

WEINER, McCAFFREY, BRODSKY & KAPLAN, P.C.

ATTORNEYS AT LAW

SUITE 800
1350 NEW YORK AVENUE, N.W.
WASHINGTON, D.C. 20005-4797

(202) 628-2000

TELECOPIER (202) 628-2011

December 15, 1988

RICHARD J. MELNICK**
PATRICIA L. PAYNE
OF COUNSEL

MARYLAND OFFICE

SUITE 905
ARTERY PLAZA
7200 WISCONSIN AVENUE
BETHESDA, MD 20814-4804
(301) 986-0886

HARVEY E. WEINER
R. LAWRENCE McCAFFREY, JR.
JAMES A. BRODSKY
PETER E. KAPLAN
IRVING P. MARGULIES
MARK M. LEVIN
PETER A. GILBERTSON
MARK H. SIDMAN
L. MARK WINSTON**
MITCHEL H. KIDER
KIMBERLY A. MADIGAN
LAURENCE R. LATOURETTE
RANDAL D. SHIELDS*
PETER F. MORIARTY
MICHAELA A. ALBON
RICHARD J. ANDREANO, JR.
CHRISTOPHER E. HAGERUP
C. A. AVRAKOTOS* **
MARK L. HESSEL**
STEPHEN D. NILES*
KEVIN M. SHEYS
JEFFREY A. SOULE*

*NOT ADMITTED IN D.C.
**ADMITTED IN MD.

INTERSTATE COMMERCE COMMISSION

No. 8-350A120 DEC 15 1988 1-55 PM

Date DEC 15 1988

RECORDATION NO. 1 6073 Filed 1425

Fee \$ 13.00

DELIVERED BY HAND

ICC Washington, D.C.

INTERSTATE COMMERCE COMMISSION

DEC 15 1988 1-55 PM

RECORDATION NO. 1 6073-A Filed 1425

DEC 15 1 45 PM '88

Ms. Noreta R. McGee
Secretary
Interstate Commerce Commission
12th Street & Constitution Avenue, N.W.
Washington, D.C. 20423

Dear Ms. McGee:

I have enclosed two originals of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the United States Code.

This document is a Trust Indenture and Security Agreement, a primary document, dated as of December 1, 1988, which includes Indenture Supplement No. 1, dated December 15, 1988.

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

Owner Trustee: Wilmington Trust Company
Rodney Square North
Wilmington, Delaware 19890

Indenture Trustee: The Connecticut Bank and Trust
Company, National Association
One Constitution Plaza
Hartford, Connecticut 06115

Counterpart Peter J. Monart

Ms. Noreta R. McGee

-2-

December 15, 1988

A description of the equipment covered by the document follows:

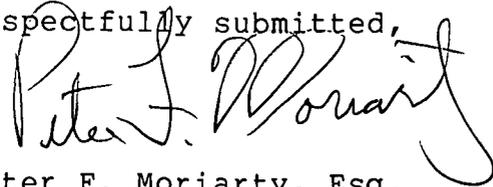
Five (5) AEM-7 electric locomotives, bearing National Railroad Passenger Corporation (Amtrak) road numbers 947-951, consecutively.

A check made payable to the Commission in the amount of \$13.00 is enclosed for the fee. Please return one original to: Peter F. Moriarty, Weiner, McCaffrey, Brodsky & Kaplan, P.C., 1350 New York Avenue, N.W., Suite 800, Washington, D.C. 20005.

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

Trust Indenture and Security Agreement, dated as of December 1, 1988, as it pertains to those five AEM-7 electric locomotives (out of a total of seven such locomotives) bearing National Railroad Passenger Corporation (Amtrak) road numbers 947-951.

Respectfully submitted,



Peter F. Moriarty, Esq.

Enclosures

JCS/lr/0454P/8231

**TRUST INDENTURE
AND
SECURITY AGREEMENT**

INTERSTATE COMMERCE COMMISSION

DEC 15 1988 1:59 PM

RECORDATION NO. 1 6073 Filed 1425

Dated as of

December 1, 1988

between

WILMINGTON TRUST COMPANY,

Not in its individual capacity but
solely as Owner Trustee, except as
expressly provided herein

and

THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION,

As Indenture Trustee

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TRUST INDENTURE AND SECURITY AGREEMENT

THIS TRUST INDENTURE AND SECURITY AGREEMENT (herein, as originally executed or as modified, amended or supplemented in accordance with the applicable provisions hereof, called "this Indenture"), dated as of December 1, 1988, between WILMINGTON TRUST COMPANY, a Delaware banking corporation having its principal office and chief place of business at Rodney Square North, Wilmington, Delaware 19890, not in its individual capacity but solely as owner trustee under the Trust Agreement, as defined in Annex A hereof, except as expressly provided herein (herein, together with any successors thereto in such trustee capacity, called the "Owner Trustee"), and The Connecticut Bank and Trust Company, National Association, a national banking association having its corporate trust office at One Constitution Plaza, Hartford, Connecticut 06115, Attention: Corporate Trust Department (herein, together with its successors and assigns permitted hereunder, called the "Indenture Trustee"),

W I T N E S S E T H:

WHEREAS, the Owner Trustee desires by this Indenture, among other things, to provide for the issuance of the Notes and to Grant the Trust Indenture Estate (as such terms are defined in the Granting Clauses below) as security for the Notes; and

WHEREAS, all actions and conditions necessary to make this Indenture a legal, valid and binding contract of the parties, enforceable in accordance with its terms, have in all respects been duly taken and fulfilled, and all actions and conditions necessary to make the Notes, when duly executed by the Owner Trustee, duly authenticated by the Indenture Trustee and delivered in accordance with this Indenture, the legal, valid and binding obligations of the Owner Trustee, enforceable in accordance with the terms thereof and hereof, have in all respects been duly taken and fulfilled;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS THAT, in order to secure the due and punctual payment of the principal of and premium, if any, and interest on the Notes from time to time outstanding hereunder, in accordance with their terms and the terms hereof, and the due and punctual performance and observance by the Owner Trustee of all the agreements, covenants and provisions herein and in the Notes contained, for the benefit of the holders from time to time of the Notes and the Indenture Trustee and for the uses and purposes and upon and subject to the terms and conditions hereof, and in consideration of the premises, the covenants herein contained, the purchase and acceptance of the Notes by the purchaser or purchasers thereof and the acceptance by the Indenture Trustee of the trusts hereby created, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged:

Granting Clauses

The Owner Trustee, by executing and delivering this Indenture, and for the benefit and security of the holders from time to time of the Notes, in accordance with the terms of the Notes and of this Indenture, has specifically Granted (the term "Granted" as used herein with respect to any property or right shall mean mortgaged, pledged and charged, and created a security interest in, the same; and the term "Grant" as used herein with respect to any property or right shall mean mortgage, pledge and charge, and create a security interest in, the same), and by these presents does hereby specifically Grant, unto the Indenture Trustee, including its permitted successors in the trusts hereby created and its permitted assigns, forever, all the following property, and all the right, title and interest, and all the powers and privileges, of the Owner Trustee in, to and under the following property, whether tangible or intangible, wherever located or situated, whether now owned or held or hereafter acquired (herein, exclusive of all the Excepted Rights, as defined below, and subject to the rights of the Owner Trustee and the Owner Participant under Section 12.12 hereof, called collectively the "Trust Indenture Estate"):

First, the Locomotives, the Purchase Agreement, the Purchase Agreement Assignments and the Bills of Sale, together with all rights, powers and privileges of the Owner Trustee with respect thereto (such Locomotives, Purchase Agreement, Purchase Agreement Assignments and Bills of Sale, together with such rights, powers and privileges, being herein sometimes called collectively the "Leased Property"); and

Second, the Lease (including, without limitation, all Lease Supplements), together with all rights, powers and privileges of the Owner Trustee thereunder or in respect thereof, including, without limitation, the immediate and continuing right to receive and collect (and to apply the same to the payment of the principal of and premium, if any, and interest on the Notes in accordance with the terms thereof and hereof) all rents, income, revenues and amounts, including, without limitation, all rents, income, revenues and amounts now or hereafter payable or receivable under the Lease or pursuant to any of the provisions thereof, all rents, income, revenues and amounts now or hereafter payable or receivable under each and every sublease of a Locomotive or Locomotives, whether now existing or hereafter entered into, to which the Owner Trustee or Lessee is or may become a party as sublessor, and all insurance proceeds, condemnation awards, monies, other proceeds and security now or hereafter payable or receivable under the Lease or pursuant to any of the provisions thereof, whether payable as rents, the purchase price for any property or otherwise, and whether payable prior or subsequent to the scheduled maturity date of the Notes, and the power (exercisable upon the terms of this Indenture) to

execute and deliver, as duly and irrevocably appointed and empowered agent and attorney-in-fact of the Owner Trustee, coupled with an interest, any instruments necessary or requested for the transfer of any of the Leased Property upon a purchase or sale in accordance with the Lease and to perform all other necessary or appropriate acts as said agent and attorney-in-fact with respect to such purchase or sale, and the power (exercisable upon the terms of this Indenture) to transfer portions of the Leased Property subject to the Lease, to give and make all waivers and agreements, to give and make all notices, consents and assignments, to take such action upon the occurrence of a Lease Event of Default, including, without limitation, declaring the Lease to be in default and taking such action, or commencing, conducting and consummating any proceedings at law or in equity, as shall be permitted under any provision of the Lease or by law, and to do any and all other things whatsoever, which the Owner Trustee is or may become entitled to do under or in respect of the Lease; and

Third, all monies and securities now or from time to time hereafter held or required to be held by the Indenture Trustee as security for the Notes pursuant to the provisions of this Indenture; provided, that any payments or amounts that have been distributed to the Owner Trustee by the Indenture Trustee in accordance with the provisions of this Indenture, except with respect to any such payments or amounts that have been distributed in error, shall no longer be subject to the lien of this Indenture; and

Fourth, any and all property, tangible or intangible, that may from time to time hereafter by delivery or by writing of any kind for the purposes hereof be in any way subjected to the lien of this Indenture (including, without limitation, the Purchase Option Agreements and the security interests of the Owner Trustee under the Purchase Option Agreements and the Swedish Leases), or be expressly Granted as additional security for the Notes by the Owner Trustee, or by anyone on the behalf or with the consent of the Owner Trustee, to the Indenture Trustee, which is hereby authorized to receive the same at any and all times as and for additional security. Any such Grant by the Owner Trustee, or by anyone on the behalf or with the consent of the Owner Trustee, of any property as and for additional security may be subject to any reservations, limitations, conditions and provisions (which shall be set forth in an instrument or agreement in writing executed and delivered by the Owner Trustee or such other person Granting the same, as the case may be, and by the Indenture Trustee) respecting the use, management and disposition of the property so Granted or the proceeds thereof (unless such reservations, limitations, conditions and provisions would contravene the express provisions of this Indenture, as theretofore in effect); and

Fifth, any and all proceeds of the conversion, voluntary or involuntary, of all or any portion of the property now or from time to time hereafter subject or required or intended to be subject to the lien of this Indenture into cash, negotiable instruments or other instruments for the payment of money, chattel paper, security agreements, documents, liquidated claims or any form of proceeds (including proceeds of insurance and of any governmental takings); provided, however, that the inclusion of proceeds in the Trust Indenture Estate does not permit the Owner Trustee, nor is the Owner Trustee otherwise permitted, to sell, dispose of or otherwise use the Trust Indenture Estate in a manner not expressly permitted by this Indenture;

BUT EXCLUDING from the Trust Indenture Estate (a) payments to the Owner Trustee (as trustee or in its individual capacity) and the Owner Participant of Supplemental Rent under any Operative Document (including interest thereon, if any, as provided in such Operative Document), (b) all rights of the Owner Trustee (as trustee or in its individual capacity) under the Lease to demand, collect, sue for or otherwise obtain all amounts from the Lessee due the Owner Trustee (as trustee or in its individual capacity) or Owner Participant, as the case may be, owed by the Lessee as the Supplemental Rent specified in clause (a) of this paragraph, (c) all insurance proceeds payable under policies maintained by the Lessee pursuant to Section 6.6 (vii) of the Lease which by the terms of the Lease are payable to the Owner Trustee (as trustee or in its individual capacity) or the Owner Participant, as the case may be, for its own account (including interest thereon, if any, as provided in such policies), and (d) all rights of the Owner Trustee (as trustee or in its individual capacity) to demand, collect, sue for or otherwise obtain all amounts due the Owner Trustee (as trustee or in its individual capacity) or the Owner Participant, as the case may be, as specified in clause (c) of this paragraph (the amounts referred to in clauses (a) through (d) above being herein called the "Excepted Rights"); and

The lien of this Indenture is SUBJECT, HOWEVER, AND SUBORDINATE to the interests and rights of the Lessee under the Lease.

Subject to the provisions of Clause "Fourth" of the Granting Clauses hereof and except to the extent, and in the manner, expressly provided in the Swedish Financing Documents, the lien of this Indenture and Permitted Liens are the only Liens permitted by this Indenture to exist on or in respect of the Trust Indenture Estate.

It is the intention of the Owner Trustee and the Indenture Trustee that, on the date of original execution of this instrument, there is not hereby transferred title to, but there

is hereby mortgaged and granted a security interest in, the Locomotives. It is the understanding of the Indenture Trustee that the Owner Trustee intends to transfer title to the Locomotives in the manner expressly provided in the Swedish Financing Documents, subject, however, to the mortgage and security interest of the Indenture Trustee under this Indenture. No such transfer of title to the Locomotives shall adversely affect the lien of this Indenture or any rights or remedies of the Indenture Trustee under this Indenture with respect to the Locomotives, any other portion of the Trust Indenture Estate, or the Owner Trustee.

Habendum Clause

TO HAVE AND TO HOLD all and singular the Trust Indenture Estate, whether now owned or held or hereafter acquired, unto the Indenture Trustee, including its permitted successors and assigns, forever;

IN TRUST, NEVERTHELESS, for the equal and proportionate benefit and security of the holders from time to time of the Notes, without (except as otherwise expressly stated herein) preference, priority or distinction, as to the lien of this Indenture or otherwise, of one Note over any other Note, by reason of priority in the issuance thereof or otherwise, and for the enforcement and payment of the Notes, in accordance with their respective terms and the terms hereof, and of all other sums payable thereunder and hereunder, and for the performance of and compliance with all other obligations, covenants and conditions in this Indenture contained;

Defeasance Clause

UPON THE CONDITION THAT, if the Owner Trustee shall pay or cause to be paid to the persons entitled thereto (or shall provide, as permitted by the express terms of Article XI hereof, for the payment to such persons of) the principal of and premium, if any, and interest on the Notes and all other sums payable by it hereunder, as permitted by the express terms hereof, and shall duly and punctually perform and observe all the other terms, provisions and conditions hereof, then the security interests and all other interests, rights, powers and privileges Granted by or created pursuant to this Indenture shall cease, terminate and be of no further force or effect and all of the property, rights and interests Granted as security for the Notes shall revert to and re-vest in the Owner Trustee in accordance with Article XI hereof without any other act or formality whatsoever (but the Indenture Trustee shall execute and deliver the instruments described in Article XI to the Owner Trustee in accordance with such Article);

otherwise, this Indenture shall be and remain in full force and effect.

Immunity of Indenture Trustee

Anything herein contained to the contrary notwithstanding, the Owner Trustee shall remain liable under the Lease and the Purchase Agreement Assignments to perform all its obligations, if any, thereunder, all in accordance with and pursuant to the terms and provisions thereof, and the Indenture Trustee shall have no liability under the Lease or any Purchase Agreement Assignment by reason of or arising out of the foregoing Grants, nor shall the Indenture Trustee be required or obligated in any manner to perform or fulfill any obligations of the Owner Trustee under or pursuant to the Lease or any Purchase Agreement Assignment, or, in connection with the Lease, the Purchase Agreement, the Purchase Agreement Assignments or the Bills of Sale, to make any payment (except as expressly provided in Articles V and VI hereof), to make any inquiry as to the nature or sufficiency of any payment received by it, to present or file any claim or to take any action to collect or enforce the payment of any amounts which may have been assigned to it or to which it may be entitled at any time or times.

IT IS HEREBY COVENANTED AND AGREED BY AND BETWEEN THE PARTIES HERETO that this Indenture creates a continuing lien equally and ratably securing the payment in full of the principal of and premium, if any, and interest on the Notes from time to time outstanding hereunder, and all other sums payable thereunder and hereunder, and that the Trust Indenture Estate is to be held, dealt with and disposed of by the Indenture Trustee, and the Notes are to be issued, authenticated and delivered, upon and subject to the terms, covenants, conditions, uses and trusts set forth in this Indenture, and the parties hereto do hereby further covenant and agree as follows:

ARTICLE I

Definitions

Section 1.01. Definitions. Unless the context shall otherwise require, terms used and not otherwise defined herein and defined in Annex A hereof shall have the meanings assigned thereto in said Annex A for all purposes hereof (such definitions to be equally applicable to both the singular and plural forms of the terms defined). The terms "herein", "hereunder", "hereof" and "hereby" or other like words mean or refer to this Indenture (including such Indenture Supplements as are then in force and effect).

ARTICLE II

Issuance and Terms of Notes

Section 2.01. Original Issuance of Notes. Upon the execution and delivery of this Indenture, and from time to time thereafter, Notes may be executed by the Owner Trustee and furnished to the Indenture Trustee for authentication as provided in Section 3.01(b) hereof, and shall thereupon be authenticated by the Indenture Trustee and delivered upon the written order of the Owner Trustee; provided, however, that the aggregate unpaid principal amount of Notes outstanding hereunder shall not exceed, upon and after the Delivery Date for the seventh Locomotive, the lesser of (a) the Aggregate Debt Limit or (b) the Note Purchaser's Percentage of the Purchase Price of all seven of the Locomotives.

Section 2.02. Form and Terms of Notes. (a) The Notes and the Indenture Trustee's Certificate of Authentication thereon shall be substantially in the form set forth in Appendix A hereof, with such appropriate variations, omissions and insertions as may be permitted or required by the terms of this Indenture. The Notes may have such letters, numbers and other marks of identification and such legends or endorsements thereon as the Owner Trustee may determine, with the approval of the Indenture Trustee, and as are not inconsistent with the terms of this Indenture.

(b) The Notes shall:

(i) be designated "Secured Notes (Non-Recourse) due March 30, 2008", be executed by the Owner Trustee and be non-recourse with respect to the Owner Participant and the Owner Trustee;

(ii) be limited in aggregate unpaid principal amount outstanding to an amount that does not result in a violation of the proviso to Section 2.01 hereof;

(iii) be issuable in fully registered form only;

(iv) be dated the date of original issuance thereof, except as otherwise provided in Section 4.03 hereof;

(v) be issuable in denominations of \$10,000 or more;

(vi) have a stated maturity of March 30, 2008;

(vii) each bear interest on the unpaid principal amount thereof from the date thereof to December 30, 1998 (the "Reset Date") (or any earlier date on which such principal amount shall become due and payable, as in such Note or

herein provided, whether by acceleration, prepayment or otherwise) at the rate of 10.32% per annum, and on any overdue principal and premium, if any (including any overdue prepayment of principal and premium, if any) and, to the extent that payment of such interest shall be enforceable under applicable law, on any overdue installment of interest, at the Overdue Rate (interest in each case being computed on the basis of a 360-day year of twelve 30-day months);

(viii) each bear interest on the unpaid principal amount thereof on and after the Reset Date to the date such principal amount shall become due and payable as in such Note or herein provided, whether at stated maturity or by acceleration, prepayment or otherwise, at the rate determined in accordance with the provisions of subsection (c) below (the "Reset Interest Rate") and on any overdue principal and premium, if any (including any overdue prepayment of principal and premium, if any) and, to the extent that payment of such interest shall be enforceable under applicable law, on any overdue installment of interest, at the Overdue Rate (interest in each case being computed on the basis of a 360-day year of twelve 30-day months);

(ix) each be due and payable as to interest only (and not as to principal) on December 30, 1988;

(x) each be due and payable as to principal and interest (except as provided in clause (ix) above), on each March 30, June 30, September 30 and December 30 (each such date, an "Installment Payment Date"), commencing March 30, 1989, until paid in full, in quarter-annual installment payments of principal and interest (x) calculated in the manner described in Schedule I of the form of Note set forth in Appendix A hereof, and, in any case, (y) sufficient to retire 100% of the principal amount thereof, through such installment payments, at the stated maturity; and

(xi) not otherwise be prepayable except as expressly provided in Article VI hereof.

(c) The interest rate on the Notes effective commencing with the Reset Date shall be determined in accordance with the further provisions of this subsection (c). The Reset Interest Rate shall be a per-annum interest rate equal to the greater of (i) 10.32% per annum or (ii) the lesser of (aa) 13.5% per annum or (bb) 200 "basis points" (that is, 2%) above one of the following two averages of per-annum interest rates on United States Treasury Notes having a stated maturity of ten years from the Reset Date, as selected by Lessee:

(x) the average of the then rate on such ten-year Treasury Notes as of the first Business Day of each of the six calendar months immediately preceding (but not including) December 1998; or

(y) the average of the then rate on such ten-year Treasury Notes as of each Business Day during November 1998.

As a condition to the effectiveness of the resetting of the interest rate on the Notes in accordance with the foregoing provisions, the Indenture Trustee, the Owner Participant and each holder of an outstanding Note shall have received, at least three Business Days prior to the Reset Date, executed originals of (A) an Officer's Certificate of Lessee (containing a written acknowledgment of receipt by the Owner Trustee) specifying the Reset Interest Rate, certifying that the same was properly calculated in accordance with the foregoing provisions of this subsection (c) and containing computations in reasonable detail demonstrating that the Reset Interest Rate has been properly calculated, and (B) a certificate of an independent firm of certified public accountants (which may be the firm that regularly audits the financial statements of Lessee) certifying that, in its opinion, the Reset Interest Rate has been properly calculated. In the event that the Reset Interest Rate shall not have been determined substantially in accordance with the foregoing provisions, or documentation as aforesaid shall not have been timely delivered, the Reset Interest Rate commencing with the Reset Date shall be 13.5% per annum. The Lessee shall select one of the two averaging techniques ten days prior to the end of the tenth year of the Basic Term and shall notify the Indenture Trustee and the Owner Trustee promptly of such selection.

ARTICLE III

Execution and Payment of Notes

Section 3.01. Execution and Authentication of Notes.

(a) The Notes shall be executed on behalf of the Owner Trustee by an Authorized Officer of the Owner Trustee by manual signature. Any Note may be executed on behalf of the Owner Trustee by any person who, on the actual date of said execution, shall be an Authorized Officer of the Owner Trustee, although on the date of such Note, or on the date of authentication or delivery thereof by the Indenture Trustee, such person shall not have been, or shall have ceased to be, an Authorized Officer of the Owner Trustee, and, in any such case, such Note may be authenticated and delivered by the Indenture Trustee with the same effect as though such person shall have been such Authorized Officer on the

date of such Note and on the date or dates of authentication and delivery thereof by the Indenture Trustee.

(b) No Note shall be valid, become obligatory for any purpose, be binding upon the Owner Trustee or be entitled to the benefits and security of this Indenture unless and until it shall have been authenticated by the Indenture Trustee by execution of a Certificate of Authentication thereon, in the form specified herein, which Certificate the Indenture Trustee is hereby authorized to execute upon the written order of the Owner Trustee and in accordance with the provisions of this Indenture. The authentication and delivery by the Indenture Trustee of any Note shall be conclusive evidence (and the only competent evidence), absent manifest error, that such Note has been duly issued hereunder and is entitled to the benefits and security of this Indenture.

