RECORDATION NO 16917 FILED 1425
JUN 29 1990 -12 50 PM
INTERSTATE COMMERCE COMMISSION

National Railroad Passenger Corporation, 60 Massachusetts Avenue, N E , Washington, D C 20002 Telephone (202) 383-3000

0-180A043 C
RECORDATION NO 16917 FILED 1425
JUN 29 1990 -12 50 PM
INTERSTATE COMMERCE COMMISSION

Amtrak

June 29, 1990

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

Dear Ms. McGee:

I have enclosed three originals of the documents described below to be recorded pursuant to Section 11301 of Title 49 of the United States Code. These documents are:

1. Lease of Railroad Equipment dated as of May 30, 1990, a primary document which includes the Lease Supplement No. 1 dated as of July 3, 1990.

2. Lessee Security Agreement (Mortgage) dated as of May 30, 1990, a primary document which includes the Lessee Security Agreement Supplement No. 1 dated as of July 3, 1990.

3. Sublease of Railroad Equipment dated as of May 30, 1990, a primary document which includes the Sublease Supplement No. 1 dated as of July 3, 1990.

4. Trust Indenture and Security Agreement (Mortgage) ("Trust Indenture") dated as of May 30, 1990, a primary document which includes the Indenture Supplement Nos. 1 and 2 dated as of July 3, 1990.

5. FRA Subordinated Security Agreement dated as of May 30, 1990, a primary document.

6. Cure Rights Agreement dated as of May 30, 1990, a primary document.

Amtrak requests that all of the documents listed herein be filed under the same recordation number.

The parties to the above-listed documents include the following:

1, 2 and 3. The Lease of Railroad Equipment, the Lessee Security Agreement (Mortgage), Sublease of Railroad Equipment, and Supplements No. 1 thereto: Amtrak as, respectively, lessor, mortgagor, and sublessee; Connecticut Bank and Trust Company, National Association ("Owner Trustee"), as, respectively, lessee,

mortgagee, and sublessor.

4. The Trust Indenture and Supplement Nos. 1 and 2 thereto: Owner Trustee as mortgagor and Meridian Trust Company ("Indenture Trustee") as mortgagee. Amtrak is a consenting party to the Trust Indenture.

5. The FRA Subordinated Security Agreement: Amtrak as mortgagor and the Federal Railroad Administrator as mortgagee.

6. The Cure Rights Agreement: Owner Trustee as sublessor and mortgagee, Indenture Trustee as mortgagee.

The addresses of the parties are:

The Connecticut Bank and Trust Company
National Association
One Constitution Plaza
Hartford, CT 06115

Meridian Trust Company
35 North 6th Street
Reading, PA 19603

Federal Railroad Administrator
Federal Railroad Administration
400 Seventh Street, S.W.
Washington, D.C. 20590

National Railroad Passenger Corporation
60 Massachusetts Avenue, N.E.
Washington, D.C. 20002
Attention: Corporate Secretary

The railway equipment covered by the primary documents listed above consists of seventy (70) highspeed material handling railcars bearing Amtrak road numbers 1500 to 1569, inclusive.

A fee of $90 is enclosed. Please return the original and any extra copies not needed by the Commission for recordation to the person delivering same stamped with the appropriate recordation number.

Short summaries of the documents to appear in the index follow:

1. Lease of Railroad Equipment between Connecticut Bank and Trust Company, National Association, One Constitution Plaza,

Hartford, Connecticut 06115 as owner trustee and lessee and National Railroad Passenger Corporation, 60 Massachusetts Avenue, N.E., Washington, D.C. 20002 ("Amtrak"), as lessor, dated May 30, 1990, and Supplement No. 1 thereto dated as of July 3, 1990. The Lease covers seventy (70) highspeed material handling railcars bearing Amtrak road numbers 1500 to 1569 inclusive.

2. Lessee Security Agreement (Mortgage) between Connecticut Bank and Trust Company, National Association, One Constitution Plaza, Hartford, Connecticut 06115 as owner trustee and mortgagee and National Railroad Passenger Corporation, 60 Massachusetts Avenue, N.E., Washington, D.C. 20002 ("Amtrak"), as mortgagor, dated as of May 30, 1990 and Supplement No. 1 thereto dated as of July 3, 1990. The Lessee Security Agreement (Mortgage) covers seventy (70) highspeed material handling railcars bearing Amtrak road numbers 1500 to 1569, inclusive.

