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125 WORTH AVENUE, PALM BEACH, FLORIDA 33480
(305) 833-1040

WHITE & CASE
1747 PENNSYLVANIA AVENUE, N. W.
WASHINGTON, D. C. 20006
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20 PLACE VENDÔME, 75001 PARIS, FRANCE
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66 GRESHAM ST., LONDON EC2V 7LB, ENGLAND
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2 ICE HOUSE STREET, HONG KONG
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TLH:CMS

December 11, 1981

RECORDATION NO. 13354 FILED 1425

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 Rebuilt Locomotives.

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.

Dear Agatha
Dan Duncan

DEC 14 1 05 PM '81

13354
RECORDATION NO. ..... Filed 1453

DEC 14 1981 -2 05 PM

INTERSTATE COMMERCE COMMISSION

AGREEMENT

Dated as of November 1, 1981

Between

NATIONAL RAILROAD PASSENGER CORPORATION,
as Property Owner

and

GENERAL ELECTRIC COMPANY,
as Tax Lessor

Rebuilt Locomotives

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

For Convenience of Reference This Agreement May Sometimes Be Referred To As The "1981 Rebuilt Locomotives Agreement".

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Annex A - The Property

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Annex C - Loan and Rental Payments

Annex D - Casualty Values

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 present class life (or where applicable, the useful life under Section 167 of the Code) and the recovery class under Section 168(c)(2) of the Code for each item of the Property in the hands of the Tax Lessor are as set forth in Annex A hereto;

(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 ocurrence 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 transferree, 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 re-

covery 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 acceptance of an audit report in which such loss is re-

flected 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 being 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.

(a) 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) 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. 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: LAWRENCE D. GILSON
Title: VICE PRESIDENT CORPORATE DEVELOPMENT

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 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

My Commission Expires: 12-10-81

My Commission Expires April 14, 1983

1981 Rebuilt Locomotive Agreement

ANNEX A
(Part 1)

The Property

Thirty (30) hard end power (HEP) equipped diesel electric locomotives of the F-40 type

(1) Item	(2) Property Owner's Adjusted Basis/Purchase Price
361	$ 471,827
362	471,827
363	471,827
364	471,827
365	471,827
366	471,827
367	471,827
368	471,827
369	471,827
370	471,827
371	471,827
372	471,827
373	471,827
374	471,827
375	471,827
376	471,827
377	471,827
378	471,827
379	471,827
380	471,827
381	471,827
382	471,827
383	471,827
384	471,827
385	471,827
386	471,827
387	471,827
388	471,827
389	471,827
390	471,827
	$14,154,810

(3) Cash Payment	(4) Lease Termination Date	(5) Present Class Life	(6) 150 Percent of Present Class Life	(7) 168(c)(2) Class of Recovery Property
$3,538,702	November 10, 2003	15 years	22.5 years	5 year

Annex A
(Part 2)

1981 Rebuilt Locomotive Agreement

The Property

Part 2

-NONE-

ANNEX B

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:

ANNEX C

[National Railroad Passenger Corporation]

Loan and Rental Payments Expressed as % of Debt

Payment Date	Amount of Interest	Amount of Principal	Installment Loan Payment	Amount of Rental Payment
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	"

Exhibit A

Casualty Value Schedule

Payment Date Number*	Casualty Value** As a % of Purchase Price***
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

* 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.