

RECORDATION NO. 20833 FILED

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AUG 25 '97 11-35 AM

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OF COUNSEL
URBAN A. LESTER

RECORDATION NO. 20833-A, B, C, D FILED

August 25, 1997

AUG 25 '97 11-35 AM

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RECEIVED
SURFACE TRANSPORTATION
BOARD

Sp...

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Re: Massachusetts Bay Transportation Authority (1997-E-FT)

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Lease Agreement (1997-E), dated as of August 22, 1997, a primary and two (2) copies each of the following secondary documents related thereto: Lease Supplement (1997-E), dated August 22, 1997, Sublease Agreement (1997-E), dated as of August 22, 1997, Sublease Supplement (1997-E), dated August 22, 1997 and Loan and Security Agreement (1997-E), dated as of August 22, 1997.

The names and addresses of the parties to the enclosed documents are:

Lease Agreement (1997-E)
and
Lease Supplement (1997-E)

Head Lessor: Massachusetts Bay Transportation Authority
10 Park Plaza
Boston, Massachusetts 02116

Head Lessee: Wilmington Trust Company
1100 North Market Street
Wilmington, Delaware 19890

Mr. Vernon A. Williams
August 25, 1997
Page 2

C → Sublease Agreement (1997-E)
and
Sublease Supplement (1997-E)

Sublessor: Wilmington Trust Company, Trustee
1100 North Market Street
Wilmington, Delaware 19890

Sublessee: Massachusetts Bay Transportation Authority
10 Park Plaza
Boston, Massachusetts 02116

Loan and Security Agreement (1997-E)

Borrower: Wilmington Trust Company, Trustee
1100 North Market Street
Wilmington, Delaware 19890

Lender: AMBAC Investments, Inc.
One State Street Plaza
New York, New York 10004

A description of the railroad equipment covered by the enclosed documents is set forth on Schedule 7 attached to the Lease Supplement.

Also enclosed is a check in the amount of \$120.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return one stamped copy of each of the enclosed documents to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/bg
Enclosures

RECORDATION NO. 20833-C FILED

SUBLEASE SUPPLEMENT (1997-E- FT)
Red Line

AUG 25 '97

11-35 AM

THIS SUBLEASE SUPPLEMENT (1997-E-FT) dated August 22, 1997, between WILMINGTON TRUST COMPANY a national banking association, not in its individual capacity, but solely as Trustee, except as otherwise provided herein (the "Sublessor"), and MASSACHUSETTS BAY TRANSPORTATION AUTHORITY (the "Sublessee");

WHEREAS, the Sublessor and the Sublessee have heretofore entered into the Sublease Agreement, dated as of August 22, 1997 (the "Sublease"), which Sublease provides for the execution and delivery of Sublease Supplements in substantially the form hereof for the purpose of subleasing the Items of Equipment when delivered by the Sublessor to the Sublessee in accordance with the terms thereof. All of the terms and provisions of the Sublease are hereby incorporated by reference in this Sublease Supplement to the same extent as if fully set forth herein (including those terms providing that capitalized terms used therein and not otherwise defined therein shall have the meanings given such terms in Appendix A to the Participation Agreement, and the rules of usage set forth therein shall apply thereto).

NOW, THEREFORE, in consideration of the premises and other good and sufficient consideration, and pursuant to Section 2 of the Sublease, the Sublessor hereby delivers and subleases to the Sublessee, and the Sublessee hereby accepts and subleases from the Sublessor, under the Sublease as herein supplemented, the Items of Equipment described (both by car number and Equipment Value) in Exhibit F hereto. Attached as Exhibits A through E hereto is certain other information referenced in the Sublease.

To the extent, if any, that this Sublease Supplement constitutes chattel paper (as such term is defined in the Uniform Commercial Code as in effect in any applicable jurisdiction), no security interest in this Sublease Supplement may be created through the transfer or possession of any counterpart other than the original counterpart containing the receipt therefor executed by the Lender on the signature page thereof.

THIS SUBLEASE SUPPLEMENT SHALL IN ALL RESPECTS BE GOVERNED BY THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE WITHOUT REFERENCE TO ANY CHOICE-OF-LAW OR CONFLICTS-OF-LAWS RULES WHICH MIGHT LEAD TO THE APPLICATION OF THE LAWS OF ANY OTHER JURISDICTION.

