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December 11, 1981

13352  
RECORDATION NO. .... Filed 1426

DEC 14 1981 -2 05 PM

INTERSTATE COMMERCE COMMISSION

Hon. Agatha Mergenovich  
Secretary  
Interstate Commerce Commission  
Washington, D.C. 20423

Dear Ms. Mergenovich:

Pursuant to 49 USC §11303 of the Interstate Commerce Act, there are transmitted herewith for filing and recording one executed notarized original, and one copy, of the Agreement and Lease dated November 1, 1981 between General Electric Company, as Tax Lessor, and National Railroad Passenger Corporation, as Property Owner, for the leasing of materials for Track and Betterments.

The name and address of the Property Owner are:

National Railroad Passenger Corporation  
400 North Capitol Street, N.W.  
Washington, D.C. 20001

The name and address of the Tax Lessor are:

General Electric Company  
570 Lexington Avenue  
New York, New York 10022

Sincerely yours,

*Thomas Higginson*

Thomas L. Higginson, Jr.

*Sam Dunbar*

DEC 14 1981

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RECORDATION NO. .... Filed 1426

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AGREEMENT

INTERSTATE COMMERCE COMMISSION

Dated as of November 1, 1981

Between

NATIONAL RAILROAD PASSENGER CORPORATION,  
as Property Owner

and

GENERAL ELECTRIC COMPANY,  
as Tax Lessor

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Track and Betterments

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THE PARTIES TO THIS AGREEMENT HAVE ELECTED TO CHARACTERIZE THIS AGREEMENT AS A LEASE, FOR FEDERAL INCOME TAX PURPOSES ONLY, PURSUANT TO SECTION 168(f)(8) OF THE INTERNAL REVENUE CODE

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For Convenience of Reference This Agreement May Sometimes Be Referred To As The "1981 Track And Betterments Agreement".

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## AGREEMENT

AGREEMENT, dated as of November 1, 1981, between National Railroad Passenger Corporation, a District of Columbia corporation (the "Property Owner"), and General Electric Company, a New York corporation (the "Tax Lessor").

WHEREAS, the Property Owner owns the property described in Annex A hereto (the "Property") and represents herein, on the assumption stated in Section 3(c), that the Property is "qualified leased property" as defined in Section 168(f)(8)(D)(ii) of the Internal Revenue Code of 1954, as amended (the "Code"); and

WHEREAS, the parties desire that for Federal income tax purposes, and only for such purposes, the Tax Lessor be treated as the owner and lessor, and the Property Owner as the lessee, under a separate lease with respect to each item of the Property.

NOW, THEREFORE, it is agreed:

1. Characterization of this Agreement as a Separate Lease with Respect to Each Item of the Property for Federal Income Tax Purposes.

For Federal income tax purposes (and only such purposes), pursuant to Section 168(f)(8) of the Code, the Property Owner and the Tax Lessor each hereby characterizes this Agreement as a separate lease with respect to each item of the Property and hereby irrevocably elects to have the provisions of Section 168(f)(8) of the Code apply to this Agreement. In consequence, for such purposes the parties hereby agree to treat the Tax Lessor as purchasing each item of the Property from the Property Owner on the terms set forth herein on the Closing Date for such item of the Property, and to treat the Tax Lessor as the owner and lessor of each item of the Property and the Property Owner as the lessee and user of each item of the Property beginning with the Closing Date for such item of Property. "Closing Date" shall mean November 10, 1981 for each item of Property set forth in Part 1 of Annex A hereto and December 30, 1981 (or such date prior thereto as Property Owner and Tax Lessor may otherwise agree) for each item of Property set forth in Part

2 of Annex A hereto. Each party has signed concurrently herewith duplicate copies of a statement in the form of Annex B hereto with respect to the Property set forth in Part 1 of Annex A hereto, and each hereby agrees (i) to sign concurrently with the second Closing Date, duplicate copies of a statement in the form of Annex B hereto with respect to the Property set forth in Part 2 of Annex A hereto, and (ii) to file with the Internal Revenue Service one of each such statements or, if available, to sign in duplicate and file with the Internal Revenue Service an information return or returns concerning the foregoing elections, in either case at the time and in the manner provided in Section 5c. 168(f)(8)-2(a)(3) of the temporary regulations under Section 168(f)(8) of the Code (the "Temporary Regulations").

2. Terms of the Leases and Related Transactions for Federal Income Tax Purposes.

The terms of each of the leases (individually a "Deemed Lease", each reference herein to a Deemed Lease shall apply equally to each Deemed Lease) and certain related transactions which are treated as existing or occurring for Federal income tax purposes under Section 168(f)(8) of the Code by virtue of the characterization and elections provided in Section 1 of this Agreement are as follows:

(a) Purchase of Property by Tax Lessor. The Tax Lessor shall be treated for Federal income tax purposes (and only such purposes) as purchasing each item of the Property from the Property Owner on the Closing Date for such item of Property for a purchase price equal to the Property Owner's Adjusted Basis for the item set forth in Annex A hereto, and such purchase shall be treated as having occurred prior to the item having been originally placed in service.

(b) Payment of Purchase Price by Tax Lessor. The Tax Lessor shall be treated for Federal income tax purposes (and only such purposes) as agreeing to pay the purchase price for each item of the Property as follows:

(i) The Cash Payment for each item of the Property set forth in Annex A hereto, which will be paid in cash by the Tax Lessor to the Property Owner concurrently with the Closing Date for such item of Property, shall be treated as having been paid as part

of the purchase price and to constitute an amount which the Tax Lessor has at risk with respect to the item; and

(ii) The Tax Lessor shall be treated as having agreed for Federal income tax purposes (and only such purposes) to pay to the Property Owner the balance of the purchase price (the "Installment Loan") for each item of the Property in installments in the amounts and on the dates set forth in Annex C hereto, together with interest on the unpaid balance outstanding from time to time at the rate of 16 1/2% per year payable on the payment dates set forth in Annex C (the sum of the installment payment and the interest payment with respect to each item of the Property which is payable on each date set forth in Annex C is referred to as the "Installment Loan Payment" payable on such date).

(c) Lease Term and Rental Payments. The term of the Deemed Lease for each item of the Property shall be from the Closing Date for such item of Property to and including the Lease Termination Date for such item set forth in Annex A hereto unless sooner terminated as the result of the occurrence of a "disqualifying event" within the meaning of Section 5c.168(f)(8)-8 of the Temporary Regulations; and the Property Owner shall be treated as having agreed for Federal income tax purposes (and only such purposes) to make rental payments to the Tax Lessor under each Deemed Lease equal in amounts to, and payable on the same dates as, the Installment Loan Payments with respect to the item of the Property covered by such Deemed Lease, as set forth in Annex C.