Section 3.02. Method of Payment of Notes; Application of Payments. (a) The principal of and premium, if any, and interest on each Note shall be payable at the Principal Corporate Trust Office of the Indenture Trustee in immediately available funds. Notwithstanding the foregoing, and without any requirement that Notes be presented or surrendered (except as specified below), the Indenture Trustee shall, in accordance with instructions from the holder of any Note given by written notice to the Indenture Trustee at any time (but not less than five days before the date for any payment hereunder to be affected thereby), make payments of all amounts received by the Indenture Trustee and payable to such holder, by (i) transferring the amount to be distributed to such holder by wire in immediately available funds to such bank in the United States as shall have been specified in such notice for credit to the account of such holder maintained at such bank, (ii) making a check in immediately available funds available to such holder at such address as such holder shall have specified in such notice, or (iii) any other method so designated by such holder and reasonably acceptable to the Indenture Trustee. The execution and delivery of the Participation Agreement by the Note Purchaser shall be deemed to constitute the written notice by the Note Purchaser referred to above. In the case of any payment or prepayment that would discharge all indebtedness evidenced by a Note, such Note shall be surrendered promptly to the Indenture Trustee for cancellation; provided, however, that such requirement of surrender to the Indenture Trustee for cancellation shall not be a condition to such payment or prepayment; and provided, further, that if a holder of a Note fails to surrender such Note to the Indenture Trustee for cancellation within fifteen Business Days from the date of such payment or prepayment, such holder shall furnish to the Owner Trustee and the Indenture Trustee (i) such security and indemnity as may reasonably be required by each of them to save it harmless and (ii) evidence reasonably satisfactory to the Owner Trustee

and the Indenture Trustee of the destruction, loss or theft of such Note (the affidavit and undertaking of the Note Purchaser or any other institutional holder of a Note that is an Accredited Investor with a net worth of \$50 million or more being understood and agreed by the parties hereto to constitute adequate and sufficient security, indemnity and evidence with respect to such person under the foregoing provisions). In the case of any partial prepayment of the principal of any Note, such Note may be surrendered to the Indenture Trustee and a new Note issued in exchange for the unpaid principal portion thereof in accordance with the provisions of Article VI hereof.

The Owner Trustee and the Indenture Trustee may deem and treat the person in whose name any Note shall be registered in the Note Register as the absolute owner and holder of such Note (whether or not payment in respect of such Note shall be overdue) for the purpose of receiving payment of all amounts payable with respect to such Note, and for all other purposes. All payments to or upon the order of such person shall be valid and effective to satisfy and discharge the indebtedness evidenced by such Note to the extent of the sums so paid.

(b) In the case of each Note, each payment shall be applied as follows: first, to the payment of accrued but unpaid interest on such Note then due thereunder (including interest on overdue principal and premium, if any, and, to the extent that payment of such interest shall be enforceable under applicable law and collected by the Indenture Trustee, interest on overdue interest); second, to the payment of premium, if any, on such Note then due thereunder; and third, to the payment of the principal amount of such Note then due thereunder.

Section 3.03. Payments from Trust Indenture Estate Only. All payments of principal, premium, if any, and interest to be made under the Notes or hereunder to the holders of outstanding Notes shall be made only from the income and proceeds of the Trust Indenture Estate and only to the extent that the Indenture Trustee shall have sufficient income or proceeds from the Trust Indenture Estate to make such payments in accordance with the terms of this Indenture. Each holder of a Note, by its acceptance thereof, agrees that it shall look solely to the Trust Indenture Estate, to the extent available for distribution to such holder as herein provided, for payment from time to time of the indebtedness evidenced by such Note, and that neither the Indenture Trustee, the Owner Participant nor the Owner Trustee shall be liable in its individual capacity to such holder for any amounts payable in respect of the principal of or the premium, if any, or the interest on such Note.

Section 3.04. Withholding Taxes. The Indenture Trustee agrees to withhold from each payment due hereunder with respect to any Note held by any Non-U.S. Person withholding Taxes

at the appropriate rate under applicable law, and will, on a timely basis, deposit such amounts with an authorized depository and make such reports, filings and other reports in connection therewith, and in the manner, required under applicable law. The Indenture Trustee shall promptly furnish to the affected holders of Notes (but in no event later than thirty days after the due date thereof) U.S. Treasury Forms 1042S and Form 8109-B (or similar forms as at any relevant time in effect) indicating payment in full of any such withholding Taxes withheld from any payments by the Indenture Trustee to such Persons together with all such other information and documents reasonably requested by any affected holder of a Note to substantiate a claim for credit or deduction for income tax purposes in the country where the affected holder of a Note is located with respect thereto. Each transferee of a Note agrees to provide the Indenture Trustee and the Owner Trustee with such information (including any information required by appropriate government agencies) as is necessary for the Indenture Trustee to determine if withholding taxes are necessary because such transferee is a Non-U.S. Person.

ARTICLE IV

Registration, Registration of Transfer and Exchange of Notes

Section 4.01. Registration, Registration of Transfer and Exchange of Notes. The Owner Trustee shall maintain (or cause to be maintained) at the Principal Corporate Trust Office of the Indenture Trustee a register (the "Note Register") to provide for the registration and registration of transfer and exchange of the Notes. The Indenture Trustee is hereby appointed "registrar" for the purpose of registering Notes and transfer and exchange thereof. The Note Register shall be in written form. The names and addresses of the holders of Notes, and transfers of Notes, shall be registered in the Note Register under such reasonable regulations as the Indenture Trustee may prescribe. A holder of any Note intending to transfer such Note or intending to exchange such Note for Notes of different authorized denominations (whether for the purpose of combination or split-up) shall surrender such Note to the Indenture Trustee at its Principal Corporate Trust Office, together with a written request from such holder for the issuance of one or more new Notes, which written request shall specify the denomination or denominations of the same, and, in the case of a surrender for registration of transfer, the name, address and tax identification number of the transferee thereof; provided, however, that each holder of a Note, by acceptance thereof, agrees not knowingly to transfer such Note to the Lessee or any Affiliate of the Lessee. Promptly upon receipt by the Indenture Trustee of such Note and written request, the Indenture Trustee shall notify the Owner Trustee thereof and the Owner Trustee shall promptly execute and furnish to the Indenture Trustee for

authentication, and the Indenture Trustee shall thereupon authenticate and deliver, new Notes in the then aggregate unpaid principal amount of such surrendered Note, dated as provided in Section 4.03 hereof and in such authorized denomination or denominations and registered in the name of such person or persons as shall have been specified in such written request.

Section 4.02. Mutilated, Destroyed, Lost or Stolen Notes. Promptly upon receipt of (a) evidence reasonably satisfactory to the Owner Trustee of the mutilation, destruction, loss or theft of any Note, and (b) the written request by the holder of such Note, the Owner Trustee shall execute and furnish to the Indenture Trustee for authentication, and the Indenture Trustee shall thereupon authenticate and deliver, in replacement therefor, a new Note in the then aggregate unpaid principal amount thereof, registered in the name of the same holder and dated as provided in Section 4.03 hereof. If the Note to be replaced has become mutilated, such Note shall be surrendered to the Indenture Trustee for cancellation as a condition to the issuance of a new Note, as specified above. If the Note to be replaced has been destroyed, lost or stolen, the holder of such Note shall furnish to the Owner Trustee and the Indenture Trustee (a) such security and indemnity as may reasonably be required by each of them to save it harmless and (b) evidence reasonably satisfactory to the Owner Trustee and the Indenture Trustee of the destruction, loss or theft of such Note, and of the ownership thereof (the affidavit and undertaking of the Note Purchaser or of any other institutional holder of a Note that is an Accredited Investor with a net worth of \$50 million or more being understood and agreed by the parties hereto to constitute adequate and sufficient security, indemnity and evidence with respect to such person under the foregoing provisions).

Section 4.03. New Notes Generally; Payment of Expenses on Transfer of Notes. Each Note (hereinafter in this Section 4.03 called a "New Note") issued pursuant to Section 4.01 or 4.02 hereof in exchange or replacement for, or on registration of transfer of, any outstanding Note (hereinafter in this Section 4.03 called an "Old Note") shall be a valid obligation of the Owner Trustee, evidencing the same indebtedness as the particular Old Note (with appropriate adjustments in the case of exchanges involving combinations or split-ups), shall be entitled to the benefits and security of this Indenture to the same extent as the particular Old Note and, in the case of any New Note issued in replacement for one or more Old Notes, shall constitute an original additional contractual obligation of the Owner Trustee, whether or not said Old Notes shall be at any time enforceable by anyone. Each New Note shall be dated and shall bear interest from the date to which interest on the Old Note had been paid, unless no interest has been paid on such Old Note, in which case, it shall be dated the date of such Old Note and shall bear interest from such date. Notwithstanding the foregoing, New

Notes shall in any event be issued in such manner that no gain or loss of interest shall result solely from such issuance. All Old Notes surrendered to the Indenture Trustee shall be cancelled by the Indenture Trustee promptly upon proper authentication and delivery by the Indenture Trustee to the person entitled thereto of the New Note or New Notes issued pursuant to Section 4.01 or 4.02 hereof in exchange or replacement for, or on registration of transfer of, such Old Notes.

Upon the authentication and delivery of New Notes pursuant to Section 4.01 or 4.02 hereof, the Indenture Trustee may and, upon the request of the Owner Trustee, shall (with respect to matters affecting the Owner Trustee) require from the person requesting such New Notes payment of a sum sufficient to reimburse the Owner Trustee and the Indenture Trustee for, or to provide funds for, the payment of any tax or other governmental charge in connection with the issuance of such New Notes or in connection with such transfer.

Section 4.04. Indenture Trustee as Agent. The Owner Trustee hereby appoints the Indenture Trustee as its agent for the payment, registration, registration of transfer and exchange of Notes. Notes may, except as otherwise provided in Section 3.02 hereof, be presented for payment at, and notices or demands with respect to the Notes or this Indenture may be given or made at, the Principal Corporate Trust Office of the Indenture Trustee. The Indenture Trustee shall, promptly after receipt thereof, notify the Owner Trustee, the Lessee and the holders of the Notes of its receipt of any such notice or demand, but the failure of the Indenture Trustee so to notify any person shall not invalidate any such notice or demand, relieve the Owner Trustee of any of its obligations hereunder (except that any obligation that arises solely upon receipt of notice from the Indenture Trustee pursuant to this Section 4.04 shall be relieved by the failure of the Indenture Trustee so to notify the Owner Trustee), affect or impair any of the rights of the Indenture Trustee or the holders of the Notes hereunder or impose any duty or liability upon the holders of the Notes.

Section 4.05. Cancellation. The Owner Trustee at any time may deliver Notes to the Indenture Trustee for cancellation. The Indenture Trustee shall cancel and destroy cancelled Notes and promptly deliver a certificate of such destruction to the Owner Trustee.

ARTICLE V

Receipt, Distribution and Application of Income from the Trust Indenture Estate

Section 5.01. Lease Rent. Except as otherwise provided in Sections 5.02 and 12.06 hereof, each payment of Interim Rent and Basic Rent, as well as any payment of Supplemental Rent received by the Indenture Trustee (other than Excepted Rights) under the Lease (said Interim Rent, Basic Rent and Supplemental Rent being herein called collectively "Lease Rent"), including, in each case, any amounts in lieu thereof, shall be applied by the Indenture Trustee on the date on which such payment shall be due from the Lessee, or (if not then received by the Indenture Trustee) as soon thereafter as such payment shall be received by the Indenture Trustee (in each case, subject to the timely receipt of such amounts on such date by the Indenture Trustee), in the following order of priority:

First. So much of such payment as shall be required for that purpose shall be distributed and paid to the holders of Notes, without priority of one Note over any other Note, to pay in full the aggregate amount of principal, premium, if any, and interest (as well as any interest on overdue principal, premium, if any, and, to the extent that payment of such interest shall be enforceable under applicable law and an amount equal thereto shall have been received by the Indenture Trustee, overdue interest), then due in respect of the Notes; in case the aggregate amount to be distributed under this clause "First" shall be insufficient to pay in full such principal, premium, if any, and interest, then such distribution shall be made to each such holder as nearly as practicable in the proportion that the aggregate unpaid amount of principal, premium, if any, and interest then due on Notes outstanding held by such holder shall bear to the aggregate unpaid amount of principal, premium, if any, and interest then due on all Notes outstanding, without priority of any one Note over any other Note;

Second. So much of such payment as shall be required to reimburse then existing or prior holders of Notes for payments to the Indenture Trustee pursuant to Section 9.03 hereof (to the extent not previously reimbursed) shall be distributed to such then existing or prior holders of Notes; in case the aggregate amount to be distributed under this clause "Second" shall be insufficient to make the aforesaid reimbursement in full, then such distribution shall be made to each such person as nearly as practicable in the proportion that the aggregate amount of payments by such holder shall

bear to all unreimbursed payments by then existing and prior holders, without priority of any then existing or prior holder of Notes over any other then existing or prior holder of Notes;

Third. So much of such payment as shall be required to reimburse or pay the Indenture Trustee for any tax, expense, loss or fee (including counsel fees and disbursements) incurred by or due to the Indenture Trustee (to the extent not previously reimbursed and to the extent incurred in connection with its duties as Indenture Trustee) and as to which the Indenture Trustee is entitled to reimbursement in accordance with the terms hereof or of the Lease, shall, for that purpose, be retained by the Indenture Trustee; and

Fourth. The balance, if any, of such payment remaining thereafter shall be distributed to the Owner Trustee.

Section 5.02. Certain Other Payments; Mandatory Prepayment of Notes. (a) Except as otherwise provided in Section 12.06 hereof, any amount received by the Indenture Trustee (other than Excepted Rights), whether received from the Lessee pursuant to the Lease, from the Owner Trustee or from any other person, in connection with an event or circumstance referred to in Section 6.02 hereof shall in each case be distributed and paid forthwith by the Indenture Trustee in the following order of priority:

First. So much of such amount as shall be required to prepay Notes to be prepaid in accordance with Section 6.02 hereof shall be distributed to the holders of the Notes; in case the aggregate amount to be distributed under this clause "First" shall be insufficient to prepay in full, with appropriate accrued interest and applicable premium, if any, the Notes to be prepaid as provided in said Section 6.02, then such distribution shall be made to each such holder as nearly as practicable in the proportion that the aggregate unpaid principal amount of all Notes to be prepaid held by such holder, plus the accrued but unpaid interest thereon to the date fixed for prepayment, plus applicable premium, if any, thereon, payable with respect to such prepayment, shall bear to the aggregate unpaid principal amount of all the Notes to be prepaid, plus the accrued but unpaid interest thereon to the date fixed for prepayment, plus applicable premium, if any, thereon, without priority of one Note over any other Note;

Second. In the manner provided in clause "Second" of Section 5.01 hereof;

Third. In the manner provided in clause "Third" of Section 5.01 hereof; and

Fourth. In the manner provided in clause "Fourth" of Section 5.01 hereof.

(b) Except as otherwise provided in Section 12.06 hereof, any amounts received by the Indenture Trustee representing payments of insurance proceeds or payments from any governmental authority or other person with respect to any condemnation, requisition, confiscation, theft or seizure of, requisition of title to or use of, or loss or damage to, any Locomotive or any part thereof, not constituting a Casualty Occurrence or a Special Casualty Occurrence, shall be held by the Indenture Trustee in a special fund (subject to the lien of this Indenture) and be applied (and thereby be discharged from the lien of this Indenture) as follows: (i) in the case of the receipt by the Indenture Trustee of proceeds of Property Insurance and third party payments, not related to a Casualty Occurrence or a Special Casualty Occurrence, as referred to in Section 6.7 of the Lease, such proceeds and payments shall be applied in payment of, or in reimbursement to the Lessee for its payment of, the cost of repairs or replacement of the affected Locomotive or Locomotives in accordance with the provisions of said Section 6.7 of the Lease, but such payments shall be made only against Officer's Certificates of the Lessee, delivered to the Indenture Trustee from time to time as such repair or replacement shall progress or be completed and evidencing payment by the Lessee of an amount at least equal to the amount of the payments to be made to the Lessee pursuant to this subsection (b)(i) and certifying that no Lease Event of Default or Lease Default exists, and (ii) in the case of the receipt by the Indenture Trustee of payments not related to a Casualty Occurrence or a Special Casualty Occurrence, as referred to in Section 6.2 of the Lease, such payments shall be paid over to the Lessee against Officer's Certificates of the Lessee certifying that no Lease Event of Default or Lease Default exists. Pending the expenditure or other disposition of amounts in such special fund, such amounts shall, if the Lessee shall so elect, be invested and reinvested at the written direction of the Lessee in Permitted Investments, on the condition that the Lessee shall have theretofore undertaken in writing to pay to the Indenture Trustee the amount of any losses resulting from such investments in such manner and at such times as shall be acceptable to the Indenture Trustee. Such Permitted Investments shall mature as nearly as practicable at the time or times when payments shall be expected to be made to or at the direction of the Lessee as provided above, and the Indenture Trustee is authorized to sell any Permitted Investments purchased in accordance with this

Section 5.02 as and when necessary to make such payments. Unless a Lease Event of Default or Lease Default of which the Indenture Trustee shall have knowledge shall have occurred and be continuing (and in any event within 120 days after the aforesaid application of funds by the Indenture Trustee, if the Indenture Trustee shall not have declared the Lease to be in default within such period), the balance, if any, remaining after the aforesaid application of funds by the Indenture Trustee shall be paid promptly to the Owner Trustee.

Any amount otherwise payable under this subsection (b) which is not required to be paid to the Lessee solely because a Lease Event of Default or Lease Default of which the Indenture Trustee shall have knowledge shall have occurred and be continuing shall, unless and until the Lease shall have been declared in default pursuant to the provisions thereof or until the expiration of the 120-day period provided for in the preceding paragraph, be held by the Indenture Trustee and, after every Lease Event of Default or Lease Default shall have been cured, be paid to Lessee, or, upon such declaration of default, be applied as provided in Section 12.06 hereof.

(c) Notwithstanding any contrary provision of this Indenture, all payments received by the Indenture Trustee that are Excepted Rights or are otherwise not part of the Trust Indenture Estate shall promptly be paid over by the Indenture Trustee to the person entitled thereto.

(d) All payments and amounts from time to time distributable under this Indenture by the Indenture Trustee to the Owner Trustee shall, until receipt of written instructions of the Owner Trustee to the contrary, be paid by the Indenture Trustee directly to the Owner Participant if the Indenture Trustee shall have received from the Owner Participant written instructions as to the place and manner of payment thereof.

ARTICLE VI

Prepayment of Notes

Section 6.01. Method of Prepayment. No prepayment of any Notes may be made except to the extent and in the manner expressly permitted or required by the provisions of this Indenture. The Owner Trustee covenants and agrees that all prepayments of Notes (other than the prepayments included in the regular installment payments to be made with respect to the Notes pursuant to Section 2.02(b)(x) hereof) will be made to the holders of Notes entitled thereto in accordance with this Article VI.

Section 6.02. Mandatory Prepayment of Notes in Certain Circumstances. (a) The Notes shall be subject to prepayment, and shall be prepaid, at a prepayment price equal to the unpaid principal amount of the Notes to be prepaid in accordance therewith (without premium), plus accrued interest on such principal amount to the date fixed for prepayment, on the following terms:

If a Casualty Occurrence under the Lease shall have occurred with respect to any Locomotive or Locomotives, Notes shall be prepaid, in whole or in part, in an aggregate principal amount determined by multiplying the aggregate unpaid principal amount of outstanding Notes by a fraction, the numerator of which shall be the Purchase Price of the affected Locomotive or Locomotives and the denominator of which shall be the Purchase Price of all the Locomotives less the Purchase Price of any Locomotive or Locomotives in respect of which there shall previously have been a prepayment of Notes in accordance with the provisions (whether subsection (a) or (b)) of this Section 6.02 or otherwise. Such prepayment of Notes shall be effected on the Casualty Payment Date on which the Lessee shall be required by the provisions of Section 6.1 of the Lease to pay the Casualty Value in respect of such Casualty Occurrence.

(b) If a Special Casualty Occurrence under the Lease shall have occurred, the Notes shall be subject to prepayment and shall be prepaid, in whole or in part, at a prepayment price equal to the aggregate unpaid principal amount of the Notes so to be prepaid, plus accrued interest thereon to the date of prepayment, plus the Make Whole Premium. The aggregate principal amount of Notes to be prepaid with respect to any Special Casualty Occurrence shall be determined by multiplying the aggregate unpaid principal amount of outstanding Notes by a fraction, the numerator of which shall be the Purchase Price of the affected Locomotive or Locomotives and the denominator of which shall be the Purchase Price of all the Locomotives purchased by the Owner Trustee less the Purchase Price of any Locomotive or Locomotives in respect of which there shall previously have been a prepayment of Notes in accordance with the provisions (whether subsection (a) or (b)) of this Section 6.02 or otherwise. Such prepayment of Notes shall be effected on the date on which the Lessee shall be required to pay the Special Casualty Value in respect of such Special Casualty Occurrence by the provisions of (i) Section 6.9 of the Lease, if the Special Casualty Occurrence arises pursuant to the provisions thereof, or (ii) Section 6.10 of the Lease, if the Special Casualty Occurrence arises pursuant to the provisions thereof.

Section 6.03. Optional Prepayment of Notes. The Notes shall not be subject to prepayment at the option of the Owner Trustee.

Section 6.04. Allocation of Prepayments Among Notes. If Notes are to be prepaid in part at any time, the Indenture Trustee shall prorate the aggregate principal amount of Notes to be prepaid among all holders of Notes then outstanding in proportion (calculated to the nearest \$1) to the respective unpaid principal amount of Notes held by each holder.

Section 6.05. Notice of Prepayment. Not more than forty-five nor less than fifteen days prior to the date fixed for prepayment of any Notes pursuant to Section 6.02 hereof (without giving effect to clause (ii) of the definition of Casualty Payment Date in Annex A hereof), the Indenture Trustee shall give or cause to be given notice of such prepayment by certified mail, return receipt requested, postage prepaid, to the holder of each Note, at the last address of such holder appearing in the Note Register. Such notice shall (a) specify the date fixed for prepayment (subject to the matters discussed below), (b) state the principal amount of Notes to be prepaid on such date and, in the case of a partial prepayment of Notes, the principal installments thereof to be prepaid and that the prepayment price will be equal to the principal amount of Notes to be prepaid, plus a specified premium, if any, thereon, together with accrued interest to the date fixed for prepayment, (c) specify the provision of this Indenture pursuant to which such prepayment is being made, (d) state whether the holder to which such notice is given is required at any time to surrender its Note or Notes for prepayment (and specify the place and time for such surrender), and (e) state that, if insurance proceeds or other payments are received by the Indenture Trustee (with respect to the Casualty Occurrence or Special Casualty Occurrence, as the case may be, that gave rise to such prepayment) before the date fixed for prepayment in an amount sufficient to make such prepayment, the Indenture Trustee will, as promptly as practicable after receipt, make such prepayment.