3. Sublease of Railroad Equipment between the Connecticut Bank and Trust Company, National Association, One Constitution Plaza, Hartford, Connecticut 06115 as owner trustee and sublessor and National Railroad Passenger Corporation, 60 Massachusetts Avenue, N.E. 20002 ("Amtrak"), as sublessee, dated as of May 30, 1990 and Supplement No. 1 thereto dated as of July 3, 1990. The Sublease covers seventy (70) highspeed material handling railcars bearing Amtrak road numbers 1500 to 1569, inclusive.

4. Trust Indenture and Security Agreement (Mortgage) between the Connecticut Bank and Trust Company, National Association, One Constitution Plaza, Hartford, Connecticut 06115 as owner trustee and mortgagor, and Meridian Trust Company, 35 North 6th Street, Reading, Pennsylvania 19603, as indenture trustee and mortgagee, dated as of May 30, 1990, and Supplement Nos. 1 and 2 dated as of July 3, 1990. The Trust Indenture covers seventy (70) highspeed material handling railcars bearing National Railroad Passenger Corporation ("Amtrak") road numbers 1500 to 1569, inclusive.

5. Subordinated Security Agreement between National Railroad Passenger Corporation, 60 Massachusetts Avenue, N.E. 20002 ("Amtrak"), as mortgagor and the Federal Railroad Administrator, Federal Railroad Administration, 400 Seventh Street, S.W., Washington, D.C. 20590, as mortgagee, dated as of May 30, 1990 and covering seventy (70) highspeed material handling railcars bearing Amtrak road numbers 1500 to 1569, inclusive.

6. Cure Rights Agreement between the Connecticut Bank and Trust Company, National Association, One Constitution Plaza,

mortgagee, and Meridian Trust Company, 35 North 6th Street, Reading, Pennsylvania 19603 as indenture trustee and mortgagee, dated as of May 30, 1990, and covering seventy (70) highspeed material handling railcars bearing National Railroad Passenger Corporation ("Amtrak") road numbers 1500 to 1569, inclusive.

The undersigned is one of the attorneys for Amtrak.

Respectfully submitted,

Judy Weisburgh

Judy Weisburgh
Associate General Counsel

16917 -B
RECORDATION NO _____ FILED 1425
JUN 29 1990 -12 50 PM
INTERSTATE COMMERCE COMMISSION

[EXECUTION COPY]

CERTAIN RIGHTS OF THE SUBLESSOR UNDER THIS SUBLEASE OF RAILROAD EQUIPMENT HAVE BEEN ASSIGNED AS SECURITY TO, AND ARE SUBJECT TO A SECURITY INTEREST IN FAVOR OF, MERIDIAN TRUST COMPANY, AS INDENTURE TRUSTEE UNDER THE TRUST INDENTURE AND SECURITY AGREEMENT (MORTGAGE) DATED AS OF THE DATE HEREOF BETWEEN SUCH SUBLESSOR AND INDENTURE TRUSTEE, FOR THE BENEFIT OF THE HOLDERS OF SECURED NOTES REFERRED TO THEREIN. THIS SUBLEASE HAS BEEN EXECUTED IN SEVERAL COUNTERPARTS. ONLY THE ORIGINAL COUNTERPART CONTAINS THE RECEIPT THEREFOR EXECUTED BY MERIDIAN TRUST COMPANY, AS INDENTURE TRUSTEE, ON THE SIGNATURE PAGES THEREOF. SEE SECTION 15.1 HEREOF FOR INFORMATION CONCERNING THE RIGHTS OF HOLDERS OF THE VARIOUS COUNTERPARTS OF THIS SUBLEASE OF RAILROAD EQUIPMENT.