(d) Payments of Rental and Installment Loan Payments. The rental payment and Installment Loan Payment which are payable on each payment date set forth in Annex C hereto with respect to each item of the Property shall for Federal income tax purposes (and only such purposes) each be treated as having been paid automatically and without any action by either party on each such date. Each such payment obligation by either party is by its terms treated as payable on its respective payment date only to the extent that the corresponding payment due from the other party is treated as having been paid pursuant to the foregoing sentence or otherwise.

(e) Property Owner Purchase at End of Lease Term. At the end of the term of the Deemed Lease for each item of the Property, the Property Owner shall be treated for Federal income tax purposes (and only such purposes) as acquiring ownership of the item automatically from the Tax Lessor without the payment of any consideration and without any other action by either party.

3. Representations, Warranties, and Covenants by the Property Owner.

The Property Owner hereby represents, warrants, and covenants to the Tax Lessor as follows:

(a) Immediately prior to the Closing Date for each item of Property, the Property Owner shall be the owner for Federal income tax purposes of such item of Property;

(b) Neither the Property Owner nor any other person other than the Tax Lessor has claimed or will claim, on its Federal income tax returns or otherwise, investment credit or cost recovery deductions with respect to any costs included in the Property by the Property Owner through the Closing Date for such item of the Property;

(c) Assuming the Tax Lessor's adjusted basis (within the meaning of Section 168(f)(8)(D)(ii)(III) of the Code) in each item of the Property is not more than the purchase price of such item as set forth in Annex A hereto, each item of the Property is "qualified leased property" (as defined in Section 168(f)(8)(D)(ii) of the Code), which was placed in service by the Property Owner after December 31, 1980 (and, with respect to each item of Property listed in Part 2 of Annex A hereto, within three months prior to the second Closing Date) and before the Closing Date therefor and will not be affected by an abandonment currently scheduled or contemplated by the Property Owner;

(d) The adjusted basis (within the meaning of Section 168(f)(8)(D)(ii)(III) of the Code) of the Property Owner in each item of the Property on the Closing Date therefor is not less than the purchase price of the item set forth in Annex A hereto;

(e) The term of the Deemed Lease for each item of Property does not exceed 90% of the useful life (within the meaning of Section 167 of the Code and Section 5c.168(f)(8)-5(b) of the Temporary Regulations) of such item of Property.

(f) The Property Owner has not entered into, and will not enter into, any agreement which relates to costs included in the Property by it through the date of this Agreement in respect of any item of the Property to which the provisions of Section 48(d) or 168(f)(8) of the Code apply, except this Agreement;

(g) During the term of the Deemed Lease with respect to each item of the Property, the item will not cease to be "Section 38 property" within the meaning of Section 48(a) of the Code with respect to the Tax Lessor and the Property Owner;

(h) During the term of the Deemed Lease with respect to each item of the Property, the Property Owner will not sell or assign (collectively "Transfer") its interest in the item or in the Deemed Lease with respect to the item unless (i) the Tax Lessor consents to the Transfer, (ii) the transferee assumes the Property Owner's interest in this Agreement with respect to the item, including the Deemed Lease and the deemed Installment Loan Payments and all of the other obligations under this Agreement with respect to the item, without relieving the Property Owner of any of its obligations under this Agreement, and (iii) the transferee furnishes a written consent and the transferee and the Tax Lessor file statements, in both cases at the time and in the manner provided in Section 5c.168(f)(8)-2(a)(5) of the Temporary Regulations;

(i) The amount of the investment credit and cost recovery deductions that the Tax Lessor shall be allowed with respect to any item of the Property will not be limited by the application to the Property Owner of the at-risk rules under Section 46(c)(8) or Section 465 of the Code;

(j) The Installment Loan for each item of the Property bears a reasonable rate of interest within the meaning of Section 1.385-6(e) of the regulations under the Code or an arm's-length rate of interest as

defined in Section 1.482-2 of the regulations under the Code;

(k) The amount that the Tax Lessor has at risk with respect to the Property at the time each item of the Property is first placed in service under the Deemed Lease and at all times thereafter to and including March 15, 1982, will not be less than 10% of the purchase price of such Property as set forth in Annex A hereto, as provided in Section 5c.168(f)(8)-4 of the Temporary Regulations;

(l) The Property Owner is a corporation duly incorporated, validly existing and in good standing under the laws of the jurisdiction of its incorporation, and is duly authorized and empowered to execute and deliver this Agreement and any other document pursuant to this Agreement, and to fulfill and comply with the terms, conditions, and provisions hereof and thereof; each such agreement, document, instrument or certificate has been or will be (at the time of its delivery) duly authorized, executed and delivered and constitutes or will constitute (at the time of delivery) the valid, legal and binding obligation of the Property Owner, enforceable in accordance with its terms;

(m) Neither the execution and delivery of this Agreement, nor the consummation of the transactions herein contemplated, nor the fulfillment of, or compliance with, the terms and provisions hereof will conflict with, or result in a breach of, any of the terms, conditions or provisions of the certificate of incorporation or the by-laws of the Property Owner or of any bond, debenture, note, mortgage, indenture, agreement or other instrument to which the Property Owner is now a party or by which it or its property may be bound, or constitutes or would constitute (with the giving of notice or the passage of time, or both) a default thereunder, or result in the creation or imposition of any lien, charge, security interest or other encumbrance of any nature whatsoever upon any property of the Property Owner, or upon any item of the Property;

(n) Neither the execution and delivery by the Property Owner of this Agreement nor the consummation

of the transaction contemplated in this Agreement nor the fulfillment of, or compliance with, the terms and provisions of this Agreement, will conflict with, or result in a breach of, any of the terms, conditions or provisions of any law, or any regulation, order, injunction or decree of any court or governmental instrumentality;

(o) No consent, authorization, approval or registration with any governmental or public body or authority is required in connection with the execution and delivery by the Property Owner of this Agreement, or the fulfillment of or compliance with the terms, conditions and provisions hereof;

(p) The interest of the Tax Lessor created by this Agreement for Federal income tax purposes is not subject to any lien, charge, encumbrance, or other prior claim of any mortgagee or other creditor of the Property Owner or any other third party; and

(q) Neither the execution and delivery of this Agreement, nor the consummation of the transactions herein contemplated, nor the fulfillment of, or compliance with, the terms and provisions hereof will subject the Tax Lessor to regulation by any railroad regulatory authority or agency (including, without limitation, the Interstate Commerce Commission, the United States Railroad Administration or the Department of Transportation).

