies or certificates of insurance evidencing compliance with this paragraph 13(a), and endorsed to provide that such

policy will not be cancelled without at least 30 days notice to the Authority.

(b) On the earlier of Railroad's receipt of insurance proceeds or 180 days after the date of damage to, or destruction of a Unit, Railroad will at its option either (i) pay to the Authority the actual cash value of such Unit, or (ii) immediately repair such Unit.

(c) In the event a Unit is damaged or destroyed and one or more third parties are liable to Railroad therefor, Railroad shall diligently prosecute an action against such third party or parties and the Authority shall cooperate in prosecuting such action.

14. Lease Term. The term of this Equipment Lease with respect to each Unit ("Lease Term") shall commence on the Delivery Date of such Unit and shall end on the date specified in the Lease Supplement with respect to such Unit.

15. Disposition At End of Term. Upon termination or expiration of this Equipment Lease as to any Unit, Railroad agrees to retain such Unit in its possession until it receives written instructions from the Authority as to the disposition of such Unit. Upon receipt of such written instructions, Railroad will promptly dispose of such Unit in accordance therewith. The Authority will provide written disposition

instructions within 120 days after the expiration or termination of this Equipment Lease as to such Unit.

16. Default. (a) If, during the continuance of this Equipment Lease, one or more of the following events ("Events of Default") shall occur:

(i) Default shall be made in the payment of any payment to be made by Railroad hereunder and such default shall continue for 30 days after written notice from the Authority to Railroad of such default and demand that the same be remedied;

(ii) Railroad shall make or permit any unauthorized assignment or transfer of this Equipment Lease or of possession of any of the Equipment and shall fail or refuse to cause such assignment or transfer to be cancelled by agreement of all parties having any interest therein and to recover possession of such Equipment within 30 days after written notice from the Authority to Railroad demanding such cancellation and recovery of possession;

(iii) Default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of Railroad contained herein and such default shall continue for

30 days after written notice from the Authority to Railroad, specifying the default and demanding the same to be remedied;

When in any such case the Authority, at its option may exercise any or all of the following rights:

(i) Proceed by appropriate court action or actions, either at law or in equity, to enforce performance by Railroad of this Equipment Lease or to recover damages for breach thereof; or

(ii) By notice in writing to Railroad, terminate this Equipment Lease, whereupon all right of Railroad to the use of the Equipment shall absolutely cease and terminate as though this Equipment Lease had never been made, but Railroad shall remain liable as hereinafter provided, and thereupon, the Authority may by its agents enter upon the premises of Railroad or other premises where any of the Equipment may be located and take possession of all or any of such Equipment and thenceforth hold, possess and enjoy the same free from any right of Railroad, or its successors or assigns, to use the Equipment for any purpose whatever, but the Authority shall, nevertheless, have a right to recover from Railroad

any and all amounts which under the terms of this Equipment Lease may be then due or which may have accrued to the date of such termination; or

(iii) Pay any expenses or charges which Railroad is obligated to pay pursuant to this Equipment Lease which Railroad has failed timely to pay, which amounts shall thereupon be immediately due and payable by Railroad to the Authority.

(b) Railroad and the Authority recognize that in the event Railroad refuses to perform any of its obligations provided in Sections 3, 9, 10(a) or 23, money damages alone will not be adequate. The Authority shall therefore be entitled to elect, in addition to bringing suit for money damages, to bring an action for specific performance of the provisions of those Sections. In the event of any action to enforce the provisions of those Sections, Railroad shall waive the defense that there is an adequate remedy at law.

(c) The remedies in this Equipment Lease provided in favor of the Authority shall not be deemed exclusive, but shall be cumulative and shall be in addition to all other remedies in its favor existing at law or in equity. Railroad hereby waives any mandatory requirements of law, now or hereafter in effect, which might limit or modify any of the

remedies herein provided, to the extent that such waiver is permitted by law.

(d) The failure or delay of the Authority to exercise the rights granted it hereunder upon any occurrence of any of the events set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such events or similar events.

17. Ownership Marking. Each Unit when delivered will be plainly marked, by an appropriate plaque or plate and in letters of contrasting color not less than one inch in height, with the words "REGIONAL TRANSPORTATION AUTHORITY, OWNER" or other words to such effect. Railroad will not allow the name or designation of any other person or company as owner to be placed on any Unit. If any of such markings become illegible, Railroad will promptly restore them. The Authority shall have the right at any time and at its expense to change the paint scheme and insignia of the Equipment.

18. Alterations. Upon instructions from the Authority and at the Authority's expense, Railroad will make such alterations to the Equipment as the Authority may deem necessary or desirable and as are within the capability of Railroad. Any alterations so made or parts or equipment installed upon or in the Equipment pursuant to other provisions of this

Equipment Lease shall be considered accessions to the Equipment and title thereto shall immediately vest in the Authority. Railroad shall make no alterations to the Equipment except as permitted by this Section, by other Sections of this Equipment Lease, or by written consent of the Authority.