Section 6.06. Surrender of Notes; Payment. If notice of prepayment shall have been given as provided in Section 6.05 hereof, the Notes (or specified principal amounts thereof) designated for prepayment shall become due and payable on the date specified in said notice, together with the applicable premium, if any, thereon and interest accrued on the principal amounts to be prepaid to such date fixed for prepayment. On such date such Notes, or the specified principal amounts thereof, to be prepaid shall be prepaid, together with the applicable premium, if any, thereon and interest accrued on the principal amounts to be prepaid to the date fixed for prepayment. Interest on the principal amounts of the Notes to be prepaid shall cease to accrue after the date fixed for prepayment unless default shall be made in the payment of such principal amounts, premium, if any, or accrued interest payable in connection therewith, in which case such Note shall bear interest thereafter, payable on demand, at a rate equal to the Overdue Rate.

Upon partial prepayment of any Note, the Owner Trustee shall, promptly upon request of the holder of such Note and the surrender of such Note to the Indenture Trustee, execute and furnish to the Indenture Trustee for authentication, and the Indenture Trustee will promptly authenticate and deliver, in each case without charge to the holder thereof, in exchange therefor, one or more new Notes in an aggregate principal amount equal to the principal amount of such Note remaining unpaid. Each new Note so issued shall be registered in the name of the person who shall have been the holder of the Note so surrendered, and the same shall be dated as provided in Section 4.03 hereof. The regular installment payments on each such new Note (and on any Note partially prepaid hereunder without surrender thereof to the Indenture Trustee) shall be reduced by an amount equal to (i) the amount of such regular installment payment of such Note prior to such prepayment multiplied by (ii) a fraction of which the numerator is the principal amount of such Note prepaid and the denominator is the principal amount of such Note immediately prior to such prepayment. All Notes surrendered for prepayment pursuant to this Article VI shall be cancelled by the Indenture Trustee promptly upon such prepayment and/or the proper authentication and delivery by the Indenture Trustee to the person entitled thereto of the new Note or Notes issued pursuant to the foregoing provisions of this Section 6.06.

For the purposes of the preceding paragraph, regular installments of principal and interest due on any date fixed for partial prepayment of Notes pursuant to Section 6.02 hereof, if received when due, shall be deemed paid prior to such partial prepayment.

Section 6.07. Information to Indenture Trustee. At least thirty days (or such shorter period acceptable to the Indenture Trustee) prior to any prepayment of Notes pursuant to Section 6.02 hereof, the Owner Trustee shall furnish, or cause to be furnished, to the Indenture Trustee, in writing, all pertinent information required to be included in the notice to be given by the Indenture Trustee pursuant to Section 6.05 hereof and described in subsections (a), (b) and (c) of Section 6.05 hereof.

ARTICLE VII

Possession, Use of Proceeds and Release of Trust Indenture Estate

Section 7.01. Receipt of Lease Rent by Indenture Trustee. The Indenture Trustee shall receive and collect directly, without the intervention or assistance of any fiscal agent or other intermediary, all Lease Rent and all other amounts Granted to the Indenture Trustee hereunder, and shall disburse

the same upon and subject to the terms and conditions of this Indenture.

Section 7.02. Takings. The Owner Trustee shall, within three Business Days after a Responsible Officer of the Owner Trustee obtains knowledge of the institution or threatened institution of any proceedings for the taking of any portion of or interest in the Leased Property, notify the Indenture Trustee thereof. The Indenture Trustee may, and, at the request of and upon satisfactory indemnification pursuant to Section 9.03 hereof by a Majority in Interest of Noteholders, the Indenture Trustee shall, participate, but not to the exclusion of the Owner Trustee, in any such proceedings. The Owner Trustee shall deliver, or cause to be delivered, to the Indenture Trustee all instruments requested by the Indenture Trustee to permit such participation. In any such proceedings, the Indenture Trustee may be represented by counsel reasonably satisfactory to the Owner Trustee.

Section 7.03. Partial Release of Trust Indenture Estate. Upon receipt of an amount equal to the Aggregate Casualty Payment or the amounts required to be paid under Section 6.9 or 6.10 of the Lease, as the case may be, the Indenture Trustee shall, promptly after written request therefor from the Owner Trustee, execute and deliver any financing statement amendments or other instruments, in form and substance reasonably satisfactory to the Indenture Trustee, necessary or desirable to release from the lien of this Indenture any Locomotive with respect to which a Casualty Occurrence or Special Casualty Occurrence shall have occurred (together with the Purchase Agreement to the extent the Purchase Agreement relates to such Locomotive).

Section 7.04. Termination of Interest in Trust Indenture Estate. A holder of a Note shall have no further interest in, or other right, power or privilege in respect of, the Trust Indenture Estate when and if the principal of and premium, if any, and interest on all Notes then outstanding and held by such holder, and all other sums payable to such holder hereunder and under such Notes, shall have been duly paid in full.

ARTICLE VIII
Particular Covenants and Agreements of
the Owner Trustee

Section 8.01. Payment of Principal, Premium and Interest. The Owner Trustee covenants and agrees that it will duly and punctually pay the interest and premium, if any, coming due and the principal maturing or otherwise becoming payable, whether at stated maturity or by acceleration, call for

prepayment or otherwise, in respect of the Notes on the dates and in the manner provided in, and in accordance with, this Indenture and the Notes, according to the true intent and meaning hereof and thereof. The Owner Trustee covenants and agrees that if due and punctual payment of the principal of and premium, if any, and interest on any Notes is not made, it will, upon demand by the Indenture Trustee, pay to it, for the benefit of the holders of such Notes, the whole amount then due and payable with respect to such Notes in accordance with the terms hereof and thereof. This Section 8.01 is hereby made expressly subject to Sections 3.03 and 9.10 hereof.

Section 8.02. Corporate Existence. (a) The Owner Trustee in its individual capacity covenants and agrees that it will do, or cause to be done, all things necessary to preserve and keep in full effect its existence, franchises, rights and privileges as a Delaware banking corporation to the extent necessary to preserve the legality, validity and enforceability of the Notes and the full benefits and security of this Indenture for the Notes and for the Indenture Trustee and the holders of the Notes.

(b) The Owner Trustee covenants and agrees (i) in its individual capacity that it will continue to be empowered under the laws of the State of Delaware and the United States of America to exercise such trust powers as may be necessary or appropriate for the purposes of this Indenture, (ii) in its trustee capacity that so long as any of the Notes shall be outstanding, the Owner Trustee will not terminate the Trust Agreement except as contemplated by the Operative Documents, and (iii) in its individual capacity that so long as any of the Notes shall be outstanding, the Owner Trustee in its individual capacity will not terminate the Trust Agreement except as contemplated by the Operative Documents, provided, however, that notwithstanding anything in this Indenture or in any of the other Operative Documents to the contrary, the Owner Trustee shall not be answerable, accountable or liable under any circumstances in its individual capacity with respect to this Section 8.02(b) except for the willful misconduct or gross negligence of the Owner Trustee in its individual capacity, and provided, further, that nothing in clauses (ii) or (iii) of this Section 8.02(b) shall impair any right of the Owner Trustee in its individual capacity under Section 10.01 of the Trust Agreement to resign as the Owner Trustee.

Section 8.03. Performance of Covenants; Authority. The Owner Trustee covenants and agrees that, to the extent not inconsistent with the provisions of this Indenture, it will faithfully perform and observe at all times any and all covenants, undertakings, stipulations and provisions to be performed by it under the Lease, the Trust Agreement, the Purchase Agreement Assignments, the Participation Agreement and

this Indenture, and under each and every Note executed and delivered hereunder.

Section 8.04. Certain Covenants with Respect to Agreements. Anything in the Trust Agreement to the contrary notwithstanding, but subject to Article 12 hereof, the Owner Trustee covenants and agrees that, so long as any of the Notes shall be outstanding and except as expressly provided in the Swedish Financing Documents:

(a) the Owner Trustee will not, without the prior written consent of the Indenture Trustee, enter into any agreement or take or consent to any action subordinating, amending, modifying, supplementing, releasing, terminating or otherwise affecting the Lease, the Purchase Agreement, any Purchase Agreement Assignment, any sublease of a Locomotive or any Bill of Sale, or waiving, excusing, rescinding, avoiding, disaffirming, abating, suspending, deferring, impairing, compromising or settling any obligation thereunder or any liability consequent thereon, whether or not there shall have occurred any Lease Event of Default, Lease Default or default, breach or failure to perform under or in respect of the Purchase Agreement, any Purchase Agreement Assignment, any sublease of a Locomotive or any Bill of Sale, and notwithstanding any bankruptcy, insolvency, reorganization, readjustment, liquidation, dissolution, winding-up or other proceeding against or affecting the Lessee, the Owner Participant, the Owner Trustee, the Manufacturer or any other person, and notwithstanding any action with respect to the Lease, the Purchase Agreement, any Purchase Agreement Assignment, any sublease of a Locomotive or any Bill of Sale which may be taken by an assignee, receiver or trustee in bankruptcy (or other similar official) or other party to, or the court, referee, bankruptcy judge or officer or officers in, any such proceeding (any action or attempted action by the Owner Trustee contrary to this Section 8.04, unless and until subsequently approved, ratified and confirmed in writing by the Indenture Trustee, being void and of no effect);

(b) the Owner Trustee will not enforce any rights, powers and privileges under or in respect of the Lease, the Purchase Agreement, any Purchase Agreement Assignment, any sublease of a Locomotive or any Bill of Sale, except to the extent of instructions received in writing from the Indenture Trustee, and the Indenture Trustee is empowered to exercise, during the continuance of any Lease Event of Default, in place of the Owner Trustee, the remedies of the Lessor under the

Lease (including the power of the Lessor to declare the Lease to be in default pursuant to the provisions thereof); and subject to the provisions of the second proviso to this Section 8.04(b) the Indenture Trustee, acting directly or through counsel or other authorized representatives, shall have the exclusive power to direct and control all proceedings of any nature involving the Owner Trustee with respect to the Lease, the Purchase Agreement, any Purchase Agreement Assignment, any sublease of a Locomotive and any Bill of Sale, including, without limitation, the giving or making of any notice, consent, waiver or demand, the institution and conduct of any legal proceedings, the making of any agreements incident to such proceedings (and the settlement or other disposition of any such proceedings) and the taking of any one or more of the foregoing actions with respect to such agreements and instruments; provided, however, that the Indenture Trustee shall not have any rights, powers and privileges in respect of Excepted Rights; and provided, further, that if no Indenture Event of Default or Indenture Default of which a Responsible Officer of the Indenture Trustee shall have knowledge shall have occurred and be continuing, the Indenture Trustee will not take any such action under or in connection with any such agreements or instruments, or enforce the same or give any notice, consent or approval, or make any demand for payment, under or in connection with any of the foregoing, without, in each case, the prior written consent of the Owner Trustee;

(c) except to the extent that the same have been properly paid to the Owner Trustee by the Indenture Trustee, the Owner Trustee will remit to the Indenture Trustee, forthwith upon receipt, all monies and property of any kind received by it under or in respect of the Lease, the Purchase Agreement, any Purchase Agreement Assignment, any sublease of a Locomotive or any Bill of Sale (other than Excepted Rights), without offset, counterclaim, deduction, suspension, abatement or diminution, and, subject to the rights of the Owner Trustee to receive amounts upon and subject to the terms and conditions of Article V and Section 12.06 hereof, the Owner Trustee will not seek to recover from the Indenture Trustee any monies paid to the Indenture Trustee by virtue of this Section 8.04;

(d) the Owner Trustee hereby constitutes and appoints the Indenture Trustee its true and lawful agent and attorney-in-fact, irrevocably, with full power (in the name of the Owner Trustee or otherwise but subject to the provisions of subsection (b) of this

Section 8.04 to ask, require, demand and receive, and to give acquittance for, any and all monies and claims for monies payable and to become payable to the Owner Trustee from the Lessee or any other persons under or arising out of the Lease, the Purchase Agreement, any Purchase Agreement Assignment, any sublease of a Locomotive or any Bill of Sale (other than Excepted Rights), to endorse any checks or other instruments or orders in connection therewith, to give instructions and to file any claims, institute any proceedings, take any action or exercise any right, power or privilege permitted under any of the aforesaid agreements or instruments which the Indenture Trustee may deem to be necessary or advisable in the premises, and, if an Indenture Event of Default shall have occurred and be continuing, to make any settlements in connection therewith;

(e) the Owner Trustee hereby agrees that if at any time, or from time to time, any property is to be added to the property then constituting the Trust Indenture Estate pursuant to clause "Fourth" of the Granting Clauses hereof, it will duly and promptly, upon the written request of the Indenture Trustee execute and deliver an Indenture Supplement in respect thereof; provided, however, that the Indenture Trustee shall provide the execution form of any such Indenture Supplement to the Owner Trustee. In the event that particular Locomotives are to be expressly and specifically subjected to the lien of this Indenture, the Owner Trustee will promptly execute and deliver an Indenture Supplement substantially in the form of Appendix B hereof; provided, however, that the Indenture Trustee shall provide the execution form of any such Indenture Supplement to the Owner Trustee;

(f) the Owner Trustee, at any time and from time to time upon the written request of the Indenture Trustee, will duly and promptly execute and deliver any and all such further agreements, instruments and other documents as the Indenture Trustee may deem desirable to obtain the full benefits of the Grants herein made; provided, however, that Indenture Trustee shall provide the execution form of any such further agreements, instruments and other documents to the Owner Trustee;

(g) the Owner Trustee hereby represents and warrants that it has not Granted, and hereby covenants that it will not, except as expressly contemplated or permitted by this Indenture, Grant, any of its rights,

title or interest hereby Granted, to anyone other than the Indenture Trustee; and

(h) the Owner Trustee will not, except as expressly contemplated or permitted by this Indenture, take, suffer or omit to take any action, the taking, suffering or omission of which might result in an alteration or impairment of any agreement or instrument referred to in the preceding subsection (b) of this Section 8.04, or of any interests, rights, powers, privileges or immunities granted, confirmed or created by any such agreement or instrument.

Section 8.05. Recording, etc. The Owner Trustee covenants and agrees that, so long as any of the Notes shall be outstanding, at any time and from time to time, upon the written request of the Indenture Trustee, it shall promptly and duly execute and deliver any and all such further instruments and documents as may be specified in such request and as are necessary or desirable to maintain and preserve the lien of this Indenture; and, upon request, shall cooperate in connection with the proper filing, recording, registration, refiling, re-recording and re-registration of this Indenture or any Indenture Supplement, as the case may be, so as to make and keep effective the lien on the Trust Indenture Estate intended to be created hereby, paying all required taxes and filing, recording and registration fees in connection therewith and executing and delivering Uniform Commercial Code Financing Statements and continuation statements with respect thereto or such instruments of further assurance as the Indenture Trustee may from time to time reasonably request to evidence the protection of the lien of this Indenture and the interests, rights, powers, privileges and immunities conferred or intended to be conferred upon the Indenture Trustee and the holders of the Notes hereby; provided, however, that the Indenture Trustee shall provide execution forms of such financing statements, continuation statements and instruments of further assurance to the Owner Trustee.

ARTICLE IX

Rights and Duties of the Indenture Trustee and the Owner Trustee

Section 9.01. Rights of Indenture Trustee. The Indenture Trustee shall have the right, power and authority at all times to do all things not inconsistent with the provisions of this Indenture that it deems necessary or advisable in order (a) to enforce the provisions of this Indenture, (b) to take any action with respect to an Indenture Event of Default, (c) to institute, appear in or defend any suit or other proceeding with respect to an Indenture Event of Default, or (d) otherwise to

protect the interests of the holders of the Notes at any time outstanding.

Section 9.02. Notice of Indenture Events of Default; Action upon Instructions. (a) If the Owner Trustee or the Indenture Trustee shall have knowledge of an Indenture Event of Default or Indenture Default, it shall give prompt written notice thereof to the Indenture Trustee (if such notice shall be given by the Owner Trustee), the Owner Trustee (if such notice shall be given by the Indenture Trustee) and the holders of Notes then outstanding. For all purposes of this Indenture, in the absence of actual knowledge on the part of an officer in its Corporate Trust Department, the Indenture Trustee shall be deemed not to have knowledge of an Indenture Event of Default or an Indenture Default (except the failure of Lessee to pay any installment of Basic Rent within one Business Day after the same shall become due, if any portion of such installment was then required to be paid to the Indenture Trustee, which failure shall constitute knowledge of an Indenture Event of Default) unless notified in writing by Lessee, the Owner Trustee, the Owner Participant or one or more holders of the Notes. Subject to the provisions of Section 9.03 hereof, the Indenture Trustee shall take such action, or refrain from taking such action, with respect to such Indenture Event of Default or Indenture Default as the Indenture Trustee shall be instructed in writing to take, or to refrain from taking, by a Majority in Interest of Noteholders. If the Indenture Trustee shall not have received written instructions as above provided within twenty days after the aforesaid notice shall have been delivered by the Owner Trustee or the Indenture Trustee, as the case may be, the Indenture Trustee shall take such action, or refrain from taking such action, in each case as may be permitted hereunder, with respect to such Indenture Event of Default or Indenture Default as it shall determine to be advisable and in the best interests of the holders of the Notes; provided, however, that, during the continuance of any Indenture Event of Default hereunder (whether before or after giving the aforesaid written notice thereof), the Indenture Trustee shall, subject to any instructions received from a Majority in Interest of Noteholders, exercise such of the rights and powers vested in it by this Indenture, and shall use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs, and every provision of this Indenture relating to the conduct or affecting the liability of, or affording protection to, the Indenture Trustee shall be subject to this proviso, during the continuance of any Indenture Event of Default, whether or not therein expressly so provided.

(b) Subject to the provisions of Sections 9.03, 12.10 and 12.12 hereof, upon the written instructions at any time and from time to time of a Majority in Interest of Noteholders, the Indenture Trustee shall take such of the following actions with

respect to the Trust Indenture Estate as may be specified in such instructions: (i) give any notice, direction, waiver or consent, or exercise any right, power, privilege or remedy, hereunder or under or in respect of the Lease, the Purchase Agreement, any Purchase Agreement Assignment, any sublease of a Locomotive or any Bill of Sale, or under or in respect of any agreement, instrument or other document contemplated by any of the foregoing, or in respect of all or any portion of the Trust Indenture Estate, or take any other action as shall be specified in such instructions (including, without limitation, performance of any obligations of the Owner Trustee as Lessor under the Lease); and (ii) approve as satisfactory to it all matters required by the terms of any of the foregoing agreements or instruments to be satisfactory to the Indenture Trustee.

(c) The Indenture Trustee shall execute and deliver, and shall file, record or register, or cause to be filed, recorded or registered, such instruments, documents, deeds, conveyances, financing statements and continuation statements relating to the lien of this Indenture as may be specified from time to time by written instructions from a Majority in Interest of Noteholders (which instructions shall be accompanied by execution forms of any such instruments, documents, deeds, conveyances, financing statements and continuation statements).

Section 9.03. Indemnification. The Indenture Trustee shall not be required to take action, or to refrain from taking action, in accordance with instructions from holders of Notes pursuant to Section 9.02 or Article XII hereof unless one or more holders of Notes then outstanding shall have agreed to indemnify the same, in manner and form reasonably satisfactory to the Indenture Trustee, against any reasonable liability, cost or expense (including reasonable counsel fees and disbursements) which may be incurred in connection therewith (the affidavit and undertaking of the Note Purchaser or of any other institutional holder of a Note being understood and agreed by the Indenture Trustee to constitute satisfactory indemnity under the foregoing provision), and any amounts paid by any holders of Notes under this Section 9.03 or otherwise hereunder shall constitute indebtedness hereunder secured by the lien of this Indenture on the Trust Indenture Estate. The Indenture Trustee shall not be required to take or refrain from taking any particular action in accordance with instructions from a Majority in Interest of Noteholders pursuant to Section 9.02 or Article XII hereof, nor shall any other provision of this Indenture be deemed to impose a duty on the Indenture Trustee to take or refrain from taking any particular action, if the Indenture Trustee shall have received an opinion of counsel, in form and substance reasonably satisfactory to a Majority in Interest of Noteholders, that the Indenture Trustee's taking or refraining from taking such action would violate the terms hereof or applicable law.

Section 9.04. No Duties Except as Specified in Indenture or Instructions. The Indenture Trustee shall not have any duty or obligation to manage, control, use, sell, dispose of or otherwise deal with the Trust Indenture Estate (except any monies and securities held by the Indenture Trustee in accordance with the provisions of this Indenture), or otherwise to take or refrain from taking action under or in respect of this Indenture, except as otherwise expressly provided by the terms of this Indenture (including the proviso to the final sentence of Section 9.02(a) hereof) or as otherwise provided in written instructions received pursuant to Section 9.02 or Article XII hereof; and no implied duties or obligations in respect thereof shall be read into this Indenture against the Indenture Trustee.

Notwithstanding the foregoing, the Indenture Trustee agrees that it will (a) examine all written materials received by it under or in respect of this Indenture, with a view to determining whether such materials comply as to form with the terms of this Indenture, and (b) at its own cost and expense, forthwith take such action as may be necessary duly to discharge and satisfy of record all Liens on the Trust Indenture Estate, however arising, which result from acts of or claims against the Indenture Trustee and which arise in a manner unrelated to the administration of the Trust Indenture Estate in accordance with the terms of this Indenture or which arise from the Indenture Trustee's negligence or willful misconduct.

Section 9.05. No Action Except Under Indenture or Upon Instructions. The Indenture Trustee agrees that it will not manage, control, use, sell, dispose of or otherwise deal with the Trust Indenture Estate except in accordance with the powers granted to, or the authority conferred upon, it in or pursuant to this Indenture.

Section 9.06. Acceptance of Trusts and Duties. The Indenture Trustee accepts the trusts hereby created and agrees to perform the duties herein required of it, and to exercise the rights, powers and privileges herein conferred upon it, upon and subject to the terms and conditions hereof, and agrees to hold its interest in, and to receive and disburse all proceeds of, the Trust Indenture Estate, but only upon the terms of this Indenture.

Section 9.07. Limitation of Duties. Except in accordance with written instructions received pursuant to Section 9.02 or Article XII hereof or as otherwise expressly provided herein, and except as otherwise expressly provided in (and without limiting the generality of) Section 9.04 hereof and the proviso to the final sentence of Section 9.02(a) hereof, the Indenture Trustee shall not have a duty (a) to effect or maintain any filing, recording or registration of this Indenture or any other document, (b) to pay or discharge any tax, assessment or other governmental charge or any Lien of any kind owing with

respect to, or assessed, levied or imposed upon, any portion of the Trust Indenture Estate, (c) to verify any financial statements of the Lessee, or (d) to inspect the Trust Indenture Estate (other than any monies or securities held by the Indenture Trustee in accordance with the provisions of this Indenture). Notwithstanding the foregoing, the Indenture Trustee shall furnish to the Note Purchaser, so long as it or its nominee shall hold any of the Notes, and to each subsequent holder of the Notes then outstanding, promptly upon receipt by the Indenture Trustee thereof, duplicates or copies of all reports, notices, requests, demands, certificates, financial statements and other instruments or papers furnished to or received by the Indenture Trustee hereunder or in respect hereof and not otherwise required by the terms of this Indenture, the Participation Agreement or the Lease to be delivered to the holders of outstanding Notes.