4. Agreements Relating to Federal Income Tax Reporting.

The Tax Lessor and the Property Owner each agrees that on its Federal income tax returns it will report the receipts and disbursements by it provided for in Sections 2 and 5 of this Agreement as if such receipts and disbursements had actually been received or disbursed, as the case may be, in cash on the date the receipt or disbursement is payable as provided in this Agreement. Each party agrees that, promptly upon any request from time to time of the other party, it will confirm in writing that all payments of rental under each Deemed Lease or of Installment Loan Payments theretofore treated as having been received or disbursed by it have been so reported on its Federal income tax returns.

#### 5. Payment for Casualty Occurrence.

If, during the term of the Deemed Lease with respect thereto an event (other than an "Excluded Event") occurs requiring the Tax Lessor to recapture all or a portion of Investment Credit and/or Cost Recovery Deductions with respect to any item of Property (any such occurrence being hereinafter called a "Casualty Occurrence" and any item of the Property which becomes the subject of a Casualty Occurrence being hereinafter referred to as the "Item"), then the Property Owner shall promptly notify the Tax Lessor with respect thereto. The term Excluded Event shall include (i) an event occurring by reason of any act of commission or omission, misrepresentation, breach of any agreement, covenant or warranty contained herein by the Property Owner or subsequent transferee, assignee or user thereof or (ii) an event occurring solely by reason of any act of commission or omission of Tax Lessor. Notwithstanding the foregoing, an Excluded Event shall not occur if an item of Property shall be or become worn out, lost, stolen, destroyed or in the reasonable opinion of Property Owner irreparably damaged from any cause whatsoever, or shall be acquired by condemnation or otherwise by the United States Government or any other governmental entity.

On the date of the Casualty Occurrence with respect to an Item, the Item shall be treated for Federal income tax purposes (and only such purposes) as having been sold by the Tax Lessor to the Property Owner for the amount set forth in the next sentence and the term of the Deemed Lease for the Item shall terminate. The amount realized by the Tax Lessor on the sale of the Item shall be equal to (i) the unpaid principal balance of the Installment Loan with respect to the Item (after taking into account the payments provided for in the following paragraph), which unpaid balance shall be treated as having been cancelled by the Property Owner, plus (ii) an amount to be paid in cash by the Property Owner to the Tax Lessor equal to the Casualty Value set forth in Annex D hereto for the Item. The Casualty Value set forth in Annex D hereto for the Item on the Payment Date next preceding the date of the Casualty Occurrence shall be paid in cash on the later of (i) the Payment Date set forth in Annex D hereto next succeeding the date of the Casualty Occurrence or (ii) thirty days after the date of the Casualty Occurrence.

The Property Owner shall be treated as having agreed for Federal income tax purposes (and only such purposes) to make a rental payment to the Tax Lessor under the Deemed Lease on the date of the Casualty Occurrence with respect to the Item equal in amount to the payment on the Installment Loan referred to in the next sentence. The Tax Lessor shall be treated as having agreed for Federal income tax purposes (and only such purposes) to make a payment to the Property Owner on the date of the Casualty Occurrence with respect to the Item in respect of principal and accrued interest (at the rate provided for in Section 2(b)(ii)) on the Installment Loan for the Item equal in amount to (i) the Installment Loan Payment with respect to the Item due on the next succeeding Payment Date set forth in Annex C hereto times (ii) a fraction the numerator of which equals the number of days from the day after the last Payment Date set forth in Annex C hereto to and including the date of the Casualty Occurrence and the denominator of which equals the number of days from the day after the last such Payment Date to and including the next succeeding Payment Date. The rental payment and the payment on the Installment Loan referred to in this paragraph shall for Federal income tax purposes (and only such purposes) each be treated as having been paid automatically and without any action by either party on the date of the Casualty Occurrence.

The Property Owner shall report to the Tax Lessor no less than annually (or at such other intervals as may be agreed upon in writing by the parties hereto), but in no event later than the time required for timely inclusion in the Federal income tax returns of the Tax Lessor, such item or items of the Property which have been the subject of a disposition or any other event (whether or not such disposition or event would otherwise be required to be reported under this Agreement) which will, or in the reasonable opinion of the Tax Lessor could, result in a requirement that the Tax Lessor recapture any amounts for Federal income tax purposes in respect of any item or items of the Property (a "Recapture Event"). The report shall provide such specificity as the Tax Lessor shall reasonably require to complete its Federal income tax returns for any years to which such Recapture Event relates. The Property Owner shall keep such records and provide such assistance to the Tax Lessor as the Tax Lessor may find necessary to file its Federal income tax returns and to contest any related matter before any level of the Internal Revenue Service or before any court.

The Property Owner shall maintain, and shall furnish to Tax Lessor, such information and records as shall be necessary to comply with all rules and regulations or other official documents or statements, proposed or adopted, of the Internal Revenue Service or the U. S. Treasury Department (including, without limitation, Revenue Rulings, Treasury Regulations and Treasury Decisions) which address the proper accounting treatment for Federal income tax purposes for property of the type and character of the Property, including, without limitation, any which require the adoption of a specified method of accounting, and any which address the recapture of Investment Credit or Cost Recovery Deductions with respect to any item of the Property. In the absence of the Internal Revenue Service or the U.S. Treasury Department proposing or adopting such rules and regulations, the Property Owner shall maintain, and shall furnish to Tax Lessor, such information and records as shall be necessary to comply with procedures proposed or adopted by the Association of American Railroads or generally used in the railroad industry.

6. Interest in the Property for Purposes Other Than Federal Income Tax Purposes.

Neither this Agreement nor any of the transactions provided for or treated as having occurred herein for Federal income tax purposes shall impair, restrict, encumber or otherwise affect the ownership and possessory interest of the Property Owner in each item of the Property for any purpose other than Federal income tax purposes. Nothing in this Agreement shall be construed as affording the Tax Lessor any ownership or other interest in any item of the Property for any purpose other than Federal income tax purposes.

7. Indemnity against Loss of Tax Benefits.

(a) This Agreement has been entered into on the assumption that the Tax Lessor will be the owner of each item of the Property for Federal income tax purposes, and (1) will be entitled to such deductions, credits and other benefits as are provided by the Code to the owner of the items, including (i) deductions under Section 168 of the Code with respect to the purchase price of each item of the Property as set forth in Annex A hereto, commencing in 1981 and using the percentages set forth in Section 168(b)(1)(A) of the

Code for each item of the Property based on the recovery class for the item set forth in Annex A hereto (the "Cost Recovery Deductions"), (ii) an investment credit, pursuant to Section 38 of the Code, equal to at least 10% of the purchase price of each item of the Property set forth in Annex A hereto (the "Investment Credit") and (iii) deductions for interest on the Installment Loan with respect to each item of the Property in the amounts and at the times set forth in Annex C hereto (the "Interest Deductions") and (2) will be required to include in gross income rental payments with respect to each item of the Property in the amounts and at the times set forth in Annex C hereto and, to the extent properly includible in income, any payment of Casualty Value or any indemnity payment under this Section or Section 9.