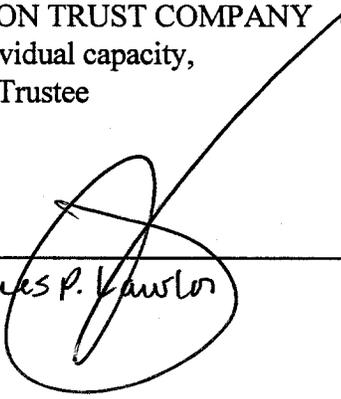
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IN WITNESS WHEREOF, the Sublessor and the Sublessee have each caused this Sublease Supplement to be duly executed by its authorized officer on the day and year first above written.

SUBLESSOR:

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

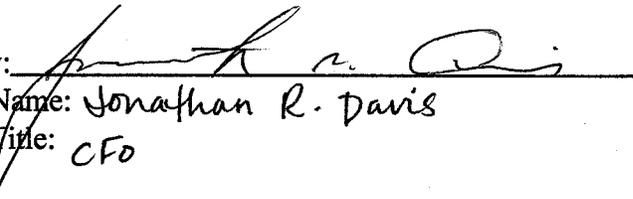
By: _____
Name: James P. Yawlor
Title: VP



SUBLESSEE:

MASSACHUSETTS BAY TRANSPORTATION
AUTHORITY

By: _____
Name: Jonathan R. Davis
Title: CFO



STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

On this 22nd day of August, 1997 before me personally appeared James P. Lawler to me personally known, who being by me duly sworn, says that he is the Vice President of Wilmington Trust Company, a Delaware banking corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Robert M. Vilter

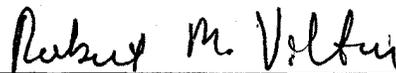
Robert M. Vilter

My commission expires February 14, 1998

ROBERT M. VILTER
Notary Public, State of New York
No. 02VI5023698
Qualified in New York County
Commission Expires Feb. 14, 19____

STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

On this 22nd day of August, 1997 before me personally appeared Jonathan R. Davis to me personally known, who being by me duly sworn, says that he is the Chief Financial Officer of The Massachusettes Bay Transportation Authority, a body politic and corporate and a political subdivision of the Commonwealth of Massachusetts, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregong instrument was the free act and deed of said corporation.



Robert M. Vilter

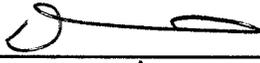
My commission expires _____

ROBERT M. VILTER
Notary Public, State of New York
No. 02VI5023698
Qualified in New York County
Commission Expires Feb. 14, 19____

CERTAIN OF THE RIGHT, TITLE AND INTEREST IN AND TO THIS SUBLEASE SUPPLEMENT HAVE BEEN ASSIGNED TO AND ARE SUBJECT TO A FIRST PRIORITY SECURITY INTEREST IN FAVOR OF THE UNDERSIGNED, AS THE LENDER UNDER THE LOAN AGREEMENT (1997-E-FT) DATED AS OF AUGUST 22, 1997. THIS AGREEMENT HAS BEEN EXECUTED IN SEVERAL COUNTERPARTS. ONLY THE ORIGINAL COUNTERPART CONTAINS THE RECEIPT THEREFOR EXECUTED BY THE UNDERSIGNED, ON THE PAGE FOLLOWING THE SIGNATURE PAGES THEREOF. SEE SECTION 22(b) OF THE SUBLEASE FOR INFORMATION CONCERNING THE RIGHTS OF THE HOLDERS OF THE VARIOUS COUNTERPARTS HEREOF.

Receipt of this original counterpart of the foregoing Sublease Supplement is hereby acknowledged on this 22nd day of August, 1997.

AMBAC INVESTMENTS INC.

By:  _____

Name: David Weissman

Title: First VP

STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

On this 22nd day of August, 1997 before me personally appeared David J. Weissman to me personally known, who being by me duly sworn, says that he is the Vice President of AMBAC Investments Inc., a corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.



Robert M. Vilter

My commission expires February 14, 1998

ROBERT M. VILTER
Notary Public, State of New York
No. 02VI5023698
Qualified in New York County 98
Commission Expires Feb. 14, 19__