Section 9.08. No Representations or Warranties as to Trust Indenture Estate or Agreements. Neither the Owner Trustee (in its individual capacity or as trustee) nor the Indenture Trustee makes or has made, or shall be deemed to make or have made (a) ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE TITLE, VALUE, QUALITY, DURABILITY, COMPLIANCE WITH SPECIFICATIONS, CONDITION, DESIGN, OPERATION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE OR PURPOSE OF THE LOCOMOTIVES, OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO ANY OF THE LOCOMOTIVES (which Locomotives were selected by the Lessee on the basis of its own judgment without reliance upon any statements, representations or warranties made by the Owner Trustee or the Indenture Trustee) except as expressly set forth in the Participation Agreement and except that the Owner Trustee in its individual capacity hereby represents and warrants to the Indenture Trustee and each of the holders of the Notes that the Locomotives are and will remain free of Lessor's Liens attributable to the Owner Trustee in its individual capacity, and (b) any representation or warranty as to the legality, validity, binding effect or enforceability of the Participation Agreement, the Trust Agreement, this Indenture, the Lease, the Purchase Agreement, any Purchase Agreement Assignment, any sublease of a Locomotive or any Bill of Sale, or as to the correctness of any statement (other than their own) contained in any thereof, except that the Owner Trustee in its individual capacity and the Indenture Trustee in its individual capacity each hereby represents and warrants to each of the holders of the Notes that, with respect to this Indenture and the Participation Agreement, and, in the case of the Owner Trustee in its individual capacity, with respect to each of said other documents to which the Owner Trustee is a party, (i) it has the legal power and authority to execute, deliver and perform such documents and (ii) each of such documents executed by such Trustee has been duly executed and delivered by it.

Section 9.09. Reliance; Agents; Advice of Counsel; Notices. Except as otherwise provided by the terms of this Indenture (including the proviso to the final sentence of Section 9.02(a) hereof), the Indenture Trustee shall enjoy the following privileges and immunities: (a) it shall incur no liability to anyone in acting upon any signature, instrument, notice, resolution, request, instruction, consent, direction, order, certificate, report, opinion or other document or paper reasonably believed by it to be genuine and to have been signed by the proper person or persons; (b) it may accept a copy of a resolution of the Board of Directors of the Lessee certified by the Secretary or an Assistant Secretary thereof as conclusive evidence that such resolution has been duly adopted by said Board and is in full force and effect; (c) as to any other fact or matter the manner of ascertainment of which is not specifically set forth herein, it may for all purposes hereof rely on an Officer's Certificate as to such fact or matter, and such Officer's Certificate shall constitute full protection to it for any action reasonably taken, suffered or omitted to be taken by it in good faith reliance thereon; and (d) in the administration of the trusts created by this Indenture, it may perform its powers and duties hereunder through agents or attorneys, and may consult with counsel, accountants and other skilled persons, provided, in each case, that the same shall have been selected by it with due care.

Section 9.10. Not Acting in Individual Capacity. It is expressly understood and agreed by and among the Owner Trustee, the Indenture Trustee, the holder of any Note and their respective successors and assigns that (a) this Indenture (except as stated below) and each Note have been or will be executed and delivered by the Owner Trustee not in its individual capacity, but solely as trustee under the Trust Agreement in the exercise of the power and authority conferred on and vested in it as such trustee; (b) except as expressly provided in (i) subsections (a), (b)(i) and (b)(iii) of Section 8.02 hereof; (ii) Section 9.08 hereof; (iii) the last sentence of this Section 9.10; and (iv) Section 5(c), Section 8(b)(ii), subsections (a), (d), (g) and (h) of Section 11 and Section 14 of the Participation Agreement, as they relate to the Owner Trustee in its individual capacity, nothing contained in this Indenture or in any Note shall be construed as creating any liability of the Owner Trustee, in its individual capacity, for failure to perform any covenant, either expressed or implied, or for the inaccuracy of any representation or warranty, contained herein or therein, all such liability (except as aforesaid) being expressly waived by the Indenture Trustee and the holder of any Note, and by each and every person now or hereafter claiming by, through or under any such person; and (c) so far as the Owner Trustee, individually or personally, is concerned, the Indenture Trustee and the holder of any Note, and any person claiming by, through or under any such person, shall (except as aforesaid) look solely to the Trust

Indenture Estate for the payment of any indebtedness or liability evidenced by any Note or resulting from the non-performance by the Owner Trustee (as trustee or in its individual capacity, as the case may be) of any covenant, or the inaccuracy of any representation and warranty made by the same, hereunder or thereunder. Notwithstanding the foregoing, (i) the Owner Trustee (in its individual capacity) shall furnish to the Indenture Trustee, promptly upon receipt by the Owner Trustee thereof, duplicates or copies of all reports, notices, requests, demands, certificates, financial statements and other instruments or papers furnished to or received by the Owner Trustee under or in connection with the Lease, the Purchase Agreement, any Purchase Agreement Assignment, any sublease of a Locomotive and any Bill of Sale, and not otherwise furnished to the Indenture Trustee pursuant to any Operative Document; and (ii) upon the transfer of any beneficial interest of the Owner Participant in accordance with Section 12 of the Participation Agreement and Section 12.09 of the Trust Agreement, the Owner Trustee (in its individual capacity) shall give prompt written notice to the Indenture Trustee of the name and address of the person or persons to whom such interest shall have been transferred, and shall furnish to the Indenture Trustee in writing (x) the name of the transferor and the amount of the beneficial interest transferred, and (y) copies of all documents furnished to the Owner Trustee in connection with the transfer of such beneficial interest; provided, however, that notwithstanding anything in this Indenture or in any of the other Operative Documents to the contrary, the Owner Trustee in its individual capacity shall not be answerable, accountable or liable under any circumstances with respect to the matters described in clause (i) and (ii) of this sentence except for the willful misconduct or gross negligence of the Owner Trustee in its individual capacity.

ARTICLE X

Successor Trustees, Separate Trustees and Co-Trustees

Section 10.01. Successor Owner Trustees. In the case of any appointment of a successor Owner Trustee pursuant to Article X of the Trust Agreement, or any merger, conversion, consolidation or transfer of substantially all the assets of the Owner Trustee, the successor Owner Trustee shall give prompt written notice thereof to the Indenture Trustee and the holders of Notes then outstanding.

Section 10.02. Successor Indenture Trustees. (a) The Indenture Trustee may resign at any time with or without cause by giving at least sixty days' prior written notice to the Owner Trustee, the Owner Participant and the holders of the Notes then outstanding, such resignation to become effective on the acceptance of appointment by a temporary or successor Indenture

Trustee, as the case may be, pursuant to the provision of subsection (b) of this Section 10.02. In addition, a Majority in Interest of Noteholders at any time and from time to time, with or without cause, may remove the Indenture Trustee by an instrument in writing delivered to the Owner Trustee, the Owner Participant and the Indenture Trustee, such removal to become effective at the time designated in such instrument; and, in such event, the Indenture Trustee shall promptly notify the Owner Trustee, the Owner Participant and the holders of Notes then outstanding thereof in writing. In the case of the resignation or removal of the Indenture Trustee, a Majority in Interest of Noteholders may appoint a successor Indenture Trustee (which successor Indenture Trustee shall be reasonably acceptable to the Owner Participant) by an instrument signed by such holders, a copy of which instrument shall be sent to the Owner Participant. If a successor Indenture Trustee shall not have been appointed by a Majority in Interest of Noteholders within sixty days after any such resignation or removal, the Indenture Trustee or any holder of a Note then outstanding may apply to any court of competent jurisdiction to appoint a successor Indenture Trustee to act until such time, if any, as a successor Indenture Trustee shall have been appointed by a Majority in Interest of Noteholders as above provided. Any successor Indenture Trustee so appointed by such court shall immediately and without further act or instrument be superseded by any successor Indenture Trustee appointed by a Majority in Interest of Noteholders as above provided which shall have accepted such appointment in accordance with the provisions of subsection (b) of this Section 10.2.

In the case of any removal of the Indenture Trustee in accordance with the provisions of the preceding paragraph, the Owner Trustee shall, whenever necessary to avoid or fill a vacancy in the office of the Indenture Trustee, appoint a temporary Indenture Trustee to act until a successor Indenture Trustee shall be appointed in either of the manners provided in the preceding paragraph (such temporary Indenture Trustee being superseded, immediately and without further act or instrument, by any successor Indenture Trustee so appointed which shall have accepted such appointment in accordance with the provisions of subsection (b) of this Section 10.02).

(b) Any temporary or successor Indenture Trustee, whether appointed by the Owner Trustee, a Majority in Interest of Noteholders or a court, shall execute and deliver to the Owner Trustee and the predecessor Indenture Trustee an instrument accepting such appointment, a copy of which instrument shall be sent to the Owner Participant, and thereupon such temporary or successor Indenture Trustee, without further act or instrument, shall become vested with all the interests, properties, rights, powers and privileges, and be required to perform all the duties and execute all the trusts, of the predecessor Indenture Trustee hereunder with like effect as if originally named the Indenture

Trustee herein; nevertheless, upon the written request of such temporary or successor Indenture Trustee, such predecessor Indenture Trustee shall execute and deliver an instrument transferring to such temporary or successor Indenture Trustee, upon the trusts herein expressed, all the interests, properties, rights, powers and privileges of such predecessor Indenture Trustee. In either event, such predecessor Indenture Trustee shall duly assign, transfer, deliver and pay over to such temporary or successor Indenture Trustee all monies, securities and other property then held by such predecessor Indenture Trustee hereunder.

(c) Notwithstanding the foregoing provisions of this Section 10.02, no person may act as temporary or successor Indenture Trustee hereunder unless such person shall have a combined capital and surplus of a least \$75,000,000 (or such lesser amount acceptable to the Owner Trustee and a Majority in Interest of Noteholders).

(d) Any corporation into which the Indenture Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Indenture Trustee shall be a party, or any person to which substantially all the assets of the Indenture Trustee (or substantially all the corporate trust business of the Indenture Trustee) may be transferred, shall, subject to compliance with the provisions of subsection (c) of this Section 10.02, be the Indenture Trustee under this Indenture without further act or instrument, and any such corporation or person shall promptly notify the Owner Trustee and the holders of Notes then outstanding of any such event; provided, however, that, upon the written request of any holder of a Note then outstanding, such successor Indenture Trustee shall execute and deliver to all holders of Notes then outstanding an instrument acknowledging its position as Indenture Trustee and assuming the obligations of the Indenture Trustee hereunder.

Section 10.03. Appointment of Additional Trustees, Separate Trustees and Co-Trustees. (a) Whenever the Indenture Trustee shall, in the exercise of due care, deem such action necessary or prudent in order to conform to any law of any jurisdiction in which all or any portion of the Trust Indenture Estate shall be situated or in order to make any claim or commence or maintain any proceeding with respect to the Trust Indenture Estate, the Notes or the Participation Agreement, or if the Indenture Trustee shall receive an opinion of counsel that such action is so necessary or prudent in the interest of the holders of the Notes, or if the Indenture Trustee shall be requested to take such action by a Majority in Interest of Noteholders, then the Owner Trustee and the Indenture Trustee shall execute and deliver an Indenture Supplement and all other agreements, instruments and other documents, in form and substance reasonably acceptable to the Owner Trustee, necessary

or appropriate to constitute another bank or trust company or one or more individuals, approved by the Indenture Trustee in the exercise of due care, either to act as additional Trustee or Trustees or co-Trustee or co-Trustees of all or any portion of the Trust Indenture Estate, jointly with the Indenture Trustee, or to act as separate Trustee or Trustees of any portion of the Trust Indenture Estate, in any such case with such powers as may be provided in such Indenture Supplement, and to vest in such bank, trust company or individual as such additional Trustee, co-Trustee or separate Trustee, as the case may be, any interest, property, right, power or privilege of the Indenture Trustee, subject to the remaining provisions of this Section 10.03. In the event that the Owner Trustee shall not have joined in the execution of such Indenture Supplement, and of all such agreements, instruments and other documents (if any), within fifteen days after the receipt of a written request from the Indenture Trustee to do so, or in case an Indenture Event of Default shall have occurred and be continuing, the Indenture Trustee may act under the foregoing provisions of this Section 10.03 without the concurrence of the Owner Trustee; and the Owner Trustee hereby irrevocably makes, constitutes and appoints the Indenture Trustee as its agent and attorney-in-fact to act for it under the foregoing provisions of this Section 10.03 effective upon the occurrence of either of such contingencies. The Indenture Trustee may execute, deliver and perform any conveyance, assignment, agreement, instrument or other document in writing as may be required by any additional Trustee, co-Trustee or separate Trustee for more fully and certainly vesting in and confirming to it or him any interest, property, right, power or privilege which by the terms of such Indenture Supplement is expressed to be conveyed to or conferred upon such additional Trustee, co-Trustee or separate Trustee, as the case may be, and shall promptly supply the Owner Trustee with a copy of each such document, and the Owner Trustee shall, upon the Indenture Trustee's written request, join therein and execute, acknowledge and deliver the same; and the Owner Trustee hereby irrevocably makes, constitutes and appoints the Indenture Trustee as its agent and attorney-in-fact to act for it in its name, place and stead to execute, acknowledge and deliver any such conveyance, assignment, agreement, instrument or other document in the event that the Owner Trustee shall not execute and deliver the same within fifteen days after receipt by it of such request from the Indenture Trustee to do so.

(b) Every additional Trustee, co-Trustee and separate Trustee hereunder shall, to the extent permitted by law, be appointed and act in accordance with the following provisions and conditions:

(i) all rights, powers, privileges, duties and obligations conferred or imposed upon the Indenture Trustee in respect of the receipt, custody, investment

and payment of monies shall be exercised solely by the Indenture Trustee;

(ii) all other rights, powers, privileges, duties and obligations conferred or imposed upon the Indenture Trustee shall be conferred or imposed upon and exercised or performed by the Indenture Trustee, except to the extent that under any law of any jurisdiction in which any particular act or acts are to be performed the Indenture Trustee shall be incompetent or unqualified to perform such act or acts, in which event such rights, powers, privileges, duties and obligations (including the holding of title to the Trust Indenture Estate in any such jurisdiction) shall be exercised and performed by such additional Trustee or Trustees, co-Trustee or co-Trustees or separate Trustee or Trustees;

(iii) no such additional Trustee, co-Trustee or separate Trustee shall exercise any power created hereby or provided for hereunder except jointly with, or with the consent of, the Indenture Trustee; and

(iv) no such additional Trustee, co-Trustee or separate Trustee shall be personally liable by reason of the act or omission of any other additional Trustee, co-Trustee or separate Trustee, or the Indenture Trustee, hereunder.

If at any time the Indenture Trustee shall receive an opinion of counsel to the effect that it is no longer necessary or prudent in the interest of the holders of the Notes to continue the appointment of any additional Trustee, co-Trustee or separate Trustee, as the case may be, or shall be requested in writing by a Majority in Interest of Noteholders to terminate any such appointment, then the Owner Trustee and the Indenture Trustee shall promptly execute and deliver an Indenture Supplement and all other agreements, instruments and other documents, in form and substance reasonably acceptable to the Owner Trustee, necessary or appropriate to remove such additional Trustee, co-Trustee or separate Trustee. In the event that the Owner Trustee shall not have joined in the execution of such Indenture Supplement, and of all such agreements, instruments or other documents (if any) within fifteen days after receipt by it of a request by the Indenture Trustee to do so, the Indenture Trustee may act on behalf of the Owner Trustee to the same extent as provided above.

(c) Any additional Trustee, co-Trustee or separate Trustee may at any time by a written instrument constitute the Indenture Trustee its or his agent and attorney-in-fact, with full power and authority, to the extent permitted by law, to do any and all acts and things and exercise any and all discretion

permitted by it or him, for and on its or his behalf and in its or his name. In case any such additional Trustee, co-Trustee or separate Trustee shall resign or be removed or for any reason such office shall become vacant, all the interests, properties, rights, powers, privileges, trusts, duties and obligations of such additional Trustee, co-Trustee or separate Trustee, as the case may be, in respect of the Trust Indenture Estate, so far as permitted by law, shall vest in and be exercised by the Indenture Trustee without the appointment of a successor to such additional Trustee, co-Trustee or separate Trustee unless and until a successor shall be appointed in the manner provided above.

(d) Each additional Trustee, co-Trustee and separate Trustee appointed pursuant to this Section 10.03 shall be subject to, and shall have the benefit of, the provisions of this Indenture insofar as they apply to the Indenture Trustee.

ARTICLE XI

Discharge

Section 11.01. Discharge. At such time (but only at such time) when the Notes shall have become due and payable and when the whole amount of the principal, premium, if any, and interest so due and payable in respect of the Notes then outstanding and all other sums payable hereunder shall have been paid or shall be deemed to have been paid, as permitted by the express terms hereof, then this Indenture and the interests, rights, powers and privileges herein Granted shall cease, terminate and be of no further effect (except that the Indenture Trustee shall be obligated to pay to holders of the Notes then outstanding monies held by the Indenture Trustee for the payment of the principal of and the premium, if any, and interest on the Notes then outstanding and to other persons entitled thereto all other sums payable hereunder), and the Indenture Trustee, after the payment of the principal of and premium, if any, and interest on the Notes then outstanding and all other sums payable hereunder, shall apply any remaining monies held by it as provided in Section 5.01 hereof and shall, upon the written request of the Owner Trustee, promptly execute and deliver to or as directed in writing by the Owner Trustee such termination statements or other instruments presented (and reasonably acceptable) to the Indenture Trustee by the Owner Trustee for the purpose of releasing the Trust Indenture Estate, other than such monies so held, from the lien of this Indenture, or assigning such lien, without recourse or warranty. The Notes and other sums payable hereunder shall be deemed to have been paid if (a) the Notes shall have become due and payable, whether at stated maturity, or by acceleration, call for prepayment or otherwise, in each case in accordance with the express provisions of this Indenture, (b) sufficient monies shall have been set

apart by or deposited in trust with the Indenture Trustee to pay the same and (c) if the Indenture Trustee shall be required by the provisions of this Indenture so to pay such monies forthwith (and, in the case of the call for prepayment of all the Notes, any notice provided for in respect of such prepayment shall have been given or provision therefor satisfactory to the Indenture Trustee shall have been made and the conditions in respect of such prepayment shall have been satisfied).

ARTICLE XII

Defaults and Remedies

Section 12.01. Indenture Events of Default. Except as otherwise provided in this Article XII, each of the following events or conditions shall constitute an Indenture Event of Default hereunder (whether or not any such event or condition shall be voluntary or involuntary, or come about or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any governmental agency or public authority):

(a) the Owner Trustee shall fail to make or cause to be made any payment or prepayment of principal of, or any payment of premium, if any, or interest on, any Note when and as the same shall become due and payable, and such failure shall continue unremedied for five Business Days;

(b) the Owner Trustee shall fail to perform or observe any other covenant, condition or agreement herein or in the Notes to be performed or observed by it, and such failure shall not be remedied by the thirty-first day after the earlier of (i) the date a Responsible Officer of the Owner Trustee shall have acquired knowledge thereof or (ii) the date on which notice thereof shall have been given to the Lessee, the Owner Participant and the Owner Trustee by the Indenture Trustee, or to the Indenture Trustee, the Lessee, the Owner Participant and the Owner Trustee by the holders of at least 25% in aggregate principal amount of the Notes outstanding, which notice shall state that it is a "Notice of Default" under this Indenture;

(c) the Owner Trustee or the Owner Participant shall consent to the appointment of a custodian, receiver, trustee or liquidator (or other similar official) of itself or of any Locomotive or a substantial part of its property, or shall admit in writing its inability to pay its debts generally as

they come due, or a court of competent jurisdiction shall determine that the Owner Trustee or the Owner Participant is generally not paying its debts as such debts become due, or the Owner Trustee or the Owner Participant shall make a general assignment for the benefit of creditors;

(d) the Owner Trustee or the Owner Participant shall file a voluntary petition in bankruptcy or a voluntary petition or an answer seeking reorganization in a proceeding under any bankruptcy laws (as now or hereafter in effect) or an answer admitting the material allegations of a petition filed against the Owner Trustee or the Owner Participant in any such proceeding, or the Owner Trustee or the Owner Participant shall, by voluntary petition, answer or consent, seek relief under the provisions of any now existing or future bankruptcy or other similar law providing for the reorganization or winding-up of debtors, or providing for an agreement, composition, extension or adjustment with its creditors;

(e) an order, judgment or decree shall be entered in any proceeding by any court of competent jurisdiction appointing, without the consent (express or legally implied) of the Owner Trustee or the Owner Participant, a custodian, receiver, trustee or liquidator (or other similar official) of the Owner Trustee or the Owner Participant or any Locomotive or any substantial part of its property, or sequestering any Locomotive or any substantial part of the property of the Owner Trustee or the Owner Participant, and any such order, judgment or decree or appointment or sequestration shall remain in force undismitted, unstayed or unvacated for a period of sixty days after the date of entry thereof;

(f) a petition against the Owner Trustee or the Owner Participant in a proceeding under applicable bankruptcy laws or other insolvency laws, as now or hereafter in effect, shall be filed and shall not be stayed, withdrawn or dismissed within sixty days thereafter, or if, under the provisions of any law providing for reorganization or winding-up of debtors which may apply to the Owner Trustee or the Owner Participant, any court of competent jurisdiction shall assume jurisdiction, custody or control of the Owner Trustee or the Owner Participant or of any Locomotive or any substantial part of its property and such jurisdiction, custody or control shall remain in force unrelinquished, unstayed or unterminated for a period of sixty days;

(g) any additional procedure similar to those referred to in subsections (c), (d), (e), or (f) of this Section 12.01, for the relief of financially distressed debtors under applicable laws is entered into by the Owner Trustee or the Owner Participant voluntarily or involuntarily and, if such procedure shall have been entered into involuntarily, shall be unstayed and remain in effect for a period of sixty days;

(h) any representation or warranty made by the Owner Trustee or the Owner Participant herein, in the Participation Agreement or in any agreement, instrument or other document delivered to the Indenture Trustee or the holder of any Note in connection with, or pursuant to, this Indenture or the Participation Agreement shall have been or shall be incorrect or misleading in any material respect when made, if, by the thirty-first day after the earlier of (i) the date a Responsible Officer of the Owner Trustee or the Owner Participant, as the case may be, shall have acquired knowledge thereof, or (ii) the date on which notice of such breach shall have been given to the Owner Trustee and the Owner Participant by the Indenture Trustee or by the holders of at least 25% in aggregate principal amount of the Notes outstanding, such breach shall not have been cured such that the representation or warranty in respect of which there has been a breach is true and correct on and as of the date of such cure and such breach shall have an adverse effect upon rights of the holders of the Notes;

(i) either the Owner Trustee or the Owner Participant shall fail to perform or observe any covenant, condition or agreement to be observed or performed by it under the Participation Agreement, and such failure shall continue unremedied until the thirty-first day after the earlier of (i) the date a Responsible Officer of the Owner Trustee or the Owner Participant, as the case may be, shall have acquired knowledge thereof, or (ii) the date on which notice thereof shall have been given to the Owner Trustee and the Owner Participant by the Indenture Trustee or the holders of at least 25% in aggregate principal amount of the Notes outstanding, which notice shall state that it is a "Notice of Default" under this Indenture; or

(j) any Lease Event of Default (other than a failure by the Lessee to make any payment to the Owner Trustee or the Owner Participant relating to Excepted Rights) shall occur and be continuing.

Section 12.02. Acceleration of Notes; Declaration of Default. Except as otherwise provided in this Article XII, if an Indenture Event of Default shall have occurred and be continuing, the Indenture Trustee (a) may (and, upon the written request of a Majority in Interest of Noteholders, shall), by written notice delivered to the Owner Participant and the Owner Trustee, declare this Indenture to be in default, and (b) may (and, upon the written request of a Majority in Interest of Noteholders, shall), in the same manner, further declare the unpaid principal of the Notes then outstanding, the premium, if any, thereon and the interest accrued and unpaid thereon, to be immediately due and payable. Upon any declaration by the Indenture Trustee pursuant to clause (b) of the preceding sentence, the unpaid principal amount of the Notes then outstanding, the premium, if any, thereon and the interest accrued and unpaid thereon, shall thereupon, without further act or instrument, become and be immediately due and payable.