(b) If, (1) by reason of any act of commission or omission, misrepresentation, breach of any agreement, covenant or warranty contained herein by the Property Owner, or (2) by reason of any act of commission or omission, misrepresentation, breach of any agreement, covenant or warranty by any person to whom the Property Owner has transferred ownership or possession of any item of the Property or has sold or assigned the Deemed Lease with respect thereto or by any subsequent transferee thereof, or (3) by reason of any amendment to the Code or the regulations under the Code enacted or adopted prior to January 1, 1987, the Tax Lessor shall lose the right to claim, shall not claim (as the result of a good faith determination, after consultation with tax counsel for Property Owner, of tax counsel of Tax Lessor that such claim is not properly allowable), shall suffer a disallowance of, or shall be required to recapture all or any portion of the Investment Credit or the Cost Recovery Deductions or the Interest Deductions with respect to any item of the Property, or shall be required to treat as income any amount with respect to the transactions provided for in this Agreement or otherwise with respect to any item of the Property, other than the rental and other payments treated as having been made by the Property Owner pursuant to Sections 2(c) and 5 hereof (any such event being hereinafter called a "Loss"), then the Property Owner shall pay to the Tax Lessor, as an indemnity, on 60 days' written notice to the Property Owner by the Tax Lessor of such Loss (but not prior to the earlier of (i) the filing of a return or the ac-

ceptance of an audit report in which such loss is reflected and (ii) the payment by the Tax Lessor of the additional Federal income tax, as the case may be, which becomes due as a result of the Loss) such amount or amounts which, after deduction of all taxes required to be paid by the Tax Lessor in respect of the receipt of such amounts under the laws of any Federal, state or local government or taxing authority of the United States, shall be equal to the aggregate additional Federal income taxes payable by the Tax Lessor from time to time as a result of such Loss plus the amount of any interest, penalties or additions to tax payable as a result of such Loss; provided, however, that the Property Owner indemnity obligation hereunder shall be reduced by the amount of any Casualty Value payment made by the Property Owner pursuant to Section 5 hereof if the Loss relates to an item of Property which was the subject of a Casualty Occurrence, the Casualty Value with respect thereto has been paid pursuant to Section 5 hereof or if the Loss results solely from a disposition of Tax Lessor's interest in the Property other than a transfer of such interest after a default by the Property Owner hereunder. The Property Owner shall not be obligated pursuant to this Section 7(b) for a Loss arising solely by reason of an item becoming worn out, lost, stolen, destroyed or, in the reasonable opinion of Property Owner, irreparably damaged from any cause whatsoever, or shall be acquired by condemnation or otherwise by the United States Government or any other governmental entity if Casualty Value with respect to such item has been paid. If as a result of a Loss, the aggregate Federal income taxes paid by the Tax Lessor for any taxable year shall be less than the amount of such taxes which would have been payable by the Tax Lessor had no such Loss occurred, then the Tax Lessor shall pay the Property Owner the amount of such difference in taxes, plus any additional tax benefits realized by the Tax Lessor as the result of such payment provided, however, that the Tax Lessor shall not be obligated to make any payment pursuant to this sentence to the extent that the amount of such payment would exceed (x) the amount of all prior payments by the Property Owner to the Tax Lessor pursuant to this Section 7(b) in respect of a Loss, less (y) the amount of all prior payments by the Tax Lessor to the Property Owner hereunder. Any payment due to the Property Owner from the Tax Lessor pursuant to this Section 9(b) shall be paid within 60 days after the Tax Lessor realizes any such savings in its income taxes or additional tax benefits, as the case may be. If Tax Lessor shall not

claim the Investment Credit, the Cost Recovery Deductions or the Interest Deductions, as provided for in this Section 7(b), and the amount of the indemnity payable by the Property Owner as a result of this failure to claim the aforesaid tax benefits exceeds \$150,000, then the Property Owner may, within the 30 day period following notification to the Property Owner of the Loss resulting therefrom, make a request that Tax Lessor file a claim for refund with respect to such item. Thereupon, such request to file a claim for refund shall be treated in the same manner, mutatis mutandis, as a proposed adjustment under this Section 7(c).

(c) If, at the conclusion of an audit and of such administrative proceedings with the Internal Revenue Service, if any, as tax counsel of Tax Lessor shall determine in its sole discretion to take, the Internal Revenue Service proposes an adjustment in the Federal Income Taxes of the Tax Lessor for which the Property Owner would be required to indemnify Lessor pursuant to this Section 7(b) and the amount of the indemnity which the Property Owner would be required to pay would exceed \$150,000, Tax Lessor shall promptly notify Property Owner of the proposed adjustment. Upon receipt within ten days thereafter of a written request to do so from and at Property Owner's expense, Tax Lessor shall promptly request independent tax counsel selected by Tax Lessor and approved by Property Owner for such counsel's opinion whether the basis in law and in fact in favor of allowance of the credit or deduction claimed outweighs the basis in law and in fact to the contrary. If the opinion is to that effect and if Property Owner, within the 30 day period following the issuance of such opinion, requests Tax Lessor to do so, Tax Lessor shall contest such adjustment in a court of competent jurisdiction selected by tax counsel of Tax Lessor in its sole discretion, except that in conducting any contest of an adjustment which relates to whether or not this Agreement complies with the Temporary Regulations, the selection of such court shall be made by the Tax Lessor but only after consultation with, and due consideration of, any request made by the Property Owner. The Tax Lessor shall have full control over any contest pursuant to this Section 7(c) and shall not be obligated to appeal an adverse determination by any court. Tax Lessor shall not be required to

take any action set forth in this Section 7(c) unless and until Property Owner shall have agreed to indemnify Tax Lessor in a manner satisfactory to Tax Lessor for any liability or loss which Tax Lessor may incur as a result of taking such action and shall have agreed to pay Tax Lessor on demand all out-of-pocket costs and expenses (including the fees and disbursements of independent tax counsel) incurred by Tax Lessor in connection with taking such action, and Property Owner shall have paid to Tax Lessor an amount equal to the sum on an after-tax basis of any tax, interest, penalties and additions to tax which are required to be paid if tax counsel of Tax Lessor determines in its sole discretion to contest the adjustment by a proceeding for refund of amounts paid based on an adjustment proposed by the Internal Revenue Service. Upon receipt by Tax Lessor of a refund of any amounts paid by it based on such adjustment in respect of which amounts it shall have been paid an equivalent amount by Property Owner, Tax Lessor shall pay to Property Owner the amount of such refund plus any tax benefits realized by Tax Lessor as a result of such payment (but in no event in an amount greater than the amount paid to Tax Lessor by Property Owner which is the subject of such refund). At any time, whether before or after commencing to take the action set forth in this Section 7(c), Tax Lessor may decline to take such action by notifying Property Owner in writing that Property Owner is relieved of its obligations to indemnify Tax Lessor with respect to the adjustment proposed by the Internal Revenue Service or such portion thereof as may be specified in such notice. The Property Owner shall be obligated to pay to Tax Lessor the amounts specified in this Section 7(c) promptly after Tax Lessor has taken all the action that it has agreed in this Section to take.