19. Reports. Railroad shall promptly advise the Authority of all correspondence, papers, notices, accident reports and documents whatsoever, received by Railroad in connection with any claim or demand involving or relating to title to, or liens upon, the Equipment or to injury or property damage involving the Equipment, during the term of this Equipment Lease.

20. Warranty Disclaimer. THE AUTHORITY, NOT BEING THE MANUFACTURER OF THE EQUIPMENT NOR THE MANUFACTURER'S AGENT, MAKES NO EXPRESSED OR IMPLIED WARRANTY OF ANY KIND WHATSOEVER WITH RESPECT TO THE EQUIPMENT. THE AUTHORITY DISCLAIMS ALL WARRANTIES, INCLUDING BUT NOT LIMITED TO: THE MERCHANTABILITY OF THE EQUIPMENT OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, THE DESIGN OR CONDITION OF THE EQUIPMENT, THE QUALITY OR CAPACITY OF THE EQUIPMENT, THE WORKMANSHIP IN THE EQUIPMENT, COMPLIANCE OF THE EQUIPMENT WITH THE REQUIREMENTS OF ANY LAW, RULE, SPECIFICATION OR CONTRACT PERTAINING THERETO, PATENT INFRINGEMENT, LATENT DEFECTS, AND TITLE. The Authority and Railroad shall cooperate for the purpose of obtaining the full

benefit of any manufacturers' warranties with respect to the Equipment.

21. Successors. All of the provisions of this Equipment Lease shall apply to and bind the successors of the respective parties hereto. In the event there is a transfer of substantially all of Railroad's property used and useful in the performance of Railroad's commuter Service to a wholly-owned subsidiary of Railroad, or said property, including this Equipment Lease, is the subject of a merger, consolidation, exchange or sale of stock or sale of assets to a successor corporation approved by the Interstate Commerce Commission ("ICC") or to any reorganization trustee or entity arising out of reorganization proceedings, the rights and obligations of Railroad herein set forth shall become the rights and obligations of the successor. In the event of the Commencement of any ICC proceedings with respect to any such merger, consolidation, exchange or sale of stock or sale of assets, Railroad will provide prior written notice of such ICC proceedings to the Authority and will furnish the Authority with copies of all applications and other filings made in such proceedings at the time of the filing thereof or as soon as practicable thereafter.

22. Opinion of Counsel. When this Equipment Lease is executed by Railroad, Railroad will furnish the Authority with an opinion of Railroad's counsel, dated the date on which this Equipment Lease is executed by Railroad and to the effect that (i) Railroad is duly incorporated and in good standing in Virginia, and has full power to carry on its business as and where then conducted; (ii) the execution, delivery and performance of this Equipment Lease by Railroad has been duly authorized by all requisite action of Railroad and this Equipment Lease is the valid, legally binding obligation of Railroad, enforceable in accordance with its terms; (iii) this Equipment Lease has been duly executed and delivered by Railroad in accordance with its terms; (iv) the compliance by Railroad with the terms and conditions of this Equipment Lease will not result in breach of, or default under, any judgment, decree, mortgage, indenture or other agreement applicable to Railroad known to such counsel; (v) all approvals which may be required to permit the performance by Railroad of its obligations under this Equipment Lease have been obtained; and (vi) except as previously disclosed to the Authority in writing, such counsel has no knowledge of any litigation or proceeding pending or threatened against Railroad which could materially and adversely affect the performance by it of any of its obligations under this Equipment Lease.

23. Further Assurances. Railroad hereby covenants that it will at all times during the term of this Equipment Lease, on reasonable request, make, do, execute and deliver all such further or other reasonable assurances, acts, instruments and agreements as shall be necessary or deemed appropriate by the Authority to protect the ownership and control of the Equipment or any Unit or part thereof, for the benefit of the Authority.

24. Disclaimer of Liability. Neither the Chairman of the Board of Directors of the Authority nor any of the individual Directors or employees or agents thereof shall be personally liable to the Railroad in any way by reason of any clause of this Equipment Lease.

25. Equipment Transfer. The Authority reserves the right to terminate this Equipment Lease as to any Unit ("Transfer Unit") or Units which the Authority judges to be essential to Commuter Service operations of another Transportation Agency, provided, however, that the Authority shall not terminate this Equipment Lease pursuant to this Section if the Transfer Unit or Units is or are essential (having regard to the Equipment and any other equipment which Railroad owns or has the right to use) to the operation of the Commuter Service of Railroad (i) in accordance with any Service Agreement then in effect,

or (ii) if no Service Agreement is in effect, in accordance with law.

26. Representations to Illinois Commerce Commission.

Nothing in this Equipment Lease is intended to prohibit or discourage either Railroad or the Authority from appearing before the Illinois Commerce Commission or any other government agency for the purpose of presenting their respective views regarding the requirements of public convenience and necessity as related to the use of the Equipment or as related to any other aspect of Railroad's Commuter Service.