SUBLEASE OF RAILROAD EQUIPMENT

Dated as of May 30, 1990

between

THE CONNECTICUT BANK AND TRUST COMPANY,
NATIONAL ASSOCIATION, as Owner Trustee
Sublessor

and

NATIONAL RAILROAD PASSENGER CORPORATION
Sublessee

SEVENTY (70) HIGH-SPEED MATERIAL
HANDLING RAILCARS

TABLE OF CONTENTS

		Page
SECTION 1.	INTERPRETATION	1
1.1	Definitions	1
1.2	Rules of Interpretation	1
SECTION 2.	AGREEMENT TO SUBLEASE; DELIVERY AND ACCEPTANCE	2
2.1	Agreement to Sublease	2
2.2	Delivery and Acceptance	2
SECTION 3.	INTERIM TERM AND BASE LEASE TERM	3
SECTION 4.	RENT	3
4.1	Base Rent	3
	(i) Base Rent	3
	(ii) Minimum Payments	3
4.2	Supplemental Rent	4
4.3	Adjustments to Rent and Casualty Value Factors	5
4.4	Manner of Making Payments; Payment to Indenture Trustee	5
SECTION 5.	NET SUBLEASE; NONTERMINABILITY	6
5.1	Net Sublease	6
5.2	Nonterminability	6
SECTION 6.	IDENTIFICATION MARKS	8
SECTION 7.	CASUALTY	9
7.1	Notice; Elections	9
7.2	Substitution.	9
7.3	Payment of Casualty Value	10
7.4	Requisition Not Constituting a Casualty Occurrence	11
7.5	Amount of Casualty Value	11
7.6	No Release	12
SECTION 8.	INSURANCE	12
8.1	Insurance to Be Maintained	12
8.2	Insurance Proceeds	15
SECTION 9.	REPORTS; INSPECTION	16

9.1 Reports 16
9.2 Inspection 16
SECTION 10. SUBLESSOR'S REPRESENTATIONS AND WARRANTIES; DISCLAIMER OF WARRANTIES; QUIET ENJOYMENT 17
SECTION 11. LAWS AND RULES 18
11.1 Compliance 18
11.2 Reports by Sublessee 19
SECTION 12. USE AND MAINTENANCE 19
12.1 Use and Maintenance 19
12.2 Additions and Accessions 20
SECTION 13. DEFAULT 21
13.1 Events of Default; Remedies 21
13.2 Remedies Not Exclusive; Waiver 28
13.3 Failure to Exercise Rights is Not Waiver . 28
13.4 Indemnities 29
SECTION 14. RETURN OF UNITS UPON DEFAULT 29
14.1 Return of Units 29
14.2 Specific Performance 30
14.3 Sublessor Appointed Agent of Sublessee . . 30
SECTION 15. ASSIGNMENT, POSSESSION AND USE 30
15.1 Assignment; Consent; Security for Sublessor's Obligations to Holders of Secured Notes . 30
15.2 Sublessee's Rights to Use the Units, to Permit Use Thereof by Others and to Sub-sublease the Units; No Liens 31
15.3 Transfers by Sublessor 33
SECTION 16. PURCHASE OPTIONS; RENEWAL OPTIONS . . . 33
16.1 Special Purchase Option 33
16.2 End of Term Purchase Options 34
16.3 Further Assurances 35
16.4 Renewal Options 35
16.5 Determination of Fair Market Value and Fair Market Rental 37
SECTION 17. RETURN OF UNITS UPON EXPIRATION OF TERM 38
17.1 Redelivery 38
17.2 Return 40
17.3 Inspections 41

17.4 Continuing Obligations 42

SECTION 18. RECORDING 42

18.1 ICC; States 42
18.2 Continuing Obligations 42

SECTION 19. SUBLESSOR'S RIGHT TO PERFORM FOR SUBLESSEE 43

SECTION 20. NOTICES 43

SECTION 21. SEVERABILITY 43

SECTION 22. EFFECT AND MODIFICATION OF THIS SUBLEASE 44

SECTION 23. NATURE OF THIS SUBLEASE 44

SECTION 24. EXECUTION 44

SECTION 25. LAW GOVERNING 45

SECTION 26. SPECIAL TERMINATIONS 45

26.1 Voluntary Termination by Sublessee 45
26.2 Special Termination by Sublessor 47

SECTION 27. ASSIGNMENT 48

SECTION 28. SUBLESSOR 49

SECTION 29. LIABILITY OF SUBLESSOR LIMITED 49

SECTION 30. NOTICE AS TO LIENS 50

SECTION 31. NO MERGER 50

SIGNATURE PAGE

SCHEDULE 1 - BASIC RENT FACTORS

SCHEDULE 2 - CASUALTY VALUE FACTORS

EXHIBIT A - FORM OF SUBLEASE SUPPLEMENT

SUBLEASE OF RAILROAD EQUIPMENT

THIS SUBLEASE OF RAILROAD EQUIPMENT dated as of May 30, 1990 between THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association, not in its individual capacity but solely as Owner Trustee except as otherwise expressly provided herein, as sublessor, and NATIONAL RAILROAD PASSENGER CORPORATION (also known as Amtrak), a corporation organized under the Rail Passenger Service Act and the laws of the District of Columbia, as sublessee.