Section 12.03. Surrender of Possession; Rights and Duties of Indenture Trustee in Possession. After this Indenture shall have been declared in default pursuant to clause (a) of the first sentence of Section 12.02 hereof, but subject, in the event that a Lease Event of Default shall not then have occurred and be continuing, to the interests and rights of the Lessee under the Lease: (a) the Owner Trustee, upon demand by the Indenture Trustee at any time and from time to time, shall forthwith assemble, or cause to be assembled, the Trust Indenture Estate, or any specified portion thereof, and make, or cause to be made, the same available to the Indenture Trustee at any place or places designated by the Indenture Trustee and reasonably convenient for the purposes of the Indenture Trustee, and, in any event, upon demand by the Indenture Trustee at any time and from time to time, the Owner Trustee shall forthwith surrender, or cause to be surrendered, possession of the Trust Indenture Estate, and, to the extent permitted by, and subject to compliance with any mandatory requirements of, applicable law then in effect, the Indenture Trustee, by such officer or agent as it may appoint, may take possession of all or any portion of the Trust Indenture Estate (together with the books, papers and logs of the Owner Trustee pertaining thereto), and hold, operate and manage such property (and from time to time make such necessary or appropriate repairs and improvements), and exercise such rights, powers and privileges, as shall be determined by the Indenture Trustee (the Indenture Trustee not having any duty to the Owner Trustee, however, to keep all or any portion of the Trust Indenture Estate identifiable), and the Indenture Trustee is hereby authorized by the holders of Notes to make any filings, recordings and registrations as may be necessary to establish or publish notice of the Indenture Trustee's rights to possession, operation and management of all or any portion of the Trust Indenture Estate; (b) the Indenture Trustee may lease all or any portion of the Trust Indenture Estate in the name and for the

account of the Owner Trustee, and, whether or not so leasing all or any portion of the Trust Indenture Estate, the Indenture Trustee may collect, receive and sequester the rents, products, revenues and other income therefrom, and out of the same and any monies received from any receiver (or other similar official) of any portion thereof pay and/or create reserves for the payment of all costs and expenses of taking, holding and managing all or any portion of the Trust Indenture Estate, including reasonable compensation to the Indenture Trustee, its agents and counsel and any charges of the Indenture Trustee hereunder, and any taxes and assessments and other charges which the Indenture Trustee may deem it advisable to pay, and all expenses of necessary or appropriate repairs and improvements, and apply the remainder of the monies so received in accordance with the provisions of Section 12.06 hereof; and (c) the Indenture Trustee may, to the extent permitted by, and subject to compliance with any mandatory requirements of, applicable law then in effect, sell the Trust Indenture Estate, as a whole or in separate portions, at public or private sale, as required or permitted by applicable law. If the Indenture Trustee shall proceed to foreclose the lien of this Indenture as a result of an Indenture Event of Default resulting solely from a Lease Event of Default, it shall, to the extent it is not then stayed or otherwise prevented or restricted from doing so by operation of law, proceed forthwith (to the extent it has not already done so) to exercise one or more of the remedies referred to in Section 11.1 of the Lease; provided, however, that the declaration that the Lease is in default without further material action shall not be considered to be an exercise of remedies for purposes of this Section 12.03. For the avoidance of doubt, it is expressly understood and agreed that the inability of the Indenture Trustee to exercise any right or remedy under the Lease as a result of being stayed or otherwise prevented or restricted from doing so by operation of law shall in no event and under no circumstances prevent the Indenture Trustee from exercising all of its rights, powers and remedies under this Indenture, including, without limitation, this Article XII. Whenever all amounts owing and unpaid under the Notes and otherwise hereunder shall have been paid and no Indenture Event of Default shall be continuing, the Indenture Trustee shall promptly surrender possession to the Owner Trustee of any property (other than any monies and securities held by the Indenture Trustee in accordance with the provisions of this Indenture) of which it shall have taken possession pursuant to this Section 12.03 and not theretofore sold or leased as above provided; provided, however, that the right of entry granted above shall exist upon any subsequent Indenture Event of Default.

To the extent permitted by, and subject to compliance with any mandatory requirements of, applicable law then in effect, the Indenture Trustee may postpone the sale of all or any portion of the Leased Property, or any other property constituting a portion of the Trust Indenture Estate, by

announcement at the time and place of such sale, and from time to time thereafter may further postpone such sale by announcement at the time of sale fixed by the preceding postponement, or may postpone any sale without notice to the extent permitted by applicable law.

Upon the completion of any sale or sales made by the Indenture Trustee under or by virtue of this Article XII, the Indenture Trustee shall execute and deliver to the purchaser or purchasers a good and sufficient assignment and other instruments conveying, assigning and transferring all its right, title and interest in and to the property and rights sold. Without limiting the generality of Section 9.04 hereof, the Indenture Trustee (including the successors and assigns of any particular person which shall at the time be the Indenture Trustee) is hereby irrevocably appointed, effective upon the occurrence and continuation of an Indenture Default, the duly constituted agent and attorney-in-fact of the Owner Trustee, in its name and stead to make all necessary conveyances, assignments, transfers and deliveries of the property and rights so sold, and for that purpose the Indenture Trustee may execute all necessary instruments of conveyance, assignment and transfer and may substitute one or more persons with the like power, the Owner Trustee hereby ratifying and confirming all that its said agent and attorney-in-fact or such substitute or substitutes shall lawfully do by virtue hereof. Nevertheless, the Owner Trustee, if so requested in writing by the Indenture Trustee, shall ratify and confirm any such sale or sales by executing and delivering to the Indenture Trustee or to such purchaser or purchasers all such instruments as may be advisable, in the reasonable judgment of the Indenture Trustee, for that purpose and as may be designated in such request. Any such sale or sales made under or by virtue of this Article XII, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, shall operate to divest all the right, title, interest, claim and demand whatsoever, whether at law or in equity, of the Owner Trustee in and to the properties and rights so sold, and shall be a perpetual bar both at law and in equity against the Owner Trustee, and its successors and assigns, and against any and all persons claiming or who may claim the same or any part thereof from, through or under the Owner Trustee, or its successors or assigns.

To the full extent that it may lawfully do so, the Owner Trustee hereby waives the benefit of, and agrees that it will not at any time insist upon, plead or in any manner whatever claim the advantage of, (a) any stay, exemption, extension or redemption law, or any law requiring marshalling of assets, now or hereafter in force, or (b) any law now or hereafter in force providing for valuation or appraisal of the Trust Indenture Estate, or any portion thereof, prior to or in connection with

any sale thereof to be made in accordance herewith or pursuant to the decree of any court of competent jurisdiction.

The receipt of the Indenture Trustee for the purchase money paid as a result of any such sale shall be a sufficient discharge therefor to any purchaser of the property sold as aforesaid. No such purchaser, or any representatives, grantees or assigns thereof, after paying such purchase money and receiving such receipt shall be bound to see to the application of such purchase money upon or for any trust or purpose of this Indenture, or shall be answerable in any manner whatsoever for any loss, misapplication or nonapplication of any such purchase money or any part thereof, nor shall any such purchaser be bound to inquire as to the authorization, necessity, expediency or regularity of such sale.

Upon any sale made under or by virtue of this Article XII, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, any purchaser shall be entitled to use and apply the amount owing and unpaid for principal, premium, if any, and interest on Notes held by such purchaser for or in settlement or payment of the purchase price, or any part thereof, of the property purchased, by presenting such Notes in order that there may be credited thereon the sums payable out of the net proceeds of such sale to the holder of such Notes as his ratable share of such net proceeds, after the deduction of all costs, expenses and other charges to be paid therefrom as herein provided; and thereupon such purchaser shall be credited, on account of such price payable by him, with the portion of such net proceeds that shall have been credited upon the Notes so presented on account of owing and unpaid principal, premium, if any, and interest; provided, however, that if such portion of such net proceeds shall be less than the amount owing and unpaid on such Notes, then the receipt, endorsed thereon under the direction of any person authorized to receive payment of the purchase price, for the amount to be so allowed or credited thereon shall constitute such partial payment and settlement and shall be conclusive proof of the amount thereof. At any such sale, any holder of Notes may, unless prohibited by applicable law, bid for and purchase the property sold and may make payment therefor as aforesaid, and, upon compliance with the terms of sale, may hold, retain and dispose of such property without further accountability.

Upon any sale of the Trust Indenture Estate, or any portion thereof, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, the principal of and premium, if any, and accrued and unpaid interest on the Notes then outstanding, if not already due, shall immediately become

due and payable, anything in the Notes or this Indenture to the contrary notwithstanding.

Upon any sale made under or by virtue of this Article XII, whether made under the power of sale herein granted or under or by virtue of judicial proceedings or of a judgment or decree of foreclosure and sale, the Indenture Trustee, on behalf of the holders of Notes, may bid for and acquire the Leased Property or any other property being sold, or any portion thereof, and, in lieu of paying cash therefor, may make settlement for the purchase price by crediting upon the indebtedness of the Owner Trustee secured by this Indenture the net proceeds of sale after deducting therefrom the expenses of the sale and the costs of the action and any other sums which the Indenture Trustee shall be authorized to deduct under this Indenture. The person making such sale shall accept such settlement without requiring the production of Notes and, without such production, there shall be deemed credited thereon the pro rata share of the net proceeds of sale ascertained and established as aforesaid. The Indenture Trustee, upon so acquiring the Leased Property or any other property constituting the Trust Indenture Estate, shall be entitled to hold, rent, operate, manage or sell the same in any manner permitted by applicable law.

Neither the Indenture Trustee nor any representative, agent or other person acting on behalf of the Indenture Trustee shall have any obligation to take necessary steps to preserve rights against prior parties to any instrument or chattel paper in the custody or possession of the Indenture Trustee or any such representative, agent or other person.

Section 12.04. Other Remedies; Action upon Instructions; etc. Except as otherwise provided in this Article XII, upon the occurrence and continuance of an Indenture Event of Default, the Indenture Trustee may (subject, in the event that a Lease Event of Default shall not then have occurred and be continuing, to the interests and rights of the Lessee under the Lease), either after entry or without entry, pursue any available remedy (by action at law, suit in equity, sale, foreclosure by any procedure permitted by law, or otherwise) to recover amounts owing and unpaid in respect of the principal of and premium, if any, and interest on the Notes then outstanding, or otherwise owing and unpaid under this Indenture.

Without limiting the generality of any provisions of this Indenture with respect to any rights, powers or privileges of the Indenture Trustee or any holder of an outstanding Note, or with respect to the obligations of the Owner Trustee, the Owner Trustee agrees that it will not hinder, delay or impede the execution of any right, power or privilege herein granted or recognized, or exercise any rights of moratorium by law, and that

it will permit the execution of every such right, power and privilege to the fullest extent permitted by applicable law.

Except as otherwise provided in this Article XII, if an Indenture Event of Default shall have occurred and be continuing, the Indenture Trustee shall (subject, in the event that a Lease Event of Default shall not then have occurred and be continuing, to the interests and rights of the Lessee under the Lease) take such action as may be specified in the written instructions of a Majority in Interest of Noteholders in accordance with Section 9.02 hereof.

No right, power or privilege by the terms of this Indenture conferred upon or reserved to the Indenture Trustee or the holders of Notes is intended to be exclusive of any other right, power or privilege, but each and every one shall be cumulative and shall be in addition to any other conferred upon or reserved to the Indenture Trustee or the holders of Notes hereunder or now or hereafter existing at law, in equity or by statute.

No delay or failure to exercise any right, power or privilege hereunder shall impair the same or shall be construed to be a waiver of the Indenture Event of Default or Indenture Default, if any, giving rise to the exercisability of such right, power or privilege, or to be an acquiescence therein; and every such right, power or privilege may be exercised from time to time and as often as may be deemed expedient. No waiver hereunder of any Indenture Event of Default or Indenture Default, whether by the Indenture Trustee pursuant to the provisions of Section 12.10 hereof or by the holders of the Notes, shall, unless otherwise expressly provided by the terms of any such waiver, extend to or affect any subsequent or other Indenture Event of Default or Indenture Default, or shall impair any rights, powers or privileges consequent thereon.

Section 12.05. Appointment of Receivers. Upon the occurrence and continuance of an Indenture Event of Default, or upon the filing by the Indenture Trustee of any suit in equity or other judicial proceedings to enforce any right, power or privilege herein granted or recognized, the Indenture Trustee shall be entitled, to the extent permitted by, and subject to compliance with any mandatory requirements of, applicable law then in effect, as a matter of right and without regard to the adequacy of the security, to the appointment of a receiver or receivers (or other similar officials) of all or any portion of the Trust Indenture Estate and of the rents, products, revenues and other income therefrom, with such rights, powers, privileges and immunities as the court making such appointment shall confer.

Section 12.06. Application of Monies. After any Indenture Event of Default or Indenture Default, of which the

Indenture Trustee shall have knowledge, shall have occurred and while the same shall be continuing, all undisbursed payments theretofore and thereafter received and undisbursed amounts theretofore and thereafter realized by the Indenture Trustee (including, without limitation, any amounts realized by the Indenture Trustee from the exercise of any rights, powers or privileges under, or remedies in respect of, the Lease, this Article XII or any other agreement or instrument executed and delivered as security for the Notes) shall, except to the extent necessary to make the payments required under clause "First" of Section 5.01 hereof and except to the extent of amounts held by the Indenture Trustee for prepayment of Notes or portions thereof in respect of which the Indenture Trustee shall have mailed the notice of prepayment referred to in Section 6.05 hereof, be held by the Indenture Trustee as a portion of the Trust Indenture Estate until such Indenture Event of Default or Indenture Default shall cease to be continuing at which time such funds shall be distributed as required under Section 5.01 hereof (and in any event within 180 days after the receipt thereof, such funds shall be distributed as required under Section 5.01 hereof if the Indenture Trustee shall not have declared (a) the Lease to be in default within such period if the cause of the Indenture Event of Default or Indenture Default was a Lease Event of Default, or (b) the Indenture to be in default within such period if the cause of the Indenture Event of Default or Indenture Default was not a Lease Event of Default); provided, however, that, after the Indenture Trustee (as assignee of the Owner Trustee's rights under the Lease) shall have declared the Lease to be in default pursuant to the provisions thereof or the Indenture Trustee shall have declared the maturity of the Notes to be accelerated pursuant to Section 12.02 hereof, or shall have determined to foreclose on all or any portion of the Trust Indenture Estate or otherwise to enforce the lien of this Indenture, all such payments or amounts then held or thereafter received by the Indenture Trustee shall, while any Indenture Event of Default shall be continuing, be distributed forthwith by the Indenture Trustee in the following order of priority:

First. In the manner provided in clause "Third" of Section 5.01 hereof;

Second. In the manner provided in clause "Second" of Section 5.01 hereof;

Third. So much of such payments or amounts as shall be required to pay the interest accrued but unpaid to the date of distribution on all the Notes outstanding shall be distributed to the holders of such Notes; in case the aggregate amount to be distributed under this clause "Third" shall be insufficient to pay such interest in full, then such distribution shall be made to each such holder as nearly as practicable in

the proportion that the amount of interest accrued but unpaid on Notes outstanding held by such holder shall bear to the aggregate interest accrued but unpaid on all the Notes outstanding, without priority of one Note over any other Note;

Fourth. So much of such payments or amounts as shall be required to pay in full the aggregate unpaid principal amount of and premium, if any, on all Notes outstanding shall be distributed to the holders of such Notes; in case the aggregate amount to be distributed under this clause "Fourth" shall be insufficient to pay such unpaid principal and premium in full, then such distribution shall be made to each such holder as nearly as practicable in the proportion that the unpaid principal of notes outstanding held by such holder shall bear to the aggregate unpaid principal of and premium, if any, on all the Notes outstanding, without priority of one Note over any other Note; and

Fifth. The balance, if any, of such payments or amounts remaining thereafter shall be distributed to the Owner Trustee.

Section 12.07. Remedies Vested in Indenture Trustee. All rights of action under this Indenture or the Notes may be enforced by the Indenture Trustee without the possession of the Notes or the production thereof in any trial or other proceeding relating thereto, and any such suit or proceeding instituted by the Indenture Trustee may be brought in the name of the Indenture Trustee without the necessity of joining as plaintiffs or defendants the holders of the Notes.

Section 12.08. Rights and Remedies of Holders of Notes. No holder of Notes shall have any right to institute any suit, action or proceeding, at law or in equity, for the enforcement of this Indenture, the execution of any trust hereof, the appointment of a receiver (or other similar official) or any other remedy in respect hereof, except during the continuance of an Indenture Event of Default of which the Indenture Trustee shall have been notified, or of which it shall have knowledge, and after a Majority in Interest of Noteholders shall have made written request to the Indenture Trustee and shall have offered it reasonable opportunity either to proceed to exercise the powers hereinabove granted or to institute such action, suit or proceeding in its own name, and the Indenture Trustee shall have failed or refused to exercise the powers herein granted, or to institute such action, suit or proceeding in its own name, within twenty days thereafter; it being understood and intended that no one or more holders of Notes shall have any right in any manner whatsoever to enforce any right, power or privilege hereunder except in the manner herein provided, and that all proceedings at law or in equity shall be instituted, had and maintained in the

manner herein provided and for the equal benefit of the holders of all Notes then outstanding. Nothing in this Indenture contained, however, shall affect or impair the right of the holder of any Note outstanding to the payment of the principal of and premium, if any, and interest on such Note, at and after the time when the same shall be due and payable, or the obligation of the Owner Trustee to pay the principal of and premium, if any, and interest on the Notes issued hereunder to the respective holders thereof at the times and places and in the manner herein and in the Notes expressed, which obligation is absolute and unconditional, or affect or impair the right of action, which is also absolute and unconditional, to such holders to enforce such payment.

Section 12.09. Termination of Proceedings. If the Indenture Trustee or the holder of any Note shall have instituted any proceeding to enforce any right, power or privilege under this Indenture and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to the Indenture Trustee or such holder, then and in every such case (subject to the binding effect, if any, of any decision in any such proceedings) the Owner Trustee, the Indenture Trustee and the holders of Notes shall be restored to their former positions hereunder, and all rights, powers and privileges of the Indenture Trustee and the holders of Notes shall continue as if no such proceedings had been taken.

Section 12.10. Waivers of Indenture Events of Default. The Indenture Trustee shall waive any Indenture Event of Default and its consequences, and, unless any judgment or decree for the payment of the monies due shall have been obtained or entered, shall rescind any declaration of maturity of the principal of and premium, if any, and accrued and unpaid interest on the Notes, upon (but only upon) the written request of a Majority in Interest of Noteholders; provided, however, that there shall not be waived, without the consent of the holder of each outstanding Note to be affected thereby, any Indenture Event of Default resulting from a violation or failure to comply with any provision of this Indenture the amendment of which would, under the provisions of Section 13.01 hereof, require the consent of each holder of an outstanding Note to be affected thereby, nor shall any declaration of maturity of the Notes resulting therefrom be rescinded by the Indenture Trustee without the consent of the holder of each such Note; and provided, further, that no such Indenture Event of Default shall be waived or declaration of maturity rescinded unless, prior to such waiver or rescission, the Indenture Trustee shall have been paid all amounts due it of the nature referred to in clause "First" of Section 12.06 hereof, and any and all other Indenture Events of Default or Indenture Defaults, of which the Indenture Trustee shall have knowledge, other than any nonpayment of the principal of the Notes which shall have become due by declaration, shall

have been cured or waived, and, if such Indenture Event of Default shall have arisen from the violation of a payment obligation in respect of any Notes, there shall have been paid to the holder of each such Note a sum sufficient to pay all matured installments of interest on such Note, and all principal of and premium, if any, on such Note which shall have become due otherwise than by declaration, together with interest on such overdue principal and premium, and, if and to the extent permitted by applicable law, on overdue installments of interest thereon, in each case at the applicable Overdue Rate. Upon any such waiver or rescission, the Owner Trustee, the Indenture Trustee and the holders of the Notes shall be restored to their former positions hereunder or in respect hereof, but no such waiver or rescission, unless otherwise expressly provided by the terms of any such waiver or rescission, shall extend to any subsequent or other Indenture Event of Default or Indenture Default, or impair any right consequent thereon.

Section 12.11. Certain Protective Covenants by Owner Trustee. Without limiting the generality of any provisions of this Indenture with respect to any rights, powers or privileges of the Indenture Trustee or the holders of outstanding Notes, or with respect to the obligations of the Owner Trustee, the Owner Trustee agrees as follows with respect to any Lien (other than the lien of this Indenture) on the Trust Indenture Estate, and with respect to the holder of any obligation secured by any such Lien:

(a) Without the prior written consent of the Indenture Trustee, the Owner Trustee will not, by agreement with or for the benefit of any person (other than the Indenture Trustee) claiming a Lien on any portion of the Trust Indenture Estate, waive or agree to limit the right of the Owner Trustee (whether under Section 9-504(3) of the Uniform Commercial Code, or other applicable law) to notification of any sale or other disposition of any portion of the Trust Indenture Estate by or for the benefit of such person, or, by agreement as aforesaid, waive or agree to limit the right of the Owner Trustee (whether under Section 9-506 of the Uniform Commercial Code, or other applicable law) to redeem any portion of the Trust Indenture Estate.

(b) In the event that the Owner Trustee shall receive from any person (other than the Indenture Trustee) claiming a Lien on any portion of the Trust Indenture Estate notification (whether under Section 9-504(3) of the Uniform Commercial Code, or other applicable law) of any proposed sale or other disposition of such property by or for the benefit of such person, the Owner Trustee will forthwith notify the Indenture Trustee and the Owner Participant

thereof, and describe in reasonable detail the time, place, manner and terms of such proposed sale or other disposition.

(c) Without the prior written consent of the Indenture Trustee, the Owner Trustee will not, by agreement with or for the benefit of any person (other than the Indenture Trustee) claiming a Lien on any portion of the Trust Indenture Estate, waive or agree to limit the right of the Owner Trustee (whether under Section 9-505(2) of the Uniform Commercial Code, or other applicable law) to receive written notice from such person proposing to retain such property in satisfaction of an obligation secured by such Lien, and the Owner Trustee covenants that it will duly object in a timely fashion to any such retention proposal received from any such person (other than the Indenture Trustee). In the event that the Owner Trustee shall receive any such retention proposal from any person (other than the Indenture Trustee), it will forthwith give written notice thereof to the Indenture Trustee.