(d) If any item of income, deduction or credit realized by the Tax Lessor with respect to any item of the Property shall not be treated as derived from, or allocable to, sources within the United States for any taxable year (any such event being hereinafter referred to as a "Foreign Loss"), then the Property Owner shall notify the Tax Lessor of such Foreign Loss no later than the time required for the timely inclusion of such Foreign Loss in the Federal income tax returns of the Tax Lessor. In addition, the Property

Owner shall pay to the Tax Lessor as an indemnity, on 60 days' written notice to the Property Owner by the Tax Lessor, such amount which, after deduction of the net amount of all taxes required to be paid by the Tax Lessor in respect of the receipt of such amounts under the laws of any Federal, state or local government or taxing authority of the United States, shall equal the sum of (i) the excess of (A) the foreign tax credit to which the Tax Lessor would have been entitled for such year had no such Foreign Loss occurred over (B) the foreign tax credit to which the Tax Lessor was entitled after giving effect to such Foreign Loss; and (ii) the amount of any interest, penalties or additions to tax payable as a result of such Foreign Loss.

(e) Upon the making of any indemnity payment hereunder, the Tax Lessor shall make appropriate adjustments (if any are necessary) to Annex D hereto.

#### 8. Successors and Assigns.

This Agreement shall be binding on and inure to the benefit of any successors or assigns of the respective parties hereto.

#### 9. General.

General Indemnity. The Property Owner agrees to indemnify the Tax Lessor against and hold it harmless from any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, taxes, expenses and disbursements, including legal fees and expenses, of whatsoever kind and nature imposed on, incurred by or asserted against the Tax Lessor in any way relating to or arising out of this Agreement or any of the transactions provided for herein, except for any tax which the Property Owner is not obligated to pay or provide indemnity against pursuant to Section 9(b) hereof.

(b) Taxes. The Property Owner agrees to pay as and when due and payable, and to indemnify the Tax Lessor against and hold it harmless from, any and all taxes, fees or other charges imposed by any Federal, state, local or other government or taxing authority which would not have been imposed if this Agreement had not been entered into and

the transactions contemplated herein had not been completed, except for any net income tax or other tax on or measured by the Tax Lessor's net income.

(c) Expenses. The Property Owner agrees to pay, or reimburse the Tax Lessor for, all its and the Tax Lessor's out-of-pocket expenses incident to the preparation, execution and delivery of this Agreement and the consummation of the transactions contemplated herein.

(d) Insurance. The Property Owner will, at its own expense, cause to be carried and maintained (i) insurance with respect to which the Tax Lessor is the loss payee in an amount sufficient to satisfy the Property Owner's obligations under Section 5 hereof and (ii) liability insurance in amounts consistent with prudent business practice with respect to third-party personal injury and property damage arising from the use or operation of or otherwise involving each item of the Property during the term of the Deemed Lease with respect thereto.

(e) Effect of this Section 9 on Construction of this Agreement. The inclusion of this Section 9 in this Agreement shall not be construed as in any way modifying the provisions set forth in Section 6 hereof or in any way implying the acquisition by the Tax Lessor of any ownership or other interest in any item of the Property for any purpose other than Federal income tax purposes.

#### 10. Conditions to Second Closing Date.

The obligations of Tax Lessor to purchase for Federal income tax purposes each item of Property listed in Part 2 of Annex A hereto and to enter into the transactions hereby contemplated to occur on the second Closing Date are subject to the fulfillment, on or before such Closing Date, of the conditions set forth in Sections 2(a), (b) and (c) of the agreement dated October 7, 1981 between Tax Lessor and Property Owner and to Tax Lessor receiving a legal opinion, officers' certificates, appraisal and other documents in substantially the respective forms delivered in respect of the first Closing Date (with appropriate bring-downs to the second Closing Date) together with such other documents and materials which Tax Lessor may reasonably request in connection therewith.

#### 11. Termination, Amendment, Governing Law.

This Agreement may not be terminated or amended without the written consent of the parties hereto, and shall be

governed by and construed under the laws of the District of Columbia.

12. Repayment of Deemed Loans.

The Tax Lessor and the Property Owner acknowledge that the purchase price for each item of the Property has been agreed upon on the basis that the Property will constitute "5-year recovery property" (as defined in Section 168 of the Code) in the hands of the Tax Lessor. If no later than 60 days prior to the expiration of the period for filing amendments of the Tax Lessor's federal income tax return for the taxable year ending December 31, 1981, a change in the Code or the regulations thereunder shall have the effect of permitting the Tax Lessor for such taxable year a faster recovery of the purchase price of all of the Property than permitted under the Code for "5-year recovery property"; then the Tax Lessor agrees to pay to the Property Owner, within 60 days following the publication in the Federal Register of such change in the Code or the regulations thereunder, an amount as prepayment of the Installment Loan equal to the amount set forth in Annex E hereto for the then appropriate ACRS property category for the Property or if such table should not be applicable, such other appropriate amount as determined by the Tax Lessor. Without regard to the actual date of prepayment, the prepayment made pursuant to this Section 12 hereof and the schedule of Installment Loan Payments shall be recalculated so that, after giving effect to such prepayment, "principal" and "interest" shall be deemed to have been paid, and to be due and payable thereafter, in the same number of equal consecutive annual installment payments as originally contemplated hereunder, calculated, in respect of such adjusted Deemed Loans, under a level payment mortgage assumption. Rental payments shall be appropriately adjusted in an identical manner. In order to give effect to the prepayment pursuant to this Section 12, from and after the date of such prepayment, but effective on and as of the date hereof, the Tax Lessor shall recompute the Schedule of Deemed Loan Payments, a Schedule of Rent Payments and Termination Values in a manner consistent with its original pricing assumptions for "5-year recovery property" and such recomputed amounts shall be applicable throughout the Lease Term.