W I T N E S S E T H :

SECTION 1. INTERPRETATION.

1.1 Definitions. Capitalized terms and phrases used and not otherwise defined herein shall for all purposes of this Sublease have the respective meanings specified therefor in Annex A hereto.

1.2 Rules of Interpretation. The following rules apply to this Sublease:

(a) the singular includes the plural and the plural includes the singular;

(b) "or" is not exclusive and "include" and "including" are not limiting;

(c) a reference to any agreement or other contract includes permitted supplements and amendments;

(d) a reference to a law includes any amendment or modification to such law and any rules or regulations issued thereunder or any law enacted in substitution or replacement therefor;

(e) a reference to a person includes its permitted successors and assigns;

(f) a reference herein to an Article, Section, Exhibit, Schedule or Appendix without further reference is to the relevant Article, Section, Exhibit, Schedule or Appendix of this Sublease;

(g) any right may be exercised at any time and from time to time;

(h) all obligations are continuing obligations; and

(i) the headings of the Articles, Sections and subsections are for convenience and shall not affect the meaning of this Sublease.

SECTION 2. AGREEMENT TO SUBLEASE; DELIVERY AND ACCEPTANCE.

2.1 Agreement to Sublease. Sublessor and Sublessee agree (subject to satisfaction or waiver by Sublessor or Sublessee, as the case may be, of the conditions precedent to its obligations set forth in Section 5 of the Participation Agreement) to subject each Unit to this Sublease for the rent and upon and subject to the terms and conditions herein set forth, for the Sublease Term with respect to such Unit, commencing on the date on which the Sublease Supplement extending this Sublease to cover such Unit is executed and delivered.

2.2 Delivery and Acceptance. Upon execution and delivery of a Sublease Supplement by Sublessor and Sublessee, the Units described therein shall be deemed to have been delivered to and accepted by Sublessee for all purposes of this Sublease and thereupon shall be subject to all the terms and conditions of this Sublease. Sublessee's execution and delivery of a Sublease Supplement shall be conclusive proof that the Units listed therein have been subjected to this Sublease on the terms hereof, notwithstanding any defect with respect to the design, manufacture, condition or any other matter or the failure of any of the Units to comply with the specifications applicable thereto or with any applicable United States Department of Transportation or ICC requirements and specifications or AAR recommended standards for new railroad equipment of the character of the Equipment as of the date hereof.

SECTION 3. INTERIM TERM AND BASE LEASE TERM

The Interim Term for each Unit shall commence on the Delivery Date therefor and shall extend to (but not include) the Base Lease Commencement Date or such earlier date on which this Sublease shall be terminated hereunder with respect to such Unit. The Base Lease Term for all of the Equipment shall commence on the Base Lease Commencement Date and end on the Base Lease Termination Date, or such earlier date on which this Sublease shall be terminated hereunder with respect to such Unit.

SECTION 4. RENT

4.1 Base Rent.

(i) Base Rent. Sublessee shall pay to Sublessor, as Base Rent, semi-annual installments of Base Rent on the Rent Payment Dates during the Base Lease Term. Subject to adjustment as provided herein, the Base Rent due on a Rent Payment Date with respect to the Equipment is equal to the product of (i) the Rent Factor for such Rent Payment Date and (ii) Equipment Cost for the Equipment, and shall be allocable to (A) the use of the Equipment by Sublessee for the six-month period immediately preceding such Rent Payment Date if Schedule 1 hereto indicates that such payment is in arrears and (B) to the use of the Equipment by Sublessee for the six-month period immediately succeeding such Rent Payment Date if Schedule 1 hereto indicates that such payment is in advance. If any Rent Payment Date is also a Casualty Value Determination Date with respect to a Unit, such Unit shall be deemed to be subject to the Lease and this Sublease within the meaning of the definition of "Equipment Cost" for purposes of determining any Base Rent due on such Date.