Section 12.12. Certain Rights of Owner Trustee and Owner Participant. Anything in this Indenture or any other Operative Document to the contrary notwithstanding:

(a) Right to Cure Failures to Pay Basic Rent. Subject to the limitation set forth in the next succeeding sentence, if a Lease Event of Default shall occur solely by reason of the failure of the Lessee to make any payment of Basic Rent under the Lease when the same shall become due and payable (such a Lease Event of Default being herein called a "Basic Rent Default"), and if there shall not be continuing any other Lease Event of Default which is not curable under Section 12.12(b) hereof, the Indenture Trustee may not (during the period while the Owner Trustee and the Owner Participant shall retain any cure right under this Section 12.12(a)), without the prior written consent of the Owner Participant, take action to realize upon the security of the Trust Indenture Estate during a fifteen-day period following the giving of written notice declaring this Indenture to be in default in accordance with Section 12.02 hereof. During such fifteen-day period, the Owner Trustee and/or the Owner Participant shall have the right to pay to the Indenture Trustee an amount equal to any principal of and premium, if any (but no premium shall be imposed solely as a result of the exercise of any cure rights under this Section 12.12(a)), and any interest on the Notes then due and payable (including interest, if any, on overdue payments of principal, premium, if any, and

interest), and such payment by the Owner Trustee and/or the Owner Participant, as the case may be, shall be deemed to cure any Indenture Event of Default that shall have arisen on account of the occurrence of such Basic Rent Default; provided, however, that such right to cure shall not be exercised in respect of (i) more than three consecutive Basic Rent Defaults, or (ii) more than six Basic Rent Defaults in the aggregate. No person exercising the right to cure any Basic Rent Default pursuant to this Section 12.12(a) shall obtain any Lien or other right of any kind on or in respect of the Trust Indenture Estate (including, without limitation, the Locomotives and any Lease Rent payable under the Lease) in connection with the exercise of such cure right (whether to secure the payment of any sums paid or expenses incurred, or otherwise), nor shall any right of such person to reimbursement from the Lessee for the repayment of such sums so advanced or expenses so incurred affect the prior right of the Indenture Trustee to the Lease Rent payable by the Lessee under the Lease; provided, further, that if no Indenture Event of Default shall then have occurred and be continuing and if all payments of principal, premium, if any, and interest due in respect of the Notes shall have been made at the time of receipt by the Indenture Trustee from the Lessee of an overdue installment of Lease Rent in respect of which the Owner Trustee or the Owner Participant shall have made payment to the Indenture Trustee pursuant to this Section 12.12(a) and/or any interest payable by the Lessee on account of such overdue installment, such installment and interest thereon shall be released to or at the written direction of the Owner Trustee.

(b) Other Curable Events. Subject to the limitation set forth in the next succeeding sentence, if a Lease Event of Default (other than a Basic Rent Default) shall occur and be continuing, the Indenture Trustee may not (during the period while the Owner Trustee and the Owner Participant shall retain any cure right under this Section 12.12(b)), without the prior written consent of the Owner Participant, take action to realize upon the security of the Trust Indenture Estate during a fifteen-day period following the giving of written notice declaring this Indenture to be in default in accordance with Section 12.02 hereof. During such fifteen-day period, the Owner Trustee and/or the Owner Participant shall have the right to cure such Lease Event of Default and such cure by the Owner Trustee and/or the Owner Participant, as the case may be, shall be deemed to cure any Indenture Event of Default that shall have arisen on account of the

occurrence of such Lease Event of Default; provided, however, that such right to cure shall not be exercised in respect of more than six such instances in each calendar year. No person exercising the right to cure pursuant to this Section 12.12(b) shall obtain any Lien or other right of any kind on or in respect of the Trust Indenture Estate (including, without limitation, the Locomotives and any Lease Rent payable under the Lease) in connection with the exercise of such cure right (whether to secure the payment of any sums paid or expenses incurred, or otherwise), nor shall any right of such person to reimbursement from the Lessee for the repayment of such sums so advanced or expenses so incurred affect the prior right of the Indenture Trustee to the Lease Rent payable by the Lessee under the Lease; provided, further, that if no Indenture Event of Default shall then have occurred and be continuing and if all payments of principal, premium, if any, and interest due in respect of the Notes shall have been made at the time of receipt by the Indenture Trustee from the Lessee of an overdue payment in respect of which the Owner Trustee or the Owner Participant shall have made payment to the Indenture Trustee pursuant to this Section 12.12(b) and/or any interest payable by the Lessee on account of such overdue payment, such payment and interest thereon shall be released to or at the written direction of the Owner Trustee.

(c) Right to Purchase Notes. If a Lease Event of Default shall have occurred and shall not have been cured, and if the Indenture Trustee shall have determined to foreclose thereafter on all or any portion of the Trust Indenture Estate by reason of the occurrence of such Lease Event of Default, the Owner Participant or the Owner Trustee may, but shall not be obligated to, for a period of ten Business Days following the expiration of any right of the Owner Participant or the Owner Trustee to cure such Lease Event of Default pursuant to Section 12.12(a) or 12.12(b) hereof, purchase all (but not fewer than all) the Notes outstanding from the holders thereof in accordance with the following provisions. Each holder of a Note, by its acceptance of such Note issued under this Indenture, agrees that, under the circumstances referred to above, it will, upon receipt from the Owner Participant or the Owner Trustee of an amount equal to the aggregate unpaid principal amount of all Notes held by such holder, together with premium, if any (but no premium shall be imposed solely as a result of the exercise of the right to purchase the Notes under this Section 12.12(c)), and the interest unpaid thereon and

accrued to the date of payment, plus all other amounts then due or payable to such holder under this Indenture, said Notes, the Participation Agreement or the Lease, forthwith sell, assign, transfer and convey to or at the written direction of the Owner Participant (without recourse or warranty of any kind) all the right, title and interest of such holder in, to and under this Indenture, said Notes, the Participation Agreement and the Lease, and thereafter, the Owner Trustee and the Indenture Trustee shall look solely to the Owner Participant for performance of (and such holder shall be fully relieved of) any and all obligations of such holder under this Indenture. If the Owner Participant shall so request, such holder will comply with all the provisions of Section 4.01 hereof to cause new Notes to be issued to or at the written direction of the Owner Participant in such authorized denominations as the Owner Participant shall request. Any charges, expenses and taxes incurred or required to be paid in connection with the issuance of any such new Notes shall be borne and payable by the Owner Participant. Nothing in this Section 12.12(c) shall be deemed to preclude the Owner Trustee or the Owner Participant from purchasing the Notes from the holders thereof at such price or prices as to which they and such holders shall agree.

(d) Certain Rights of Owner Trustee. Notwithstanding any other provision of this Indenture, (i) the Owner Trustee and Owner Participant shall at all times, to the exclusion of the Indenture Trustee, (A) retain all rights to make demand upon the Lessee for and receive any payment that is an Excepted Right and the right to commence an action at law to obtain such payments and to enforce any judgment with respect thereto; (B) retain all rights with respect to insurance that Section 6.6 of the Lease specifically confers upon the Owner Participant or the Owner Trustee to the exclusion of the Indenture Trustee; (C) retain the right to make any determination of Fair Market Value and Net Economic Return; and (D) retain the right to adjust Basic Rent, Casualty Value and Special Casualty Value as provided in Section 3.4 of the Lease; (ii) the Owner Trustee and the Owner Participant shall have the right, but not to the exclusion of the Indenture Trustee, (A) to receive from the Lessee all notices, certificates, opinions of counsel and other documents and all information which the Lessee is permitted or required to give or furnish to the "Lessor" or the "Owner Participant" pursuant to the Lease or to the "Owner Trustee" or the "Owner Participant" pursuant to the Participation Agreement;

(B) to inspect the Locomotives and all records relating thereto; (C) to retain all rights with respect to insurance which Section 6.6 of the Lease specifically confers upon the Owner Participant as an "Additional Insured"; (D) to provide such insurance as the Lessee shall have failed to maintain; (E) to exercise the rights of the Lessor under Section 17 of the Lease to perform the Lessee's obligations thereunder; (iii) so long as no Indenture Event of Default shall have occurred and be continuing, the Owner Trustee shall retain the right, to be exercised jointly with the Indenture Trustee, to exercise the rights with respect to the Lessee's use and operation, modification, maintenance and insuring of the Locomotives which the Lease specifically confers upon the Lessor; and (iv) so long as no Indenture Event of Default shall have occurred and be continuing, the Owner Trustee shall have the right, to the exclusion of the Indenture Trustee, (A) to accept delivery of the Locomotives as provided in Section 2 of the Lease and otherwise to comply with its obligations under such Section 2; (B) to exercise the rights of the "Lessor" under Section 3.3 of the Lease with regard to payments of Supplemental Rent to the Owner Participant or the Owner Trustee in its individual capacity, and Section 15 of the Lease with respect to the return of the Locomotives at the end of the Basic Term; and (C) to exercise the rights of the "Lessor" under Section 14 of the Lease with respect to the Lessee's renewal and purchase options.

(e) Right to Substitute. If at any time during the period ending five years after the commencement of the Basic Term, a Lease Event of Default shall have occurred and be continuing and shall not have been cured pursuant to Section 12.12(a) or 12.12(b) hereof, and the Indenture Trustee shall have irrevocably determined (subject only to the rights of the Owner Participant described in this Section 12.12(e)) to declare this Indenture to be in default and the unpaid principal of the Notes then outstanding, the premium, if any, thereon and the interest accrued and unpaid thereon, to be immediately due and payable as a result thereof, then the Indenture Trustee shall so notify the Owner Participant and the Owner Trustee and, so long as no other Indenture Event of Default not resulting from a Lease Event of Default shall have occurred and be continuing, the Owner Participant may, but shall not be obligated to (x) cause such Lease Event of Default to be cured (provided that the failure to cure an incurable Lease Event of Default shall not affect the Owner Participant's rights hereunder, and irrespective

of the unavailability of any right to cure under Section 12.12(a) or 12.12(b) hereof), and (y) notify the Indenture Trustee of its election to proceed under this Section 12.12(e) to cause the Lease to be terminated pursuant to Section 11.1 of the Lease. At all times thereafter the Owner Participant shall do one or more of the following as selected by the Owner Participant with the written consent of the Indenture Trustee and each holder of a Note, which consent shall not be unreasonably withheld: (i) re-lease the Locomotives to a lessee (which shall not be required to be an operator of railroad equipment and may be an Affiliate of the Owner Participant) of equivalent or greater creditworthiness as the Lessee, upon substantially the same terms contained in the Lease (taking into account any changes that may be reasonably required by the nature of such substituted lessee or its operations), (ii) re-lease the Locomotives to a lessee of lesser creditworthiness than the Lessee upon such terms (taking into account any such changes) with a guarantee of such lessee's obligations under such lease by the Owner Participant or a reasonably acceptable third party or (iii) assume all Basic Rent obligations that had existed under the Lease and store the Locomotives pursuant to Section 15 of the Lease until leases pursuant to clauses (i) or (ii) above are effected. The right of the Owner Participant to proceed as described in (x) and (y) above shall extend for ten days following any such determination by the Indenture Trustee to declare this Indenture to be in default and the unpaid principal of the Notes to be immediately due and payable; provided, that such ten-day period shall be in addition to the period of time available to the Owner Participant or the Owner Trustee to exercise any cure rights under Section 12.12(a) or 12.12(b) hereof.

ARTICLE XIII
Amendments of and Supplements to This Indenture
and Other Documents

Section 13.01. Amendments and Supplements with Consent; Limitations. With the prior written consent of a Majority in Interest of Noteholders (and subject to Section 11 (i)(ii) of the Participation Agreement), (1) the Owner Trustee and the Indenture Trustee may at any time and from time to time enter into an Indenture Supplement for the purpose of adding provisions to, or changing or eliminating provisions of, this Indenture, and (2) the Owner Trustee may at any time and from time to time enter into such written amendment of or supplement to the Lease, the Purchase Agreement, any Purchase Agreement

Assignment, any Bill of Sale, any sublease of a Locomotive or the Trust Agreement as may be acceptable to the other party or parties thereto, or the Owner Trustee and the Indenture Trustee may execute and deliver any written waiver or consent to the modification of the terms of any such agreements or instruments; provided, however, that no such consent shall be necessary to empower or permit the parties to this Indenture, and the other agreements and instruments referred to in Section 13.02 hereof, to execute the agreements and instruments and take the actions referred to therein for any of the purposes specified in Section 13.02 hereof; and provided, further, that, without the prior written consent of each holder of any Note then outstanding to be affected by such Indenture Supplement, amendment, supplement, waiver or modification, no such instrument or act shall (a) modify any of the provisions of this Section 13.01 or of Section 8.04, 9.01, 9.02, 9.03, 12.01, 12.02, 12.03 or 12.10 hereof, or the definitions of the terms "Majority in Interest of Noteholders," "outstanding" (with respect to Notes), "Indenture Event of Default" or "Lease Event of Default" (except to add additional events of default), (b) reduce the amount or extend the time of payment of any amount owing or payable under any Note, whether as to principal, premium or interest, or alter or modify the provisions of Article V or Section 12.06 hereof with respect to the order of priorities in which distributions hereunder shall be made as between the holders of Notes, on the one hand, and the Indenture Trustee and the Owner Trustee, on the other, (c) reduce, amend or modify any indemnities (except to add additional indemnities) in favor of the holders of Notes, or increase, amend or modify any indemnities (except to reduce or limit then existing indemnities) in favor of the Owner Participant under the Participation Agreement or the Lease, (d) reduce the amount or extend the time of payment of any Lease Rent, (e) adversely affect the Trust Indenture Estate or the lien of this Indenture thereon, (f) reduce any percentage in aggregate principal amount of Notes outstanding specified herein the holders of which are empowered under the provisions hereof to take any action hereunder or to permit or compel the Owner Trustee or the Indenture Trustee to take, suffer or omit any action or (g) amend, supplement or modify the Lease or consent to any assignment of the Lease, in either case releasing the Lessee from its obligations in respect of the payment of Lease Rent or changing the absolute and unconditional character of such obligation as set forth therein; and provided, further, that the Owner Trustee shall not amend, supplement, modify or waive any terms of the Trust Agreement except to the extent permitted by, and in accordance with, the terms thereof, and unless a signed copy of such amendment, supplement, modification or waiver shall have been delivered to the Indenture Trustee promptly thereafter; and provided, further, that, without the prior written consent of each holder of a Note then outstanding, no such Indenture Supplement or waiver or modification of the terms hereof shall permit the creation of any Lien on the Trust Indenture Estate or

any portion thereof, or deprive the holder of any Note then outstanding of the benefit and security of the lien of this Indenture on the Trust Indenture Estate. Any Indenture Supplement or other agreement, instrument or action made, entered into or taken in a manner inconsistent with or contrary to the provisions of this Article XIII shall be void and of no effect.

Section 13.02. Amendments, Supplements and Consents Not Requiring Consent of Holders of Notes. No written consent under Section 13.01 hereof shall be required to empower the Indenture Trustee at any time or from time to time to enter into any Indenture Supplement with the Owner Trustee or to permit the Owner Trustee to enter into any amendment of, supplement to or waiver or modification in respect of the Lease, the Purchase Agreement, any Purchase Agreement Assignment, any Bill of Sale, any sublease of Locomotives or the Trust Agreement, for any one or more of the following purposes:

(a) to add to the covenants and agreements of the Owner Trustee contained in this Indenture other covenants or agreements of or conditions or restrictions upon the Owner Trustee, or to surrender or eliminate any right, power or privilege granted to or conferred upon the Owner Trustee in this Indenture;

(b) to cure any minor ambiguity, or formal defect or omission, contained herein or in any of the other said agreements or instruments (provided, that the interests of the holders of the Notes shall not be adversely affected thereby);

(c) to correct or amplify the description of the Leased Property or any other portion of the Trust Indenture Estate, including the execution and delivery of one or more Indenture Supplements in the form of Appendix B hereto, as contemplated by the provisions hereof, or to reflect any release of any property from the Trust Indenture Estate pursuant to the express terms hereof;

(d) to qualify this Indenture under the Trust Indenture Act, as amended, or any similar federal statute hereafter in effect, except that nothing in this subsection (d) shall permit or authorize the inclusion herein of the provisions referred to in Section 316(a)(2) of said Act or any corresponding provisions of any such similar Federal statute;

(e) to Grant to the Indenture Trustee additional property, including Locomotives pursuant to Section 2 of the Lease, rights, powers or privileges, in trust, for the purposes of this Indenture; or

(f) to amend or supplement the Trust Agreement (provided, that no such amendment or supplement shall be entered into for the purpose, or with the effect, of dissolving or terminating the trusts created thereby, or distributing any of the assets that comprise the Trust Estate; and provided, further, that the interests of the holders of the Notes shall not be adversely affected thereby).

Section 13.03. Consent to Substance, Not Form. It shall not be necessary for any written consent of the holders of outstanding Notes given pursuant to Section 13.01 hereof to specify the particular form of the proposed documents to be executed and delivered pursuant to said Section 13.01, but it shall be sufficient if such consent is given to the substance thereof.

Section 13.04. Documents Mailed to Holders. Promptly after the execution and delivery by the Owner Trustee or the Indenture Trustee of any agreement or instrument entered into pursuant to Section 13.01 or 13.02 hereof, the Indenture Trustee shall mail, by certified mail, postage prepaid, a photocopy or conformed copy thereof to each holder of a Note then outstanding at its address shown in the Note Register.

Section 13.05. Arbitration. The Owner Trustee will not, without the prior written consent of the Indenture Trustee, submit to arbitration any question, dispute or other matter arising under the Lease, the Purchase Agreement, any Purchase Agreement Assignment, any Bill of Sale, any sublease of a Locomotive or the Trust Agreement; provided, however, that no such consent shall be required in connection with any question, dispute or other matter solely with respect to Excepted Rights or any of the rights of the Owner Trustee listed in Section 12.12(d) hereof.

Section 13.06. Indenture Trustee. The Indenture Trustee may, but shall not be obligated to, enter into and execute any supplement to or amendment, waiver or modification which adversely affects the Indenture Trustee's own rights, duties or immunities under this Indenture.

ARTICLE XIV

Miscellaneous

Section 14.01. No Legal Title to Trust Indenture Estate in Holders. No holder of any Note shall, by reason thereof or hereof, have legal title to any part of the Trust Indenture Estate. No transfer, by operation of law or otherwise,

of any Note, or other right, title and interest of any holder of a Note, in and to the Trust Indenture Estate or hereunder, shall operate to terminate this Indenture or the trusts hereunder or entitle any successor or transferee of such holder to the transfer to it of legal title to any part of the Trust Indenture Estate.

Section 14.02. Limitation on Rights of Others.

Nothing in this Indenture, whether express or implied, shall be construed to give to any person other than the Owner Trustee, the Indenture Trustee and the holders of Notes any legal or equitable right, power, privilege, immunity, claim or remedy under or in respect of this Indenture or any covenant, condition or provision contained herein. All such covenants, conditions and provisions are, and shall be held to be, for the sole and exclusive benefit of the Owner Trustee, the Indenture Trustee and such holders.

Section 14.03. Execution of Instruments by Holders of Notes; Binding Effect. Any request or other instrument which this Indenture may require or permit to be signed by the holder of any Note shall be sufficiently executed if signed by such holder or by an attorney-in-fact of such holder duly appointed in writing by such holder, and, subject to the provisions of the next paragraph, the action taken by execution and delivery of such request or other instrument shall become effective when such request or other instrument shall have been delivered to the Indenture Trustee. The fact and date of execution of any such request or other instrument, or of any writing appointing such attorney-in-fact, may be proved by the affidavit or signed statement of a witness of such execution, or by the certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the person signing such request, other instrument or writing acknowledged to him the execution thereof. Where such execution is by or on behalf of any legal entity other than an individual, such affidavit, signed statement or certificate shall also constitute proof of the authority of the person signing on behalf of such legal entity. The fact and date of the execution of any such request, other instrument or writing, or the authority of the person signing the same, may also be proved in any other manner which the Indenture Trustee shall deem to be sufficient. The ownership of Notes shall be proved by the Note Register.

At any time prior to (but not after) the evidencing to the Indenture Trustee, as provided in the preceding paragraph, of the taking of any action by the holders of a majority or other percentage in aggregate principal amount of Notes outstanding specified by this Indenture, any holder of a Note which is shown by the evidence to be included in the Notes the holders of which have taken such action may, by filing a written notice with the Indenture Trustee at its Principal Corporate Trust Office, revoke such action so far as concerns such Note. Except as aforesaid,

the execution and delivery of any request or other instrument or the taking of any other action hereunder by the holder of any Note shall bind the holder of any Note issued in exchange or replacement therefor, or issued on registration of transfer thereof, in respect of any action taken, suffered or omitted by the Indenture Trustee or the Owner Trustee in accordance with such request, other instrument or action, whether or not notation thereof shall have been made on such Note.

Section 14.04. Payments Due on Days Not Business Days. In any case where the date for payment or prepayment of principal of, or for payment of the interest on, any Note shall not be a Business Day, then payment of said principal or interest, as the case may be, shall be made on the next succeeding day that is a Business Day.

Section 14.05. Notices; Payments. (a) Unless otherwise expressly specified or permitted by the terms hereof, notices and other communications required or permitted to be given or made under the terms hereof shall be in writing. Any such communication or notice shall be deemed to have been duly made or given (a) (i) when delivered personally, (ii) when transmitted by facsimile, or (iii) in the case of mail delivery, the earlier of receipt or three Business Days after any such communication or notice shall have been deposited in the United States mail for transmission by first class mail, postage prepaid; and if (b) addressed to the intended recipient as follows (subject to the next sentence of this subsection (a)):

<u>Name of Person</u>	<u>Address</u>
The Owner Trustee.....	Wilmington Trust Company Rodney Square North Wilmington, Delaware 19890 Attention: Corporate Trust Administration Facsimile No.: (302) 651-8464
Each holder of a Note.....	The address contained in the Note Register maintained as required by this Indenture
The Indenture Trustee.....	The Connecticut Bank and Trust Company, National Association One Constitution Plaza Hartford, Connecticut 06115 Attention: Corporate Trust Department Facsimile No.: (203) 244-6999

The Lessee..... National Railroad Passenger Corporation
400 North Capitol Street, N.W.
Washington, D.C. 20001
Attention: Treasurer

Facsimile No.: (202) 383-2116

The Owner Participant..... PacifiCorp Finance, Inc.
Suite 2800
U.S. Bancorp Tower
111 Southwest Fifth Avenue
Portland, Oregon 97204
Attention: Senior Vice President

Facsimile No.: (503) 274-6545

Each such person may from time to time designate by notice in writing to the other such persons a different address for communications and notices.

In any case where notice to holders of Notes is required to be given hereunder, neither the failure to give such notice, nor any defect in any notice so given, to any particular holder of Notes shall affect the sufficiency of such notice with respect to the other holders of Notes.

Where this Indenture provides for notice in any manner, such notice may be waived in writing by the person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by holders of Notes shall be filed with the Indenture Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

(b) Unless otherwise expressly specified or permitted by the terms hereof, all payments provided for herein shall be made, if to the Indenture Trustee, to it at One Constitution Plaza, Hartford, Connecticut 06115, Attention: Corporate Trust Department, or at such other address and/or to the attention of such other department as the Indenture Trustee shall from time to time designate by notice in writing to the Owner Trustee, the Lessee and the Owner Participant, and, if to the Owner Trustee, to it at Wilmington Trust Company, Account No. 031100092 Attention: Corporate Trust Administration, re: Amtrak payment, or at such other address and/or to the attention of such other department as the Owner Trustee shall from time to time designate by notice in writing to the Indenture Trustee and the Lessee.

Section 14.06. Severability. Any provision of this Indenture which is invalid, illegal or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity, illegality or unenforceability without invalidating, prohibiting the observance of or rendering unenforceable the remaining provisions hereof, and any such invalidity, illegality or unenforceability in any jurisdiction shall not invalidate, prohibit the observance of or render unenforceable such provision in any other jurisdiction.

Section 14.07. Dating of Indenture. Although this instrument is dated for convenience as of the date first above written, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the Acknowledgments hereto annexed.

Section 14.08. Successors and Assigns. All covenants and agreements contained herein shall be binding upon the Owner Trustee and the Indenture Trustee, and their respective successors and assigns, and each holder of a Note, and shall inure to the benefit of the Owner Trustee and the Indenture Trustee, and their respective successors and assigns permitted hereunder, and each holder of a Note.