13. Survival of Agreement.

The obligations and liabilities of the Property Owner arising under this Agreement shall continue in full force and effect, notwithstanding the expiration or other termination of this Agreement or any Deemed Lease until all such obligations have been met and such liabilities have been paid in full.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the date first above written.

NATIONAL RAILROAD PASSENGER  
CORPORATION  
Property Owner

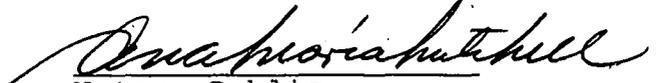
By   
Name:  
Title:

GENERAL ELECTRIC COMPANY  
Tax Lessor

By William R. Hammock  
Name: William R. Hammock  
Title: Attorney-in-fact

DISTRICT OF COLUMBIA ss:

I, the undersigned Notary Public in and for the district aforesaid, do hereby certify that Lawrence D. Gilson and William R. Hammock whose names are signed to the foregoing document, bearing the date of November 1, 1981, are proved by the oath of creditable witnesses to be Vice President Corporate Development for National Railroad Passenger Corporation and Attorney-in-Fact for General Electric Company respectively.

  
Notary Public

12-10-81

My Commission Expires:

My Commission Expires April 14, 1983

1981 Track and Betterments Agreement

ANNEX A  
(Part 1)

The Property  
Part 1

(1) <u>Item</u>	(2) Property Owner's Adjusted Basis/Purchase Price	
	<u>Amount</u>	<u>Total</u>
Philadelphia Division		
New Rail	\$ 912,081	
Wood Ties	376,721	
Concrete Ties	57,793	
Ballast	123,479	
Other Track Material	673,603	
Signal, Communication and Electric Traction Material	584,449	
Track, Laying and Surfacing	<u>1,692,858</u>	
		\$4,420,984
New York Division		
New Rail	\$ 993,417	
Wood Ties	278,797	
Concrete Ties	1,303,770	
Ballast	441,092	
Other Track Material	2,716,127	
Signal, Communication and Electric Traction Material	602,288	
Track, Laying and Surfacing	<u>3,823,051</u>	
		\$10,158,542
Baltimore Division		
New Rail	\$ 714,866	
Wood Ties	509,888	
Concrete Ties	1,639,119	
Ballast	451,596	
Other Track Material	4,850,216	
Signal, Communication and Electric Traction Material	414,406	
Track, Laying and Surfacing	<u>12,380,744</u>	
		\$20,960,835

1981 Track and Betterments Agreement

The Property  
Part 1  
(cont.)

(1) <u>Item</u>	(2) Property Owner's Adjusted Basis/Purchase Price	
	<u>Amount</u>	<u>Total</u>
Boston Division		
New Rail	\$ 416,324	
Wood Ties	1,331,263	
Concrete Ties	-	
Ballast	112,467	
Other Track Material	1,980,872	
Signal, Communication and Electric Traction Material	164,931	
Track, Laying and Surfacing	<u>2,760,242</u>	
		\$ 6,766,099
Other Than Northeast Corridor		
New Rail	\$ 778,465	
Fit Tail	180,928	
Wood Ties	123,696	
Concrete Ties	-	
Ballast	29,111	
Other Track Material	531,294	
Signal, Communication and Electric Traction Material	-	
Track, Laying and Surfacing	<u>969,035</u>	
		\$ <u>2,612,529</u>
TOTAL . . . . .		<u>\$44,918,989</u>

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(3) <u>Cash Payment</u>	(4) Lease Termination <u>Date</u>	(5) Useful <u>Life</u>	(6) 90% of Useful <u>Life</u>
\$11,229,747	November 10, 2003	24.5 years	22.05 years

1981 Track and Betterments Agreement

ANNEX A  
(Part 2)

The Property  
Part 2

<u>(1)</u> <u>Item</u>	<u>(2)</u> <u>Property Owner's</u> <u>Adjusted Basis/</u> <u>Purchase Price</u>	<u>(3)</u> <u>Cash</u> <u>Payment</u>	<u>(4)</u> <u>Lease</u> <u>Termi-</u> <u>nation</u> <u>Date</u>	<u>(5)</u> <u>Useful</u> <u>Life</u>	<u>(6)</u> <u>90</u> <u>Percent of</u> <u>Useful Life</u>	<u>(7)</u> <u>168(c)(2)</u> <u>Class of</u> <u>Recovery</u> <u>Property</u>
**	**	25% of the Pur- chase Price	December 30, 2003	24.5 Years	22.05 Years	5 year

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\*\* This Annex A, Part 2, will be amended on or before December 30, 1981, to reflect those items of property, which shall have a maximum Purchase Price of \$102,000,000 (less the Purchase Price of items listed in Annex A, Part 2 of the 1981 Locomotives and Passenger Cars Agreement) which will be transferred to the Lessor on the second Closing Date.

TRACK AND RETRIEVALS  
 BALTIMORE DIVISION  
 WORK ORDER AND PROJECT NUMBERS

1 of 3

<u>WORK ORDER #</u>	<u>WORK ORDER #</u>	<u>WORK ORDER #</u>	<u>WORK ORDER #</u>
406005	545003	379021	511018
407001	442017	418003	475003
407003	537007	541005	481003
408001	234002	379009	484003
408003	379013	545001	487003
409001	201003	442024	490003
409005	201002	451012	541026
411001	379003	379017	553005
412001	379005	545002	502002
542001	241001	451013	508002
542017	281007	379027	514002
417001	546001	426008	407002
418001	218002	442015	408002
420001	379001	533003	409002
254001	451009	492001	411002
218001	379014	501001	412002
247001	201001	527006	446004
248001	379001	401007	541007
464001	502001	582007	517032
468002	508001	569002	442013
468004	511001	231001	401002
320001	514001	460001	582002
325003	517001	460002	502036
467001	451010	460003	517036
201002	546012	220002	475016
232001	451011	426006	478004
238001	546013	442001	481004
331001	234003	553003	484004
553001	417002	553024	475004
446010	420002	438004	417003
451001	438002	438005	416005
451004	533024	422004	414004
582001	406006	541032	416004
401001	407005	219043	417004
437001	408006	569003	418004
438001	409006	239002	406004
533001	410006	546006	407004
541002	411006	442002	408004
533023	244001	569004	409004
479012	379008	204001	410004
511015	553002	204002	411004
475002	533017	451017	580001
478002	475001	426005	244003
481002	478001	442003	553006
484002	481001	426010	541008
487002	484001	537011	541009
541011	487001	546003	451018
451008	490001	546004	546009
546005	541004	546016	442019
545004	219034	218003	442004