Exhibit A
to
Sublease

Basic Rent

(As a percentage of Equipment Value of each Item of Equipment)
ABB Equipment

Payment Date	Allocated Basic Rent			Basic Rent Payments
	Advance Basic Rent	Arrears Basic Rent	Total Basic Rent	
Aug 22 1997	0	0	0	0
Jan 1 1998	0	2.97691108	2.97691108	0
Jul 1 1998	0	8.30765882	8.30765882	0
Jan 1 1999	0	0	0	0
Jul 1 1999	0	8.30765882	8.30765882	0
Jan 1 2000	0	0	0	0
Jul 1 2000	0	8.30765882	8.30765882	0
Jan 1 2001	0	0	0	0
Jul 1 2001	0	0	0	0
Jan 1 2002	0	8.30765882	8.30765882	8.30765882
Jul 1 2002	0	0	0	0
Jan 1 2003	0	8.30765882	8.30765882	8.30765882
Jul 1 2003	0	0	0	0
Jan 1 2004	0	8.30765882	8.30765882	8.30765882
Jul 1 2004	0	0	0	0
Jan 1 2005	0	8.30765882	8.30765882	8.30765882
Jul 1 2005	0	0	0	0
Jan 1 2006	0	8.63842672	8.63842672	8.63842672
Jul 1 2006	0	0	0	0
Jan 1 2007	0	10.15380523	10.15380523	10.15380523
Jul 1 2007	0	0.40187098	0.40187098	0.40187098
Jan 1 2008	9.62022975	9.75193424	19.37216399	19.37216399
Jul 1 2008	0	0.53357548	0.53357548	0.53357548
Jan 1 2009	9.3459996	0	9.3459996	9.3459996
Jul 1 2009	0	0.80780562	0.80780562	0.80780562
Jan 1 2010	9.35118254	0	9.35118254	9.35118254
Jul 1 2010	0	0.80262269	0.80262269	0.80262269
Jan 1 2011	9.36042678	0	9.36042678	9.36042678
Jul 1 2011	0.79337845	0	0.79337845	0.79337845
Jan 1 2012	9.62579279	0	9.62579279	9.62579279
Jul 1 2012	0	0.52801243	0.52801243	0.52801243
Jan 1 2013	9.63860073	0	9.63860073	9.63860073
Jul 1 2013	0	0.5152045	0.5152045	0.5152045
Jan 1 2014	0	0	0	27.89988754
	<u>57.73561064</u>	<u>93.26378071</u>	<u>150.9993914</u>	<u>150.9993914</u>

Exhibit A
to
Sublease

Basic Rent

(As a percentage of Equipment Value of each Item of Equipment)
ABB Equipment

Payment Date	Allocated Basic Rent			Basic Rent Payments
	<u>Advance Basic Rent</u>	<u>Arrears Basic Rent</u>	<u>Total Basic Rent</u>	

Basic Term Expiration Date: Jan 1 2014

Exhibit B
to
Sublease

Renewal Rent
(As a percentage of Equipment Value of each Item of Equipment)
ABB Equipment

Payment Date	Allocated Renewal Rent			Renewal Rent Payments
	Advance Renewal Rent	Arrears Renewal Rent	Total Renewal Rent	
Jan 1 2014	14.784375	0	14.784375	14.784375
Jul 1 2014	0	0	0	0
Jan 1 2015	14.784375	0	14.784375	14.784375
Jul 1 2015	0	0	0	0
Jan 1 2016	14.784375	0	14.784375	14.784375
Jul 1 2016	0	0	0	0
Jan 1 2017	14.784375	0	14.784375	14.784375
Jul 1 2017	0	0	0	0
Jan 1 2018	14.784375	0	14.784375	14.784375
Jul 1 2018	0	0	0	0
Jan 1 2019	14.784375	0	14.784375	14.784375
Jul 1 2019	0	0	0	0
Jan 1 2020	14.784375	0	14.784375	14.784375
Jul 1 2020	0	0	0	0
Jan 1 2021	14.784375	0	14.784375	14.784375
Jul 1 2021	0	0	0	0
Jan 1 2022	14.784375	0	14.784375	14.784375
Jul 1 2022	0	0	0	0
Jan 1 2023	14.784375	0	14.784375	14.784375
Jul 1 2023	0	0	0	0
Jan 1 2024	14.784375	0	14.784375	14.784375
Jul 1 2024	0	0	0	0
Jan 1 2025	2.09445312	0	2.09445312	2.09445312
Feb 22 2025	0	0	0	0
	<u>164.7225781</u>	<u>0</u>	<u>164.7225781</u>	<u>164.7225781</u>