Section 14.09. Governing Law. This Indenture shall be governed by, and construed in accordance with, the law of the State of New York applicable to contracts executed and delivered, and to be fully performed, in the State of New York.

Section 14.10. Separate Counterparts. This Indenture may be executed by the parties hereto in separate counterparts (or upon separate signature pages bound together into one or more counterparts), each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed under their respective corporate seals by their respective officers thereunto duly authorized.

WILMINGTON TRUST COMPANY,
Not in its individual capacity
but solely as Owner Trustee,
except as expressly provided
herein

[Corporate Seal]

By: 

Title: _____
James P. Lawler
Financial Services Officer

Attest:



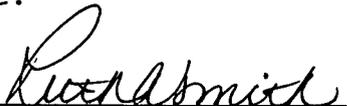
THE CONNECTICUT BANK AND TRUST
COMPANY, NATIONAL ASSOCIATION,
As Indenture Trustee

By: 

Title: Vice President

[Corporate Seal]

Attest:



Assistant Secretary

District)
) ss.
of Columbia)

On this 14th day of December, 1988, before me personally appeared James P. Lawler to me personally known, who, being by me duly sworn, did say that he is a Fin. Serv. Officer of WILMINGTON TRUST COMPANY, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Elaine C. Hayden
Signature of Notary Public

My commission expires

My Commission Expires June 30, 1993

County of HARTFORD)
) ss.
State of Connecticut)

On this 7th day of December, 1988, before me personally appeared LESE AMATO, to me personally known, who, being by me duly sworn, did say that he is a VICE PRESIDENT of THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Dawn Piccoli Heintz
Signature of Notary Public

My commission expires
DAWN PICCOLI HEINTZ
NOTARY PUBLIC

MY COMMISSION EXPIRES MARCH 31, 1992

FORM OF NOTE
AND
INDENTURE TRUSTEE'S CERTIFICATION OF
AUTHENTICATION

[FORM OF NOTE]

WILMINGTON TRUST COMPANY, NOT IN ITS INDIVIDUAL CAPACITY BUT
SOLELY AS OWNER TRUSTEE UNDER
TRUST AGREEMENT DATED AS OF DECEMBER 1, 1988

Secured Note (Non-Recourse) due March 30, 2008

R-

Dated:

New York, New York

WILMINGTON TRUST COMPANY, not in its individual capacity but solely as Owner Trustee (herein, together with any successors thereto in such trustee capacity, called the "Owner Trustee") under the Trust Agreement, dated as of December 1, 1988, with PacifiCorp Finance, Inc. (the "Owner Participant"), for value received, hereby promises to pay to _____ or registered assigns on March 30, 2008, the principal sum of (\$ _____), together with the applicable premium, if any, and interest on the amount of said principal sum remaining unpaid from time to time (a) from the date of this Note until the Reset Date (as defined in the Indenture referred to below) (or any earlier date on which such principal amount shall become due and payable, whether by acceleration, prepayment or otherwise) at the rate of 10.32% per annum, and on any overdue principal and premium (including any overdue prepayment of principal and premium) and, to the extent that such payment is enforceable under applicable law, on any overdue payment of interest, at the rate of 11.32% per annum (interest in each case being computed on the basis of a 360-day year of twelve 30-day months) and (b) on and after the Reset Date until paid in full, whether at stated maturity or by acceleration, prepayment or otherwise, at the Reset Interest Rate (as defined in the Indenture referred to below) and on any overdue payment of principal and premium (including any overdue prepayment of principal and premium) and, to the extent that such payment is enforceable under applicable law, on any overdue payment of interest, at the Reset Interest Rate plus one percent per annum (interest in each case being computed on the basis of a

360-day year of twelve 30-day months), in each case as provided herein and in the Trust Indenture and Security Agreement, dated as of December 1, 1988 (herein, together with all indentures supplemental thereto called the "Indenture"; the terms used and not otherwise defined herein but defined, either directly or by cross-reference, in the Indenture being used herein with the meanings assigned thereto in the Indenture), between the Owner Trustee and The Connecticut Bank and Trust Company, National Association (herein, together with its successors and assigns permitted under the Indenture, called the "Indenture Trustee").

Such principal and interest shall be payable in the following manner: If this Note shall have been issued prior to December 30, 1988, interest only shall be payable on December 30, 1988. Thereafter, principal and interest shall, in each case, be payable in seventy-seven quarter-annual installment payments, to be payable on each March 30, June 30, September 30 and December 30, commencing March 30, 1989 (each such date being herein called an "Installment Payment Date"), each such installment payment to be in the amount set forth in Schedule I annexed hereto opposite the appropriate Installment Payment Date, the first such payment to be made on March 30, 1989, and subsequent payments to be made on each Installment Payment Date thereafter, to and including March 30, 2008, except that the last installment payment shall, in any event, be in an amount sufficient to discharge the accrued interest on and unpaid principal amount of this Note.

This Note is one of an authorized issue of Secured Notes (Non-Recourse) due March 30, 2008, of the Owner Trustee (the "Notes"), limited in aggregate principal amount to the Aggregate Debt Limit. The Notes are issued under and secured by the Indenture (the security for the Notes under the Indenture being herein called the "Trust Indenture Estate"). The Trust Indenture Estate is and will be held by the Indenture Trustee, in the manner set forth in the Indenture, as security for the Notes. Reference is hereby made to the Indenture for a statement of the rights and powers of the holders of, and the nature and extent of the security for, the Notes, as well as for a statement of the terms and conditions of the trusts created by the Indenture, to all of which terms and conditions the holder hereof agrees by its acceptance of this Note.

All payments of principal, premium, if any, and interest to be made hereunder and under the Indenture to the holder of this Note and the holders of other Notes outstanding thereunder shall be made only from the income and proceeds of the Trust Indenture Estate and only to the extent that the Indenture Trustee shall have sufficient income or proceeds from the Trust Indenture Estate to make such payments in accordance with the terms of the Indenture; and the holder hereof, by its acceptance of this Note, agrees that it will look for payment of this Note

solely to the income and proceeds of the Trust Indenture Estate to the extent available for distribution to such holder as provided in the Indenture, and that neither the Owner Trustee, the Owner Participant nor the Indenture Trustee will be liable in its individual capacity to the holder of this Note for any amounts payable hereunder.

Principal, premium, if any, and interest shall be payable at the Principal Corporate Trust Office of the Indenture Trustee in immediately available funds in such coin or currency of the United States of America as shall at the time be legal tender for the payment of public and private debts; provided, however, that this Note is subject to the provisions of Section 3.02(a) of the Indenture providing for payment by credit of account, check or other means in certain instances, and any payment made by the Owner Trustee or the Indenture Trustee of principal, premium, if any, or interest hereunder pursuant to said provisions shall be sufficient to discharge, to the extent of such payment, the liability of the Owner Trustee in respect of this Note; provided further, that payments under this Note are subject to the provisions of Section 3.04 of the Indenture providing for withholding of taxes under certain circumstances.

The holder hereof, by its acceptance of this Note, agrees that each payment received by it hereunder shall be applied as follows: first, to the payment of accrued but unpaid interest on this Note then due hereunder; second, to the payment of premium, if any, on this Note then due hereunder; and third, to the payment of the principal amount of this Note then due hereunder.

In addition to the periodic prepayment of principal of this Note referred to in the second paragraph of this Note, the principal of this Note is, under certain circumstances set forth in the Indenture, subject to prepayment in whole or in part in the manner set forth in Article VI of the Indenture at a price equal to 100% of the principal amount hereof to be prepaid plus accrued and unpaid interest thereon to the date fixed for prepayment, without premium in certain circumstances, and with a premium calculated in accordance with Section 6.02(b) of the Indenture under other circumstances, all as set forth in the Indenture.

Upon the occurrence of an Indenture Event of Default under and as specified in the Indenture, the principal hereof, the premium, if any, hereon and the interest accrued and unpaid hereon may be declared to be due and payable, which declaration may thereafter be rescinded under certain circumstances, in each case as specified in the Indenture.

The Notes are issuable in registered form only. The Owner Trustee and the Indenture Trustee may deem and treat the

person in whose name any Note is registered in the Note Register required to be maintained at the Principal Corporate Trust Office of the Indenture Trustee, as the absolute owner of such Note (whether or not such Note shall be overdue) for the purpose of receiving payment and for all other purposes. Upon and subject to the terms and conditions of the Indenture, (a) transfer of any Note may be registered in the Note Register referred to above by the registered holder thereof in person or by its duly authorized attorney and (b) any Note may be exchanged for one or more Notes of other authorized denominations.

This Note shall be governed by the laws of the State of New York.

This Note shall not be valid unless and until the certification of authentication hereon shall have been signed by the Indenture Trustee.

IN WITNESS WHEREOF, the Owner Trustee has caused this Note to be duly executed.

WILMINGTON TRUST COMPANY,
not in its individual
capacity but solely as
Owner Trustee

By _____
Title:

[FORM OF INDENTURE TRUSTEE'S CERTIFICATION OF AUTHENTICATION]

This Note is one of the Secured Notes (Non-Recourse) due March 30, 2008, described in the within-mentioned Indenture.

THE CONNECTICUT BANK AND TRUST
COMPANY, NATIONAL ASSOCIATION,
as Indenture Trustee

By _____
Authorized Officer

SCHEDULE I¹

[To Be Supplied]

¹ Schedule I may be amended, by substitution or otherwise, with the consent of the Owner Trustee, the Owner Participant, the Indenture Trustee and the Note Purchaser, on each Delivery Date after the original Delivery Date.

Appendix B to
Indenture

FORM OF INDENTURE SUPPLEMENT
RELATING TO LOCOMOTIVES

INDENTURE SUPPLEMENT NO.

THIS INDENTURE SUPPLEMENT NO. _____, dated as of _____, _____, between WILMINGTON TRUST COMPANY, a Delaware banking corporation having its principal office and chief place of business at Rodney Square North, Wilmington, Delaware 19890, not in its individual capacity but solely as Owner Trustee under the Trust Agreement as defined in Annex A in the Indenture referred to below, except as expressly provided in the Indenture referred to below (herein, together with any successors thereto in such trustee capacity, called the "Owner Trustee"), and THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association having its corporate trust office at One Constitution Plaza, Hartford, Connecticut 06115, Attention: Corporate Trust Department, as Indenture Trustee (herein, together with its successors and assigns permitted under the Indenture referred to below, called the "Indenture Trustee"),

W I T N E S S E T H:

WHEREAS, the Owner Trustee and the Indenture Trustee have heretofore entered into that certain Trust Indenture and Security Agreement, dated as of December 1, 1988 (the "Indenture"; the terms used and not otherwise defined herein and defined, either directly or by cross-reference, in the Indenture being used herein with the respective meanings assigned thereto in the Indenture), which Indenture provides for the execution and delivery from time to time of indenture supplements substantially in the form hereof for the purpose of confirming or completing the description of one or more Locomotives subjected to the lien of the Indenture;

NOW, THEREFORE, in consideration of the premises and other good and sufficient consideration, the parties hereto hereby agree as follows:

1. The Owner Trustee hereby represents and warrants to the Indenture Trustee and the Lessee has confirmed to the Owner Trustee that, effective on the date hereof, the Locomotive[s]

described in the Annex hereto has [have] been delivered to the Lessee, and has [have] been duly accepted by the Lessee, and that said Annex contains a correct and complete description of said Locomotive[s] (including Manufacturers' serial numbers, where appropriate) sufficient for the purposes of the Lease Agreement and the Indenture. The Owner Trustee further represents and warrants to the Indenture Trustee that the Lessee has confirmed to the Owner Trustee that each Locomotive covered hereby has been marked in accordance with Section 5 of the Lease.

2. This indenture supplement may be executed by the parties hereto in separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument.

3. Although this indenture supplement is dated for convenience as of the date first above written, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the Acknowledgements hereto annexed.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be duly executed under their respective corporate seals by their respective officers thereunto duly authorized.

WILMINGTON TRUST COMPANY,
Not in its individual capacity but
solely as Owner Trustee, except as
expressly provided herein

By: _____
Title:

[Corporate Seal]

Attest:

THE CONNECTICUT BANK AND TRUST COMPANY,
NATIONAL ASSOCIATION,
As Indenture Trustee

By: _____
Vice President

[Corporate Seal]

Attest:

Assistant Secretary

CERTAIN DEFINITIONS

The following terms shall have the following meanings for all purposes of the Operative Documents (as modified, amended or supplemented from time to time) to which this Annex A is appended and such meanings shall be equally applicable to both the singular and plural forms of the terms defined in this Annex A:

"Accredited Investor" has the meaning specified in Rule 501(a) of Regulation D promulgated under the Securities Act.

"Act" means the Interstate Commerce Act (49 U.S.C. § 10101 et seq.), as amended from time to time.

"Additional Insureds" means Lessor, in its individual capacity and as Owner Trustee, Owner Participant, Indenture Trustee and the holders of the Notes.

"Affiliate" of any Person means any other Person controlling, controlled by, or under common control with, such Person.

"Aggregate Casualty Payment" has the meaning specified in Section 6.1 of the Lease.

"Aggregate Debt Limit" means \$20,000,000.

"Appraiser" means B. Royce Green Associates.

"Authorized Officer" means the President, any Vice President, any Assistant Vice President, or, with respect to Owner Trustee and Indenture Trustee, any Senior Financial Services Officer, any Financial Services Officer, or any other Officer in the Corporate Trust Administration or Corporate Trust Department, as the case may be, or any other officer of the entity who has been authorized by the Board of Directors or the Executive Committee of the Board of Directors of such entity to perform the specific act or duty or to sign the specific document in question.

"Bankruptcy Code" means the Federal Bankruptcy Code (11 U.S.C. § 101 et seq.), as amended from time to time.

"Basic Rent" means the rent payable for the Locomotives during the Basic Term pursuant to Section 3.1 of the Lease. Subject to adjustment in accordance with Section 3.4 of the Lease, each quarterly payment of Basic Rent in respect of each Locomotive subject to the Lease shall be in an amount equal to the product of (i) the percentage set forth in Schedule 2 attached to the Lease Supplement covering and related to such Locomotive applicable to the quarterly rental payment being made multiplied by (ii) the amount of the Purchase Price of such Locomotive designated in such Lease Supplement.

"Basic Rent Default" has the meaning specified in Section 12.12(a) of the Indenture.

"Basic Term" for each Locomotive means the period beginning on December 30, 1988 and ending on December 29, 2008.

"Bill of Sale" means each bill of sale executed and delivered by the Manufacturer pursuant to Sections 6(i) and 7(g) of the Participation Agreement substantially in the form of Exhibit G to the Participation Agreement.

"Business Day" means any day other than (i) a Saturday or Sunday, and (ii) a day on which state or national banking institutions are authorized or obligated by law or executive order to remain closed in the States of New York, Connecticut, Delaware or Oregon or the District of Columbia.

"Casualty Occurrence" with respect to any Locomotive means any of the following events with respect to such Locomotive: (i) such Locomotive shall be or become lost or stolen for a period in excess of 30 days (or to the end of the remaining term of the Lease, if it first occurs), or shall be or become worn out, destroyed or irreparably damaged, or uneconomical to repair from any cause whatsoever during the Lease Term or until such Locomotive is returned pursuant to Section 12 or Section 15 of the Lease, (ii) such Locomotive, together with all other Locomotives manufactured by Manufacturer, shall have been returned permanently to Manufacturer pursuant to any patent indemnity provisions of any agreement between Manufacturer and Lessee, (iii) such Locomotive shall be permanently returned to the Manufacturer due to a material breach of Manufacturer's warranty (other than under the circumstances contemplated by the immediately preceding clause (ii)) contained in any agreement between Manufacturer and Lessee, (iv) title to such Locomotive shall be taken by any governmental entity by condemnation or otherwise, (v) use of such Locomotive shall be taken or requisitioned (a) by the United States government (I) for a stated period which shall equal or exceed the then remaining term of the Lease, or (II) for a period which has exceeded one year, or (b) by any other governmental entity (I) for a stated period which shall equal or exceed the then remaining term of the Lease or (II) for a period which has exceeded 180 days, or (vi) as a result of any rule, regulation, order or other action by the United States government or any Instrumentality, the use of such Locomotives in the normal course of interstate rail transportation shall have been prohibited for a continuous period of 90 days (or to the end of the remaining term of the Lease, if it first occurs); provided, that if any of the above events shall also constitute a Special Casualty Occurrence, any such event shall not be deemed to be a Casualty Occurrence.

"Casualty Payment Date" means the date on or before the Business Day next preceding the earlier of (i) the 45th day following the date of a Casualty Occurrence, or (ii) the fifth day following the receipt of insurance proceeds with respect to such Casualty Occurrence.

"Casualty Value" has the meaning specified in Section 6.4 of the Lease.

"Casualty Value Determination Date" during the Interim Term and the Basic Term, means the date, specified on Schedule 3 to the Lease Supplement applicable to a Locomotive affected by a Casualty Occurrence, next succeeding the date of such Casualty Occurrence (or if such date of the Casualty Occurrence is a date shown on such Schedule 3, such date). During any Renewal Term, "Casualty Value Determination Date" means the date of a Casualty Occurrence.

"Certificate of Acceptance" means a certification of acceptance executed and delivered by Lessee pursuant to Article 1 of the Purchase Agreement substantially in the form of Exhibit II to the Purchase Agreement.

"Certificate of Authentication" means a certificate of authentication executed and delivered by Indenture Trustee pursuant to Section 3.01 of the Indenture substantially in the form set forth in Appendix A to the Indenture.

"Certificate of Inspection" means a certificate of inspection executed and delivered by Lessee pursuant to Article 3 of the Purchase Agreement substantially in the form of Exhibit III to the Purchase Agreement.

"Certificate of Inspection and Acceptance" means a certificate of inspection and acceptance executed and delivered by Lessee pursuant to Section 2 of the Lease substantially in the form of Exhibit A to the Lease.

"Cessation of Substantial Financial Commitment" means the failure by the United States government to support substantially all of Lessee's operating and capital budget shortfall as set forth in Lessee's federal grant justification transmitted to the President and Congress pursuant to Section 548(b) of the Rail Passenger Service Act within 120 days following commencement of the fiscal year for which such federal grant justification was submitted by Lessee.

"Change in Tax Law" means any change, modification, or addition in or to the Code (or any federal tax statute), regulation, published administrative rulings or procedures or applicable judicial decisions, that is enacted, promulgated, proposed or decided on or after December 1, 1988.

"Change in Tax Rate" means a change in the highest marginal rate of tax levied by the United States government on the taxable income of corporations.

"Claim" has the meaning specified in Section 8(b) of the Participation Agreement.

"Claim of Instrumentality" means any claim by Lessee before any governmental agency or court to be a United States governmental agency, instrumentality, authority, entity or establishment.

"Code" means the Internal Revenue Code of 1986.

"Commercial Obligation" means (i) any and all obligations, whether or not monetary, of Lessee to Owner Participant, Lessor, Note Purchaser, the holders of the Notes or the Indenture Trustee pursuant to any Operative Document; (ii) principal of, interest on, and any penalties assessed relating to, any indebtedness of Lessee owed to one or more banks, banking institutions, credit associations, insurance companies or financial institutions or other financing parties (each a "Bank"), whether outstanding on the effective date of the Participation Agreement or any Delivery Date or thereafter created, incurred or assumed that is (a) for money borrowed or (b) evidenced by a note or other evidence of indebtedness given in connection with the acquisition of any properties or assets; (iii) all obligations (including obligations under capital leases) of Lessee of whatever kind or nature to one or more Banks, including, without limitation, those incurred in connection with any acquisition of real or personal property, tangible or intangible, by condemnation, purchase or otherwise; (iv) all indebtedness or obligations of others of the kinds described in clauses (ii) and (iii) above for the payment of which Lessee is responsible or liable as guarantor or otherwise; (v) obligations under contracts entered into by Lessee with suppliers or customers of Lessee or any railroad, whether or not in the ordinary course of business and (vi) amendments, renewals, extensions and refundings of any indebtedness or obligations described in clauses (i) through (v) above.

"Consent to Purchase Agreement Assignment" means each consent to purchase agreement assignment substantially in the form of Exhibit C to the Participation Agreement given by Manufacturer and GMAC for the purpose of consenting to the assignment by Lessee (as assignor) to Owner Trustee (as assignee) of certain rights of Lessee under the Purchase Agreement and to the collateral assignment under the Indenture of certain rights of Owner Trustee to Indenture Trustee (collectively, the "Consents to Purchase Agreement Assignment").

"Debt Amount" for each Locomotive means the principal amount of the Note delivered by Owner Trustee pursuant to the Participation Agreement on the Delivery Date for such Locomotive to finance a portion of the Purchase Price for such Locomotive.

"Debt Rate" means 10.32% per annum computed on the basis of a 360-day year of twelve 30-day months. The Debt Rate is subject to adjustment on the Reset Date pursuant to Section 2.02 of the Indenture.

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

"Delivery Date" means a date on which one or more of the Locomotives are purchased by Owner Trustee in accordance with the Purchase Agreement and a Purchase Agreement Assignment and leased to Lessee pursuant to the Lease.

"Effective Rate" has the meaning specified in Section 2(b) of the Tax Indemnity Agreement.

"ERISA" means the Employee Retirement Income Security Act of 1974 (29 U.S.C. § 301 et seq.), as amended from time to time.

"Event of Default" has the meaning specified in Section 11.1 of the Lease.

"Excepted Rights" has the meaning specified in the Granting Clauses of the Indenture.

"Fair Market Rental" has the meaning specified in Section 14.3 of the Lease.

"Fair Market Value" has the meaning specified in Section 10.2 or Section 14.3 of the Lease, as the case may be.

"Federal Reserve Discount Rate" means the published discount-rate charged on loans to depository institutions by the New York Federal Reserve Bank as approved by the Board of Governors of the Federal Reserve System or, if such rate is no longer published, any rate reasonably equivalent thereto.

"GMAC" means General Motors Acceptance Corporation, a New York corporation.

"Grant" and "Granted" have the meanings specified in the Granting Clauses of the Indenture.

"Handlaren" means Investment AB Handlaren, a Swedish corporation.

"ICC" means the United States Interstate Commerce Commission or any successor agency thereto.

"including", "including, without limitation", and terms or phrases of similar import, with respect to any matter or thing, mean including, without limitation, such matter or thing.

"Indemnified Parties" means Owner Participant, Owner Trustee, in its individual capacity and as Owner Trustee, Indenture Trustee, each other holder from time to time of any Note (including, in the case of each of the foregoing, as to any such corporation, any corporation which is a member of the same affiliated group, as defined in Section 1504 of the Code, as such corporation), the Trust Estate, the Trust Indenture Estate, and the successors, assigns, Affiliates, agents, officers, shareholders, directors, servants and employees of any thereof, each individually being an "Indemnified Party."

"Indenture" means that certain Trust Indenture and Security Agreement, dated as of December 1, 1988, between Owner Trustee and Indenture Trustee, in substantially the form of Exhibit F to the Participation Agreement, as originally executed or as modified, amended or supplemented in accordance with the applicable provisions thereof. Unless the context otherwise requires, "Indenture" shall include each Indenture Supplement.

"Indenture Default" means an event or condition which, after notice or lapse of time, or both, would become an Indenture Event of Default.

"Indenture Event of Default" has the meaning specified in Section 12.01 of the Indenture.