TRACK AND REPAIRMENTS  
BALTIMORE DIVISION  
WORK ORDER AND PROJECT NUMBERS

2 of 3

<u>WORK ORDER #</u>	<u>WORK ORDER #</u>	<u>WORK ORDER #</u>	<u>WORK ORDER #</u>
218006	407008	442014	260002
438006	408008	438013	250012
513006	409008	533014	442010
541018	410008	383003	209002
541010	406003	383004	438016
553009	407003	384001	438017
442022	408003	385001	446022
423001	409003	386001	541019
583003	410003	387001	451026
401003	411003	533021	227005
219024	541012	475007	562008
432007	414006	476007	451027
438008	415006	481007	442016
438009	416006	484007	537016
442005	417006	490007	209006
344002	418006	502007	533022
502003	553012	503007	475009
508003	219004	511007	478005
511003	401004	517007	481009
517003	562004	256004	484009
502004	451020	260001	487009
508004	453021	261002	490009
514004	443021	533030	562008
517004	546022	407007	508008
401006	442006	408007	514008
582006	546015	541013	517008
537038	541036	254003	502009
256007	406009	382001	508009
438010	407009	559001	514009
553023	408009	442009	517009
537015	409009	209010	508010
563002	478006	381002	514010
442020	533020	422003	517010
499011	475006	381001	537037
571001	481006	213001	541024
591001	484006	213003	541025
502026	487006	446018	541031
502005	524001	553021	541033
563001	537016	553022	221004
591008	533015	446006	569001
546007	553016	438015	413001
482002	553017	533010	413002
492007	423005	390001	413003
219012	422006	234006	413004
219013	442008	378001	413005
518005	537039	446009	413007
553003	328004	541028	413008
446005	318006	446021	413009
541022	441005	219002	497001
408008	562005	219003	497002

TRACK AND BETTERMENTS  
BALTIMORE DIVISION  
WORK ORDER AND PROJECT NUMBERS

3 of 3

<u>WORK ORDER #</u>	<u>WORK ORDER #</u>	<u>WORK ORDER #</u>
500001	402011	901405
500002	402014	901410
500003	402015	901430
500004	522001	901579
500006	522002	901683
500007	247001	901686
500008	248001	79-5
422007	901010	80-91
422008	901020	
422009	901023	
422010	901025	
422011	901029	
492002	901031	
492003	901032	
492004	901034	
492005	901035	
492006	901036	
426003	901043	
426004	901046	
501003	901049	
421001	901053	
421002	901056	
421003	901059	
421004	901062	
421005	901073	
421006	901083	
421007	901086	
520001	901092	
520002	901093	
520003	901094	
520004	901096	
583001	901099	
583002	901101	
583003	901103	
583004	901116	
583005	901119	
583006	901123	
442011	901210	
442012	901220	
537022	901320	
537023	901325	
541015	901340	
541016	901350	
402002	901355	
402004	901365	
402008	901380	
402010	901385	
402012	901390	
402003	901395	
402009	901400	

TRACK AND BETTERMENTS  
 PHILADELPHIA DIVISION  
 WORK ORDER AND PROJECT NUMBERS

<u>WORK ORDER #</u>	<u>WORK ORDER #</u>	<u>WORK ORDER #</u>
39001	21002	902112
34001	534005	902120
34006	538003	902130
42001	443004	902143
42006	493003	902148
76001	210005	902153
76002	225001	902155
79002	538005	902160
82001	538006	902173
82002	542005	902183
85001	403001	902186
85002	403002	902210
88001	403008	902220
88002	403010	902306
91002	403012	902310
93001	403003	902313
99001	403009	902340
18001	403014	902343
93002	523001	902353
18002	523002	902356
99003	423006	902366
15001	423008	902373
93004	423009	902396
18004	493001	902403
42002	493002	902426
55001	202001	902430
443002	251001	902433
538004	232001	902436
214001	469002	79-124
214002	469003	79-136
218007	469001	80-60
220005	239001	80-72
236001	240001	80-78
220001	562001	81-47
202004	236001	81-48
538001	902013	81052
228001	902022	
534002	902023	
534003	902033	
534004	902036	
542003	902043	
236002	902053	
427001	902054	
538002	902060	
255002	902061	
210001	902070	
447002	902080	
443003	902081	
538007	902103	
550002	902106	

TRACE AND SETTERMENT  
BOSTON DIVISION  
WORK ORDER AND PROJECT NUMBERS

<u>Work Order #</u>	<u>Work Order #</u>	<u>Work Order #</u>	<u>Work Order #</u>
218012	228012	390001	405014
220011	495003	391001	405016
495001	445006	392001	405017
495011	540015	378001	405018
495012	527001	393001	525001
495014	241001	394001	525002
499002	529001	558001	254007
242002	526002	495005	904013
445001	527002	495007	904021
548023	449020	544005	904022
430005	242001	558002	904024
445002	530001	548017	904026
441001	527003	558003	904029
552001	527007	558004	904033
206001	244022	558005	904036
453002	242005	540007	904039
445003	529001	552005	904041
449001	254001	552006	904046
548001	244023	449007	904049
218013	453008	242009	904053
445004	445008	495008	904056
441002	449004	499001	904126
453005	552002	544006	904129
585001	529002	218019	904133
473001	453009	558006	904136
473003	218017	526001	904139
445005	425001	526002	904143
540014	552003	526003	904220
218014	443009	526001	904345
246001	540006	211007	904350
449002	548010	526002	904355
548021	536001	526003	904377
207001	548011	453012	904399
246002	242006	526009	904403
246002	548012	526006	904423
247001	441003	249011	904433
317001	242007	526006	904439
317002	529009	526005	904441
317003	548013	526007	904443
317004	243001	218020	80-14
317005	560001	234001	80-23
249019	356001	234002	80-24
244003	552004	405001	80-87
495010	548015	405003	80-88
548002	453010	405004	80-90
495002	495004	405005	81-37
548003	544002	405007	81-40
548004	495006	405008	
585005	218018	405009	
218015	220013	405011	