(ii) Minimum Payments. Notwithstanding anything to the contrary contained herein or in any other Operative Document, in all events and irrespective of any adjustment thereto, each installment of Base Rent shall be at least in an amount such that, as and when received by Indenture Trustee, it shall be sufficient to pay the installment of principal and accrued interest in respect of all Secured Notes then Outstanding under the Indenture which is due on the Rent Payment Date of such installment of Base Rent, and each amount of Casualty Value and each unpaid balance payable on any Termination Date with respect to a Voluntary Termination shall be at least in an amount such that, as and when received by Indenture Trustee, it shall be sufficient to pay the full

unpaid balance of principal, premium (if any) and interest then due and payable in respect of all Secured Notes then Outstanding under the Indenture. Nothing in this Section 4.1(ii) shall be deemed to constitute a guarantee by Sublessee of the indebtedness evidenced by the Secured Notes or a guarantee of the residual value of any Unit.

4.2 Supplemental Rent. (i) In addition to its obligation to pay Base Rent or Renewal Rent hereunder, Sublessee shall pay (or cause to be paid) Supplemental Rent to Sublessor or to whomever shall be entitled thereto, as and when the same shall become due and owing in accordance with the provisions of the Operative Document that requires such payment and in the event of any failure on the part of Sublessee to pay the same when due and owing in accordance with such provisions, Sublessor shall have all rights, powers and remedies provided for herein or at law or in equity or otherwise in the case of nonpayment of Base Rent or Renewal Rent. Sublessee also agrees to pay to Sublessor or such other Person as shall be entitled thereto, upon demand, as Supplemental Rent, to the extent permitted by applicable law, interest at the Overdue Rate on (i) any part of any installment of Base Rent or Renewal Rent, as the case may be, not paid when due for each day for which the same shall be overdue and (ii) any payment of Supplemental Rent (other than such interest) not paid when due for each day for which the same shall be overdue, until the same shall be received by the party entitled thereto.

(ii) If and to the extent that on or prior to the Base Lease Commencement Date Sublessor fails to make all or any portion of a payment to Indenture Trustee required by Section 9.2(ii) of the Participation Agreement, Sublessee shall, to such extent, pay to Sublessor as Supplemental Rent an amount equal to such nonpayment on the date when due or, if later, promptly after notice of such failure. Sublessor shall give notice to Sublessee and Indenture Trustee at least five (5) Business Days prior to the date such payment is due if funds equal to the amount of the payment due on such date will not be paid by Sublessor to Indenture Trustee on such date. If Sublessee makes a payment of Supplemental Rent to Sublessor pursuant to this subsection (ii), Sublessee shall have the right to demand immediate repayment thereof together with interest on the unreimbursed portion thereof at the Overdue Rate from the date such amount is paid to but not including the date it is reimbursed (such amounts to be reimbursed and the related interest being herein called the "Reimbursement Amount"). All payments of Supplemental Rent made pursuant to this subsection (ii) and not repaid shall be

deemed to be prepayments of Base Rent made in the order in which payments of Base Rent become due. Without limiting any remedy Sublessee may have against Owner Participant with respect to any breach by Owner Participant of its undertaking in Section 9.2(ii) of the Participation Agreement, Sublessee shall be entitled to offset (without duplication) against any payments of Rent (other than as limited by the two provisos to this sentence) due from Sublessee to Sublessor under this Sublease (including, without limitation, Base Rent and Supplemental Rent) or under any other Operative Document until Sublessee has been paid the Reimbursement Amount; provided, however, that in the case of any payment due from Sublessee which is distributable under the terms of the Indenture, Sublessee's right of offset shall be limited to amounts then distributable to Sublessor or the Owner Participant thereunder (and shall not include any amounts distributable to the Indenture Trustee in its individual capacity or to the holders of the Secured Notes); and provided, further, however, that no such offset or aggregate combined effect of separate offsets shall reduce the amount of any installment of Rent to an amount insufficient to pay in full the installment required to be made on the due date of such Rent installment on account of the principal of, premium, if any, and any interest on the Secured Notes then outstanding and all other amounts then due to the holders of the Secured Notes without regard to any acceleration when no Event of Default is continuing.