"Indenture Supplement" means any amendment or supplement to the Indenture adopted in accordance with Article XIII of the Indenture, including, without limitation, an indenture supplement substantially in the form of Appendix B to the Indenture.

"Indenture Trustee" means The Connecticut Bank and Trust Company, National Association, a national banking association, and its permitted successors and assigns.

"Initial Renewal Term" means the period beginning on December 30, 2008 and ending on December 29, 2012.

"Installment Payment Date" means each March 30, June 30, September 30 and December 30 during the period Notes are outstanding under the Indenture, commencing March 30, 1989.

"Institutional Investor" means any of the following Persons existing under the United States or any state thereof:

(i) any bank, savings institution, trust company or national banking association, acting for its own account or in a fiduciary capacity, (ii) any charitable foundation, (iii) any insurance company or fraternal benefit association, (iv) any pension, retirement or profit-sharing trust or fund for which any bank, trust company, national banking association or investment adviser under the Investment Advisers Act of 1940, as amended and now in effect, is acting as trustee or agent, (v) any investment company registered under the Investment Company Act of 1940, as amended and now in effect, (vi) any college or university, (vii) any governmental agency supervising the investment of public funds or (viii) any finance or leasing company.

"Instrumentality" means a United States governmental agency, instrumentality, authority, entity or establishment.

"Interim Rent" for each Locomotive means an amount equal to the product of (i) the Debt Amount for such Locomotive, (ii) the Debt Rate and (iii) the number of days (based on a 360-day year of twelve 30-day months) from, and including, the Delivery Date of such Locomotive, to and including the last day of the Interim Term, or the date of payment of any installment of Interim Rent due prior to the last day of the Interim Term pursuant to Section 3.1(i) of the Lease, as the case may be, all divided by 360.

"Interim Term" for each Locomotive means the period beginning on the Delivery Date of such Locomotive up to and including December 29, 1988.

"Investment" means the amount of money delivered by Owner Participant to Owner Trustee pursuant to Section 3 of the Participation Agreement to finance that portion of the Purchase Price for the Locomotives to be delivered on a Delivery Date not financed by Notes to be delivered by the Owner Trustee to the Indenture Trustee pursuant to Section 2 of the Participation Agreement (collectively, "Investments").

"Invoice" means an invoice delivered by Manufacturer to Owner Trustee on a Delivery Date specifying the serial numbers, road numbers and Purchase Prices of the Locomotives delivered on such Delivery Date.

"Hakon" means Hakon Finans AB, a Swedish corporation.

"Lease" means that certain Lease of Railroad Equipment, dated as of December 1, 1988, between Owner Trustee, as lessor, and Lessee, as lessee, in substantially the form of Exhibit E to the Participation Agreement, as originally executed or as modified, amended or supplemented in accordance with the applicable provisions thereof. Unless the context otherwise requires, "Lease" shall include each Lease Supplement.

"Lease Default", when used in the Indenture, means a Default.

"Lease Event of Default", when used in the Indenture, means an Event of Default.

"Lease Rent" has the meaning specified in Section 5.01 of the Indenture.

"Lease Supplement" means a supplement to the Lease substantially in the form of Exhibit B to the Lease, to be entered into between Lessor and Lessee for the purpose of leasing the Locomotives under and pursuant to the Lease (each a "Lease Supplement," collectively, the "Lease Supplements").

"Lease Term" for each Locomotive means the period commencing on the Delivery Date and continuing to and including the last day of the Basic Term, or if Lessee exercises the renewal option contained in Section 14.2 of the Lease, the last day of the Renewal Term, in each case unless earlier terminated pursuant to the terms of the Lease.

"Leased Property" has the meaning specified in the Granting Clauses of the Indenture.

"Lessee" means National Railroad Passenger Corporation, a corporation organized under the Rail Passenger Service Act and the laws of the District of Columbia, also known as AMTRAK.

"Lessee's Notice" has the meaning specified in Section 2(c) of the Participation Agreement.

"Lessor" means Wilmington Trust Company, a Delaware banking corporation, not in its individual capacity but solely as Owner Trustee except as expressly provided in the Operative Documents, and its permitted successors and assigns.

"Lessor's Liens" means any Lien which results from claims by or against Lessor, in its individual capacity or as trustee, unrelated to Lessor's ownership or mortgaging of the Locomotives pursuant to the Operative Documents or Lessor's sale and leasing of the Locomotives pursuant to the Swedish Financing Documents or the transactions contemplated thereby.

"Liability Insurance" has the meaning specified in Section 6.6 of the Lease.

"Lien" means any interest in property securing an obligation owed to, or a claim by, any person other than the owner of the property, whether such interest shall be based on the common law, statute, contract or conveyance, and including, but not limited to, the security interest lien arising from a mortgage, encumbrance, pledge, conditional sale or trust

receipt, or from a lease, consignment or bailment for security purposes. Without limitation of the foregoing, the term "Lien" shall include reservations, exceptions, encroachments, easements, rights-of-way, covenants, conditions, restrictions, leases and other title exceptions and encumbrances affecting property. For the purposes of the Lease, a person shall be deemed to be the owner of any property which it shall have acquired or shall hold subject to a conditional sale agreement or other arrangement pursuant to which title to the property shall have been retained by or vested in some other person for security purposes.

"Locomotive" means each of the seven (7) General Motors AEM-7 electric locomotives, as more specifically described in Exhibit C to the Lease, purchased or to be purchased by Lessee in accordance with the Purchase Agreement and the Purchase Agreement Assignments and leased or to be leased to Lessee pursuant to the Lease and one or more Lease Supplements, together with related appliances, parts, accessories, appurtenances, additions, improvements and other equipment or components of any nature, and replacements thereof as described in the Lease (collectively, the "Locomotives").

"Locomotive Inspection Act" means the Locomotive Inspection Act (45 U.S.C. § 22 et seq.), as amended from time to time.

"Majority in Interest of Noteholders" means, as of a particular date of determination, the holder or holders of at least 51% in aggregate principal amount of all Notes outstanding as of such date (excluding any Notes then held by Owner Trustee, Owner Participant or Lessee or any Affiliate of any thereof unless all Notes then outstanding are held by Owner Trustee, Owner Participant and Lessee and their Affiliates).

"Make Whole Premium" at any time with respect to any prepayment of the Notes pursuant to Section 6.02(b) of the Indenture means to the extent that the Treasury Rate at such time is lower than 10.32% if such prepayment is made prior to the Reset Date, or lower than the Reset Interest Rate if such prepayment is made on or after the Reset Date, the excess of (i) the present value of the principal and interest payments on and in respect of the Notes being prepaid, which payments would otherwise become due and payable (without giving effect to such prepayment, but taking into account the required application of such prepayment to the scheduled payments on the Notes), all determined by discounting such payments at a rate which is equal to the Treasury Rate in effect on the date of the Special Casualty Occurrence in connection with which the Treasury Rate is being determined, over (ii) the aggregate principal amount of the Notes plus accrued interest then to be prepaid. To the extent that the Treasury Rate at the time of such prepayment is equal to or higher than 10.32% if such prepayment is made prior

to the Reset Date, or the Reset Interest Rate if such prepayment is made on or after the Reset Date, the Make Whole Premium is zero.

"Manufacturer" means General Motors Corporation, a Delaware corporation, acting through its Electro-Motive Division.

"Maximum Aggregate Investment Commitment" means \$6,500,000, exclusive of Transaction Expenses.

"Net Earnings" means the amount of after tax income anticipated to be earned from the Lease by Owner Participant from the beginning of the Interim Term through and including any Casualty Value Determination Date or Special Casualty Value Determination Date computed in accordance with that part of Statement of Financial Accounting Standards No. 13 relating to accounting for leveraged leases, and any amendments or successors thereto.

"Net Economic Return" means Owner Participant's net after-tax yield using the multiple investment sinking fund method and total after-tax cash flow, computed on the basis of the assumptions, including, without limitation, the tax assumptions set forth in the Tax Indemnity Agreement, used by Owner Participant in originally evaluating the transactions contemplated by the Lease.

"New Note" has the meaning specified in Section 4.03 of the Indenture.

"Non-U.S. Person" means any individual who is not a citizen of the United States, or any partnership, corporation, joint venture, trust, unincorporated association or other entity that is not either a citizen of the United States or organized under the laws of the United States or any state thereof.

"Northeast Corridor" means the following intercity passenger railroad lines: Washington, D.C. to Richmond, Virginia; New Haven, Connecticut to Boston, Massachusetts; New Haven, Connecticut to Springfield, Massachusetts; Washington, D.C. to New Haven, Connecticut; and Philadelphia, Pennsylvania to Harrisburg, Pennsylvania.

"Note" means and "Notes" mean all of the notes of Owner Trustee, substantially in the form thereof specified in Appendix A to the Indenture, as authenticated and delivered pursuant to the Indenture.

"Note Payment" means the amount which Note Purchaser delivers to Indenture Trustee pursuant to the Indenture on the Delivery Date to finance a portion of the Purchase Price for

the Locomotives to be delivered on such Delivery Date, collectively "Note Payments."

"Note Purchaser" means The Mutual Life Insurance Company of New York, a New York insurance corporation, and its permitted successors and assigns.

"Note Purchaser's Percentage" means the Note Purchaser's percentage set forth in the Lessee's Notice provided by Lessee pursuant to Section 2(c) of the Participation Agreement, applicable to the Locomotive or Locomotives to be delivered on a Delivery Date.

"Note Register" has the meaning specified in Section 4.01 of the Indenture.

"Officer's Certificate" with respect to any corporation or other entity, means a certificate executed on behalf of such corporation or other entity by its Chief Executive Officer, President, Chief Financial Officer, one of its Vice Presidents or its Treasurer (including, with respect to Owner Trustee and Indenture Trustee, any Authorized Officer).

"Old Note" has the meaning specified in Section 4.03 of the Indenture.

"Operative Documents" means the Participation Agreement, the Trust Agreement, the Indenture, the Lease, the Tax Indemnity Agreement, the Notes, the Bills of Sale, the Purchase Agreement, the Purchase Agreement Assignments and the Consents to Purchase Agreement Assignment, collectively.

"outstanding", with respect to Notes, means, as of the date of determination, all Notes theretofore authenticated and delivered under the Indenture, except:

(i) Notes theretofore cancelled by Indenture Trustee or delivered to Indenture Trustee for cancellation;

(ii) Notes for whose payment or prepayment money in the necessary amount shall theretofore have been deposited with the Indenture Trustee in trust for the holders of such Notes; provided, however, that, if such Notes are to be prepaid, notice of such prepayment shall have been duly given pursuant to the Indenture or provision therefor satisfactory to Indenture Trustee shall have been made; and

(iii) Notes in exchange or replacement for which other Notes shall have been authenticated and delivered under the Indenture;

provided, however, that in determining whether the holders of the requisite aggregate unpaid principal amount of Notes

outstanding have made or given any request, demand, instruction, authorization, direction, notice, consent or waiver under the Indenture, Notes held or owned by Owner Trustee, Owner Participant or Lessee, or any Affiliate of any thereof, shall be disregarded and deemed not to be outstanding, except that, in determining whether Indenture Trustee shall be protected in relying upon any such request, demand, instruction, authorization, direction, notice, consent or waiver, only Notes which Indenture Trustee knows to be so held or owned shall be disregarded.

"Overdue Rate" means 1% over the Debt Rate, and on and after the Reset Date, 1% over the Reset Interest Rate.

"Owner Participant" means PacifiCorp Finance, Inc., a Delaware corporation, and its permitted successors and assigns.

"Owner Participant Documents" means the Trust Agreement, the Participation Agreement and the Tax Indemnity Agreement.

"Owner Participant's Percentage" means the Owner Participant's percentage set forth in the Lessee's Notice provided by Lessee pursuant to Section 2(c) of the Participation Agreement, applicable to the Locomotives to be delivered on a Delivery Date.

"Owner Trustee" means Wilmington Trust Company, a Delaware banking corporation, not in its individual capacity but solely as Owner Trustee under the Trust Agreement, except as expressly provided in the Operative Documents, and its permitted successors and assigns.

"Participant" or "Participants" means Note Purchaser and Owner Participant.

"Payment Instructions" with respect to the Note Purchaser means the payment instructions set forth in Schedule I to the Participation Agreement.

"Participation Agreement" means the Participation Agreement, dated as of December 1, 1988, among Lessee, Owner Participant, Note Purchaser, Owner Trustee and Indenture Trustee, as originally executed or as modified, amended or supplemented in accordance with the applicable provisions thereof.

"Permitted Investment" means (i) certificates of deposit and time and other interest bearing deposits in banks which are members of the Federal Reserve System having a net worth of not less than \$125,000,000, (ii) short-term debt securities issued by or entitled to the full faith and credit of the United States government, (iii) bank repurchase agreements with banks described in clause (i) of this definition which are fully

collateralized by securities described in clause (ii) of this definition or (iv) commercial paper which is rated "A-1" or better (or comparable ratings) by Standard & Poor's Corporation or "P-1" or better (or comparable ratings) by Moody's Investors Service, Inc. or the successors to such rating organizations, in each case referred to in the foregoing clauses (i) through (iv) due within 210 days of the date of purchase.

"Permitted Liens" means (i) liens for taxes, assessments or governmental charges or levies in each case not due and delinquent, (ii) inchoate materialmen's, mechanics', workmen's, repairmen's or other like liens arising in the ordinary course of Lessee's business and in each case not delinquent, (iii) the leasehold interest in the Lease, (iv) the lien of the Indenture, and (v) any Liens permitted under the Swedish Financing Documents.

"Person" or "person" means any individual, partnership, corporation, trust, unincorporated association or joint venture, a government or any department or agency thereof, or any other entity.

"Principal Corporate Trust Office", with respect to the Indenture Trustee, means the office of the Indenture Trustee located at the address set forth in the first paragraph of the Indenture, or such other office at which the corporate trust business of the Indenture Trustee shall be conducted, written notice of which shall have been given to the Owner Trustee, the Lessee and the holders of outstanding Notes.

"Property Insurance" has the meaning specified in Section 6.6 of the Lease.

"Purchase Agreement" means that certain Agreement for Purchase of Electric Locomotives, dated as of October 8, 1987, between Lessee, as purchaser, Manufacturer, as seller, and GMAC, as originally executed in the form attached to the Participation Agreement as Exhibit A, or as modified, amended or supplemented in accordance with the applicable provisions thereof and of the Indenture.

"Purchase Agreement Assignment" means each purchase agreement assignment substantially in the form of Exhibit B to the Participation Agreement made by Lessee (as assignor) to Owner Trustee (as assignee) for the purpose of assigning certain rights under the Purchase Agreement to Owner Trustee (collectively, the "Purchase Agreement Assignments").

"Purchase Documents" means the Purchase Agreement, and, with respect to each Locomotive, the Purchase Agreement Assignment, the Consent to Purchase Agreement Assignment, the Invoice, the Certificate of Inspection, the Certificate of Acceptance and the Bill of Sale related thereto.

"Purchase Option Agreement" as applicable, means, when executed and delivered, (i) that certain Purchase Option Agreement to be executed in December 1988 between Hakon and Owner Trustee or (ii) that certain Purchase Option Agreement to be executed in December 1988, between Handlaren and Owner Trustee, in each case as in effect on the date of original execution thereof or as modified, amended or supplemented in accordance with the applicable provisions thereof and with the applicable Swedish Subordination Agreement (collectively, the "Purchase Option Agreements").

"Purchase Price" for each Locomotive means the price paid to the Manufacturer for the purchase of such Locomotive as specified in Schedule 1 to the Lease Supplement delivered on the Delivery Date for such Locomotive, and for all Locomotives in aggregate, an amount not exceeding \$25,776,800.

"Rail Passenger Service Act" means the Rail Passenger Service Act (45 U.S.C. § 501 et seq.), as amended from time to time.

"Renewal Rent" means the rent payable during the Renewal Term for the Locomotives subject to the Lease at the end of the Basic Term or the Initial Renewal Term, as the case may be, as specified in Section 14.2 of the Lease.

"Renewal Term" means the period beginning on December 30, 2008 and ending on December 29, 2012; provided, however, that if Lessee exercises its rights under Section 14.2(ii) of the Lease, the period shall end on December 29, 2016.

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

"Rent Payment Date" means each March 30, June 30, September 30 and December 30.

"Reset Date" has the meaning specified in Section 2.02 of the Indenture.

"Reset Interest Rate" has the meaning specified in Section 2.02 of the Indenture.

"Responsible Officer" means any corporate officer or other responsible official of such entity who is designated as the recipient of a notice pursuant to the provisions of any Operative Document or who, in the normal performance of such official's operational responsibilities, would have knowledge of the matter at issue and the relevant provisions of any applicable Operative Document.

"Securities Act" means the Securities Act of 1933 (15 U.S.C. § 77a et seq.), as amended from time to time.

"Short-Term Lease Termination" means a lease agreement termination substantially in the form of Exhibit B to the Lease Agreement dated as of September 30, 1988, by and between Manufacturer, as lessor, and Lessee, as lessee, executed and delivered on a Delivery Date for the purpose of terminating such lease with respect to the Locomotives delivered on such Delivery Date.

"Special Casualty Occurrence" means (i) the exercise by Lessee of the right permitted under the circumstances described in Section 6.9 of the Lease or (ii) the making by Lessee of a Claim of Instrumentality under the circumstances described in Section 6.10(ii) of the Lease.

"Special Casualty Value" during the Interim Term and the Basic Term, for each Locomotive means (i) the product of (a) the Purchase Price and (b) the sum of the percentages set forth in Columns A and C (for a Special Casualty Occurrence described in Section 6.9 of the Lease) and Columns B and C (for a Special Casualty Occurrence involving a Claim of Instrumentality) of Schedule 4 to the Lease Supplement applicable to such Locomotive opposite the Special Casualty Value Determination Date and (ii) the Make Whole Premium. During any Renewal Term, the Special Casualty Value for each Locomotive shall be an amount equal to 46% of the Purchase Price for such Locomotive.

"Special Casualty Value Determination Date" during the Interim Term and the Basic Term, (i) with respect to Section 6.9 of the Lease, means the date specified on Schedule 4 to the Lease Supplement applicable to a Locomotive next succeeding the date of exercise of the right of eminent domain, and (ii) with respect to Section 6.10(ii) of the Lease, means the date specified on Schedule 4 to the Lease Supplement applicable to a Locomotive, next succeeding the date Lessor notifies Lessee of Lessor's exercise of its right to require Lessee to purchase the Locomotives pursuant to Section 6.10(ii) of the Lease (or if the date Lessor notifies Lessee of Lessor's exercise of such right is a date shown on such Schedule 4, such date); provided, that, with respect to Section 6.10(ii), if a Responsible Officer of Lessee or a member of Lessee's headquarter's legal staff shall have become aware of Lessee making a Claim of Instrumentality and Lessee shall have failed to notify Lessor prior to the occurrence of an Event of Default as a result thereof, the Special Casualty Value Determination Date shall be the date specified on Schedule 4 to the Lease Supplement applicable to a Locomotive opposite the largest value listed in Column B between and including the first date a Claim of Instrumentality was made by Lessee and the date which Lessee notifies Lessor that Lessee has made such Claim of Instrumentality.

"Subsequent Renewal Term" means the period beginning on December 30, 2012 and ending on December 29, 2016.

"Supplemental Rent" means any and all amounts, liabilities and obligations (other than Interim Rent, Basic Rent or Renewal Rent) which Lessee assumes or agrees to pay to any person under the Lease or under the Participation Agreement including, without limitation, Section 3.3 of the Lease and Section 8 of the Participation Agreement, or under any other Operative Document, including, without limitation, payments of Casualty Value and Special Casualty Value, and amounts measured by reference thereto, indemnity payments and payments pursuant to the Tax Indemnity Agreement.

"Swedish Financing Documents" means, when executed and delivered, the "Documents" as defined in Exhibit A to the respective Purchase Option Agreements, as applicable, in each case as in effect on the date of original execution thereof or as modified, amended or supplemented in accordance with the applicable provisions thereof and with the Swedish Subordination Agreements.

"Swedish Lease" means, when executed and delivered, the Lease Agreement as defined in Exhibit A to the respective Purchase Option Agreements, as applicable, in each case as in effect on the date of original execution thereof, or as modified, amended or supplemented in accordance with the applicable provisions thereof and with the Swedish Subordination Agreements (collectively, the "Swedish Leases").

"Swedish Lessor" as applicable, means Hakon or Handlaren (collectively, the "Swedish Lessors").

"Swedish Subordination Agreement" means, when executed and delivered, the Subordination and Denunciation Agreement as defined in Exhibit A to the respective Purchase Option Agreements, as applicable, in each case as in effect on the date of original execution thereof or as modified, amended or supplemented in accordance with the applicable provisions thereof (collectively, the "Swedish Subordination Agreements").

"Tax Assumptions" has the meaning specified in Section 2(b) of the Tax Indemnity Agreement.

"Taxes" has the meaning specified in Section 8(a) to the Participation Agreement.

"Tax Indemnity Agreement" means that certain Tax Indemnity Agreement, dated as of December 1, 1988, between Owner Participant and Lessee, as originally executed or as modified, amended or supplemented in accordance with the applicable provisions thereof.

"Transaction Expenses" has the meaning specified in Section 9 of the Participation Agreement.

"Treasury Rate" at any time with respect to any Notes being prepaid, means the then existing yield to maturity on the United States Treasury obligations with a constant maturity (as compiled by and published in the most recently published issue of the United States Federal Reserve Statistical Release designated H.15(519) or its successor publication) most nearly equal to (by rounding to the nearest month) the Weighted Average Life to Maturity of the Notes. If no maturity exactly corresponding to such Weighted Average Life to Maturity of the Notes shall appear therein, the weekly average yields for the two most closely corresponding published maturities shall be calculated pursuant to the foregoing sentence and the Treasury Rate shall be determined from such yields on a straight-line basis (rounding, in the case of relevant periods, to the nearest month).

"Trust Agreement" means that certain Trust Agreement, dated as of December 1, 1988, between Owner Participant and Wilmington Trust Company, in substantially the form of Exhibit D to the Participation Agreement, as originally executed or as modified, amended or supplemented in accordance with the applicable provisions thereof.

"Trust Estate" means all estate, right, title and interest of Owner Trustee in and to the Locomotives, the Lease, the Purchase Agreement and the Purchase Agreement Assignments and any other property contributed by Owner Participant, including, without limitation, all amounts of Rent, insurance proceeds and requisition, indemnity or other payments of any kind for or with respect to the Locomotives. Notwithstanding the foregoing, except for purposes of Section 8(a) of the Participation Agreement, "Trust Estate" shall not include any Excepted Rights.

"Trust Indenture Act" means the Trust Indenture Act of 1939 (15 U.S.C. § 77aaa et seq.), as amended from time to time.

"Trust Indenture Estate" has the meaning specified in the Granting Clauses of the Indenture.

"Unused Equity Commitment" has the meaning specified in Section 9(a)(iii) of the Participation Agreement.

"Weighted Average Life to Maturity" with respect to the Notes means, as of the time of determination thereof, the number of years obtained by dividing the then Remaining Dollar-Years of the Notes by the remaining scheduled principal payments on the Notes. The term "Remaining Dollar-Years" of the Notes means the product obtained by (i) multiplying (a) the amount of each then scheduled required principal payment

(including payment at final maturity), by (b) the number of years (calculated to the nearest one twelfth); which will elapse between the date of determination of the Weighted Average Life to Maturity of the Notes and the date such scheduled required payment is due, and (ii) totalling all the products obtained in (i).

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