TRACK AND BETTERMENTS  
NEW YORK DIVISION  
WORK ORDER AND PROJECT NUMBERS

<u>Work Order #</u>	<u>Work Order #</u>	<u>Work Order #</u>	<u>Work Order #</u>
226001	489001	594001	543005
440001	489002	208002	543006
535001	496001	220009	404001
203006	531003	208001	404002
229001	535002	208003	404004
444035	431003	444001	404006
551002	225006	539023	404008
226002	452001	477005	404010
543031	539021	477006	404012
531002	431002	444002	404003
229002	440007	234001	437001
539007	228004	461010	437002
226003	531001	494002	521001
218008	218009	494006	521002
220006	367001	429001	521003
507003	444012	429003	532001
513003	539006	429005	532002
514003	226008	429006	532003
477033	535005	429008	532004
226004	220007	461001	532005
388005	424001	461002	532007
539005	452004	461004	903011
388001	452006	461005	903013
388002	226009	461006	903021
388003	539020	458001	903023
388004	440001	543003	903024
462001	577002	543004	903026
462002	551003	237001	903029
579001	448004	218001	903031
581001	551004	547003	903033
504007	535004	249001	903037
388006	551006	252001	903038
431001	543007	498001	903041
504002	494008	498002	903053
507002	577001	581002	903054
510002	444001	581004	903063
516002	539003	581006	903066
519002	452007	581008	903077
535009	452008	424005	903078
477002	535006	424006	903083
480002	444011	424007	903086
486002	444024	424008	903091
496002	539022	424009	903093
504001	543002	494001	903100
507001	226010	494003	903133
510001	226011	494004	903136
535008	539010	494005	903139
477001	539009	494007	903146
480001	220008	444004	903149
483001	218010	539012	903153
486001	226012	539013	903156

Work Order #

903159  
903163  
903166  
903169  
903173  
903210  
903310  
903325  
903340  
903345  
903360  
903525  
903530  
903550  
903560  
903565  
903565  
903620  
80-41  
80-110

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ANTRAK CAR #'s  
NGM-NORTHEAST CORRIDOR  
WORK ORDER AND PROJECT NUMBERS

CAR #

78-46  
80-202  
77-15452  
77-15453  
77-15454  
76-226  
77-242  
80-92

STATEMENT REQUIRED UNDER SECTION 5c.168(f)(8)-2(a)(3)(ii)  
OF THE TEMPORARY REGULATIONS UNDER SECTION 168(f)(8) OF  
THE INTERNAL REVENUE CODE

1. This statement is filed with respect to an Agreement dated as of November 1, 1981 (the "Agreement") between General Electric Company (the "Tax Lessor") and National Railroad Passenger Corporation (the "Property Owner").

2. The address of the Tax Lessor is 570 Lexington Avenue, New York, New York 10022, and its taxpayer identifying number is 14-0689-340. The address of the Property Owner is \_\_\_\_\_, and its taxpayer identifying number is \_\_\_\_\_.

3. The income tax returns of the Tax Lessor are filed with the District Director for Albany, New York and the income tax returns of the Property Owner are filed with the District Director for \_\_\_\_\_.

4. The properties with respect to which the Tax Lessor and Property Owner have elected pursuant to the Agreement to have the provisions of Section 168(f)(8) apply are listed on Schedule I hereto. The properties were placed in service (determined as defined in Section 5c.168(f)(8)-6(b)(2)(i) of the Temporary Regulations under Section 168(f)(8)) on the dates, were leased by the Tax Lessor to the Property Owner beginning [insert Closing Date as applicable] for the term, and constitute the recovery property class listed on Schedule 1 hereto.

5. The unadjusted basis of the Tax Lessor in the properties is listed in Schedule 1 hereto.

GENERAL ELECTRIC COMPANY  
Tax Lessor

By \_\_\_\_\_  
Name:  
Title:

NATIONAL RAILROAD PASSENGER  
CORPORATION  
Property Owner

By \_\_\_\_\_  
Name:  
Title:

[National Railroad Passenger Corporation]

Loan and Rental Payments  
Expressed as % of Debt

<u>Payment Date</u>	<u>Amount of Interest</u>	<u>Amount of Principal</u>	<u>Installment Loan Payment</u>	<u>Amount of Rental Payment</u>
Nov. 9, 1982	12.3750	.4454	12.8204	12.8204
Nov. 9, 1983	12.3015	.5189	12.8204	"
Nov. 9, 1984	12.2159	.6045	12.8204	"
Nov. 9, 1985	12.1162	.7042	12.8204	"
Nov. 9, 1986	12.0000	.8204	12.8204	"
Nov. 9, 1987	11.8646	.9958	12.8204	"
Nov. 9, 1988	11.7069	1.1135	12.8204	"
Nov. 9, 1989	11.5232	1.2972	12.8204	"
Nov. 9, 1990	11.3091	1.5113	12.8204	"
Nov. 9, 1991	11.0598	1.7606	12.8204	"
Nov. 9, 1992	10.7693	2.0511	12.8204	"
Nov. 9, 1993	10.4309	2.3895	12.8204	"
Nov. 9, 1994	10.0366	2.7838	12.8204	"
Nov. 9, 1995	9.5772	3.2432	12.8204	"
Nov. 9, 1996	9.0421	3.7783	12.8204	"
Nov. 9, 1997	8.4187	4.4017	12.8204	"
Nov. 9, 1998	7.6924	5.1280	12.8204	"
Nov. 9, 1999	6.8463	5.9741	12.8204	"
Nov. 9, 2000	5.8606	6.9598	12.8204	"
Nov. 9, 2001	4.7122	8.1082	12.8204	"
Nov. 9, 2002	3.3744	9.4460	12.8204	"
Nov. 9, 2003	1.8158	11.0046	12.8204	"

RECALCULATION OF CASH PAYMENT

1-year Recovery Property	.29%
2-year Recovery Property	*
3-year Recovery Property	*
4-year Recovery Property	*
5-year Recovery Property	25%

\* The above percentages will be determined by the assumptions implicit in the 1-year and 5-year percentages.

## Exhibit A

Casualty Value Schedule

<u>Payment Date Number*</u>	<u>Casualty Value** As a % of Purchase Price***</u>
0	25.000
1	28.498
2	27.990
3	26.789
4	25.019
5	21.388
6	19.953
7	18.293
8	16.643
9	15.009
10	13.397
11	11.812
12	10.264
13	8.762
14	7.317
15	5.942
16	4.654
17	3.471
18	2.416
19	1.514
20	0.796
21	0.300
22	0.054

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\* The first Payment Date, with respect to each item of Property, shall be the same day of the month of Closing Date for such item in the twelfth month after the month in which such Closing Date occurs and the succeeding payment dates shall be each annual anniversary thereafter.

\*\* The term Purchase Price and Payment Date shall have the meaning assigned to such terms in the Agreement dated as of November 1, 1981, between GE and Amtrak. The Casualty Value for any date other than a Payment Date shall be the Casualty Value set forth as of the next preceding Payment Date provided, however, that on or before Payment Date Number 5 the Casualty Value shall also include interest on such amount at 14% per annum for each day elapsed from such next preceding Payment Date to and including such other date.

\*\*\* In connection with the calculation of Casualty Value pursuant to Section 5, the Purchase Price shall be reduced by the Purchase Price of any Item of Property for which a Casualty Value payment has been made pursuant to Section 5.