4.3 Adjustments to Rent and Casualty Value Factors. Rent Factors and Casualty Value Factors shall be adjusted in accordance with Section 16 of the Participation Agreement.

4.4 Manner of Making Payments; Payment to Indenture Trustee. All payments pursuant to this Sublease shall be made by 10:00 a.m. Washington, D.C. time on the date payment is due in immediately available funds. Any payment not so made by such time shall be payable with interest at the Overdue Rate as provided in Section 4.2. If any such date is not a Business Day, then payment shall be due on the next succeeding Business Day and if paid on such Business Day, such payment shall be without interest or penalty. All payments of Rent (other than Excepted Payments, which shall be paid to the Person entitled thereto), shall be paid by Sublessee to Sublessor at its office at One Constitution Plaza, Hartford, CT, 06115, or as Sublessor may otherwise direct from time to time in writing; provided, that so long as the Indenture shall not have been discharged pursuant to Section 11.01 thereof, Sublessor hereby directs, and Sublessee agrees, that all payments of Rent and all other amounts payable to Sublessor hereunder (other than Excepted Payments, which shall be paid

whatsoever), the invalidity or unenforceability or lack of due authorization of this Sublease, the Lease or any other Operative Document, any action or inaction by Sublessor as lessee under the Lease, any defect in the title to, compliance with plans or specifications for, condition, design or fitness for use of all or any of the Units, any insolvency of or any bankruptcy, reorganization or other proceeding against Sublessee, Sublessor or any other Person, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention and agreement of the parties hereto, and the basis of the bargain, that (to the extent permitted by applicable law) Base Rent, Renewal Rent, Supplemental Rent and other amounts payable by Sublessee hereunder shall continue to be payable in all events in the manner and at the times herein provided unless and until the obligation to pay the same shall be terminated pursuant to the express provisions of this Sublease (in the case of any return of the Equipment to the Sublessor, any Unit shall not be deemed to have been returned to the Sublessor's possession until all of the Sublessee's obligations with respect to the return, transportation and arranging for storage thereof have been performed). To the extent permitted by applicable law, Sublessee hereby waives any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel or quit this Sublease or surrender any of the Units except in accordance with the express terms hereof. Except as provided in the Tax Indemnity Agreement with respect to certain payments of Supplemental Rent, each Base Rent, Renewal Rent, Supplemental Rent or other payment made by Sublessee hereunder shall be final and Sublessee shall not seek to recover all or any part of such payment (except for any excess payment made in manifest error) from Sublessor, Owner Participant, Indenture Trustee, or any holder or former holder of a Secured Note for any reason whatsoever.

(ii) Without limiting the generality of the foregoing, Sublessee covenants that it will remain obligated under this Sublease in accordance with the terms hereof and will not take any action to terminate (except in accordance with the express provisions hereof), rescind or avoid this Sublease for any reason whatsoever.

(iii) Sublessee agrees that it will duly perform and observe all the covenants, agreements and obligations on its part to be performed and observed under the Participation Agreement and under each of the other Operative Documents to which it is a party.

(iv) Nothing in this Section 5.2 or in any other provision of this Sublease shall preclude any separate, independent claim (other than by way of abatement or reduction of any amount at any time payable by Sublessee hereunder) by Sublessee for the breach of any representation, covenant, undertaking or agreement made herein and in any other Operative Document for the benefit of Sublessee by Sublessor or Owner Participant.