27. UMTA/IDOT Audit. Railroad shall permit the

authorized representatives of the Authority, UMTA, IDOT and/or the Comptroller General of the United States to inspect and audit all data and records of Railroad relating to the performance of this Equipment Lease at no cost to the Authority.

28. Civil Rights. Railroad agrees that it will,

with respect to its operations involving the Equipment, comply with the provisions of Title VI of the United States Civil Rights Act of 1964 (P.L. 88-352, 78 Stat. 252, 42 U.S.C. §§2000d-4 et seq.), as the same may at any time be amended, and with the provisions of the Illinois Fair Employment Practices Act (Ill. Rev. Stat. 1976, ch. 48, §§851-867), as the same may at any time be amended, and with the provisions of any other similar

law at any time in effect during the term of this Equipment Lease, and with regulations from time to time promulgated thereunder. Railroad warrants that it has on file with the Fair Employment Practices Commission an affirmative action program for employment with respect to its Commuter Service employees, which program insures that applicants are employed, and that employees are treated during employment, without regard to their race, religion, sex, national origin, or ancestry. No discrimination in any employment by Railroad shall be made in any term or aspect of employment because of race, religion, national origin, sex or political reasons or factors.

29. Prohibited Interests. Railroad warrants and represents that it has not paid, and agrees not to pay, any bonus, commission, fee or gratuity to any employee or official of the Authority for the purpose of obtaining this Equipment Lease. No Director, official, officer or employee of the Authority, during his tenure or for one year thereafter, shall have any pecuniary interest, direct or indirect, in this Equipment Lease or the proceeds thereof. No member of or delegate to the Congress of the United States or the Illinois General Assembly shall be admitted to any share or part of this contract or to any benefit arising therefrom.

30. Governing Law. This Equipment Lease shall be construed in accordance with and be governed by the laws of the State of Illinois.

31. Notices. Any notice required or permitted by this Equipment Lease shall be in writing and may be either delivered in person or delivered by depositing the same in the United States Mail, postage prepaid, addressed to the Authority at:

REGIONAL TRANSPORTATION AUTHORITY
Post Office Box 3858
Chicago, Illinois 60654

or to Railroad at:

NORFOLK AND WESTERN RAILWAY COMPANY
611 Olive Street
St. Louis, Missouri 63101

or at such other address as either party may designate to the other in writing.

32. Assignment. Railroad agrees that this Equipment Lease shall not be assigned or transferred, except as expressly permitted by other provisions hereof, without the prior written consent of the Authority and that any successor to Railroad's rights under this Equipment Lease will be required to accede to all of the terms, conditions and requirements of this Equipment Lease as a condition precedent to such succession.

Any purported assignment or transfer of this Equipment Lease or Railroad's rights under this Equipment Lease in contravention of this Section shall be void and of no effect.

33. Amendments. The parties agree that no change of or modification to this Equipment Lease shall be of any force or effect unless such change or modification is embodied in an amendment which is dated and is reduced to a writing executed by both parties and approved by the Board of Directors of the Authority. No costs or obligations shall be incurred in consequence of any amendment to this Equipment Lease unless and until such a written amendment has been executed.

34. Severability. The parties agree that if any provision of this Equipment Lease shall be held invalid for any reason whatsoever, the remaining provisions shall not be affected thereby if such remaining provisions may continue to conform with the purposes of this Equipment Lease and the requirements of applicable law.

35. Headings. The headings of this Equipment Lease are for convenience and reference only and in no way define, limit or describe the scope or intent of this Equipment Lease.

36. Counterparts. This Equipment Lease may be simultaneously executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute one and the same instrument.

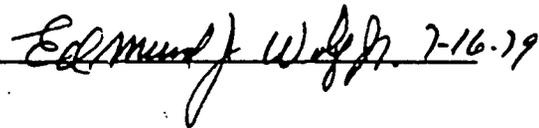
IN WITNESS WHEREOF, each party hereto has caused this Equipment Lease to be duly executed and delivered, in its name and on its behalf, on the date first hereinabove set forth.

REGIONAL TRANSPORTATION AUTHORITY

By: 

Title: CHAIRMAN

WITNESS:

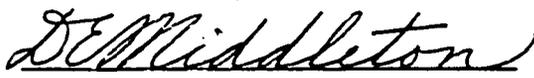
 7-16-79

NORFOLK AND WESTERN RAILWAY COMPANY

By: 

Title: SENIOR VICE PRESIDENT - OPERATIONS

ATTEST:


SECRETARY

for lease under this Equipment Lease Supplement and the Equipment Lease Agreement.

5. All of the terms and provisions of the Equipment Lease Agreement are hereby incorporated by reference in this Equipment Lease Supplement to the same extent as if fully set forth herein.

IN WITNESS WHEREOF, the Authority and Railroad have caused this Equipment Lease Supplement to be duly executed as of the date and year first written above.

REGIONAL TRANSPORTATION AUTHORITY

By: _____

NORFOLK AND WESTERN RAILWAY COMPANY

By: _____