Exhibit C
to
Sublease

Stipulated Loss Value

(As a percentage of Equipment Value of each Item of Equipment)
ABB Equipment

Stipulated Loss Value Determination <u>Date</u>	Stipulated <u>Loss Value</u>
Aug 22 1997	87.22335287
Jan 1 1998	90.79050646
Jul 1 1998	93.36708563
Jan 1 1999	96.18938598
Jul 1 1999	100.0523961
Jan 1 2000	104.3077663
Jul 1 2000	105.3337849
Jan 1 2001	108.9053825
Jul 1 2001	112.2374977
Jan 1 2002	107.0912594
Jul 1 2002	110.0053531
Jan 1 2003	104.7290241
Jul 1 2003	107.5499989
Jan 1 2004	102.1768789
Jul 1 2004	104.8972458
Jan 1 2005	99.41955036
Jul 1 2005	102.0312179
Jan 1 2006	96.10976847
Jul 1 2006	98.59076336
Jan 1 2007	91.01810202
Jul 1 2007	92.90690193
Jan 1 2008	85.53808142
Jul 1 2008	77.1087205
Jan 1 2009	78.90298154
Jul 1 2009	70.26954454
Jan 1 2010	71.83442186
Jul 1 2010	62.96215347
Jan 1 2011	64.27884746
Jul 1 2011	55.94128551
Jan 1 2012	56.19587821
Jul 1 2012	46.77466709
Jan 1 2013	47.54264969
Jul 1 2013	37.81764515
Jan 1 2014	38.26968175
Jul 1 2014	23.36304615
Jan 1 2015	23.24877035

Exhibit C
to
Sublease

Stipulated Loss Value

(As a percentage of Equipment Value of each Item of Equipment)
ABB Equipment

Stipulated Loss Value Determination <u>Date</u>	<u>Stipulated Loss Value</u>
Jul 1 2015	7.79702283
Jan 1 2016	7.18151817
Jul 1 2016 and thereafter through Feb 22 2025	0

Exhibit D
to
Sublease

Termination Value

(As a percentage of Equipment Value of each Item of Equipment)
ABB Equipment

Termination Value Determination Date	Termination Value
Aug 22 1997	87.22335287
Jan 1 1998	90.79050646
Jul 1 1998	93.36708563
Jan 1 1999	98.18938598
Jul 1 1999	100.0523961
Jan 1 2000	104.3077663
Jul 1 2000	105.3337849
Jan 1 2001	108.9053825
Jul 1 2001	112.2374977
Jan 1 2002	107.0912594
Jul 1 2002	110.0053531
Jan 1 2003	104.7290241
Jul 1 2003	107.5499989
Jan 1 2004	102.1768789
Jul 1 2004	104.8972458
Jan 1 2005	99.41955036
Jul 1 2005	102.0312179
Jan 1 2006	96.10976847
Jul 1 2006	98.59076336
Jan 1 2007	91.01810202
Jul 1 2007	92.90690193
Jan 1 2008	85.53808142
Jul 1 2008	77.1087205
Jan 1 2009	78.90298154
Jul 1 2009	70.26954454
Jan 1 2010	71.83442186
Jul 1 2010	62.96215347
Jan 1 2011	64.27884746
Jul 1 2011	55.94128551
Jan 1 2012	56.19587821
Jul 1 2012	46.77466709
Jan 1 2013	47.54264969
Jul 1 2013	37.81764515
Jan 1 2014	38.26968175
Jul 1 2014	23.36304615
Jan 1 2015	23.24877035

Fifth Third

Exhibit D
to
Sublease

Termination Value

(As a percentage of Equipment Value of each Item of Equipment)
ABB Equipment

<u>Termination Value Determination Date</u>	<u>Termination Value</u>
Jul 1 2015	7.79702283
Jan 1 2016	7.18151817
Jul 1 2016 and thereafter through Feb 22 2025	0

Exhibit E
to
Sublease

Agreed Purchase Option Price

(As a percentage of Equipment Value of each Item of Equipment)
ABB Equipment

Agreed Purchase Option Price Payment Date	Agreed Purchase Option Price Payment <u>Amount</u>
Jan 1 2014	10.54800722
Apr 15 2014	6.93041861
Jun 15 2014	6.93041861
Sep 15 2014	6.93041861
Dec 15 2014	6.93041861
	<u>38.26968166</u>

EXHIBIT F

DESCRIPTION OF THE ITEMS OF EQUIPMENT

EQUIPMENT LOT - FIFTH THIRD RED LINE

NUMBER 3 RED LINE CARS

Number 3 Red Line Rapid Transit (Heavy Rail) Cars
bearing the identification numbers listed below:

Car Number

1858-1859
1860-1861
1846-1847
1882-1883
1856-1857
1850-1851
1854-1855
1816-1817
1840-1841
1842-1843
1862-1863
1880-1881
1876-1877
1878-1879
1852-1853
1872-1873