SECTION 6. IDENTIFICATION MARKS

Sublessee will cause each Unit to be kept numbered with the road number and serial number as shall be set forth in any Sublease Supplement hereto extending this Sublease to cover such Unit. Sublessee shall not allow the name of any other Person to be placed on any Unit as a designation that might be identified as a claim of ownership or any other interest therein; provided, however, that nothing herein contained shall prohibit Sublessee or its permitted sub-sublessees from placing its customary colors and insignia on any Unit or from naming each Unit. Sublessee will not change the identification number of any Unit unless and until (i) a statement of a new number or numbers to be substituted therefor shall have been delivered to the Indenture Trustee and Sublessor and filed, recorded and deposited by Sublessee in all appropriate public offices, including the public offices where this Sublease, the Lessee Security Agreement, the Lease and the Indenture shall have been filed, recorded and deposited and (ii) Sublessee shall have furnished to the Indenture Trustee and Sublessor an opinion of counsel in form and substance reasonably satisfactory to the Indenture Trustee and Sublessor to the effect that such statement has been so filed, recorded and deposited, that such filing, recordation and deposit will protect Sublessor's interest in the Units, the security interests of the Indenture Trustee under the Indenture and the interests of the Owner Trustee under the Lessee Security Agreement and the Lease and that no other filing, recording, deposit or giving of notice to any Instrumentality or other Governmental Authority is necessary to protect such interests.

SECTION 7. CASUALTY

7.1 Notice; Elections. If a Casualty Occurrence occurs with respect to any Unit, Sublessee shall promptly notify Sublessor, Indenture Trustee and Owner Participant with respect thereto and shall, within thirty (30) days after such Casualty Occurrence, notify Sublessor, Indenture Trustee and Owner Participant whether Sublessee intends to proceed in accordance with Section 7.2 or 7.3; provided, however, that Sublessee's failure to provide such notice of election shall constitute an election to proceed in accordance with Section 7.3; and provided, further, that no election to proceed in accordance with Section 7.2 shall be effective if an Event of Default has occurred and is continuing.

7.2 Substitution.

(i) If pursuant to Section 7.1 Sublessee shall have elected to proceed in accordance with this Section 7.2 with respect to a Unit that has suffered a Casualty Occurrence, Sublessee shall not later than the 90th day following the date of such Casualty Occurrence convey or cause to be conveyed to Lessor a Replacement Unit, the Leasehold Interest to which shall immediately vest in Sublessor, without further act or deed, free and clear of all Liens other than Permitted Liens, to be leased to Sublessor under the Lease in accordance with Section 9.5 of the Participation Agreement and Section 8.7 of the Lease and to be subleased to Sublessee hereunder.

(ii) Prior to or at the time of any substitution under Section 7.2(i), Sublessee, at its own cost and expense, shall (a) cause a Lease Supplement, Indenture Supplement, Lessee Security Agreement Supplement and Sublease Supplement covering the Replacement Unit to be prepared and, promptly upon execution thereof by Sublessor (as Lessee or Sublessor, as the case may be) and the Indenture Trustee, filed for recording with the ICC and in all other public offices where this Sublease shall be filed, recorded or deposited; (b) furnish Sublessor and Indenture Trustee with evidence of compliance with the provisions of Section 8 with respect to such Replacement Unit; and (c) cause a Uniform Commercial Code financing statement or statements covering the Replacement Unit to be filed in such place or places as are deemed necessary or desirable by Sublessor or Indenture Trustee to perfect their respective interests therein under the Operative Documents. In connection with such substitution, Sublessee shall prepare and Sublessor shall execute or forward to Indenture Trustee for execution, as the case may be, a release of the replaced Unit from the Lien of the Indenture and the

Lessee Security Agreement (including Uniform Commercial Code amending statements).

(iii) Upon compliance by Sublessee with the foregoing provisions of this Section 7.2, (a) Sublessor shall promptly convey the Leasehold Interest in the replaced Unit to Sublessee without recourse, representation or warranty as to any matter whatsoever except as to the absence of all Owner Participant's and Sublessor's Liens; (b) Sublessee shall be subrogated to all claims of Sublessor, if any, against third parties for damage to or loss of the replaced Unit to the extent of any casualty insurance proceeds received or receivable in respect of such Unit as a result of such Casualty Occurrence under insurance policies maintained by Sublessee or any sub-sublessee; and (c) for all purposes hereof and the other Operative Documents, the Replacement Unit shall be deemed part of the property leased hereunder and shall be deemed a "Unit" as defined herein.

7.3 Payment of Casualty Value. If pursuant to Section 7.1 Sublessee shall have elected or have been deemed to have elected to proceed in accordance with Section 7.3 with respect to a Unit that has suffered a Casualty Occurrence, Sublessee shall pay to Sublessor, on the Casualty Value Determination Date with respect to such Unit or Units suffering a Casualty Occurrence, (A) the Casualty Value for such Unit determined in accordance with Section 7.5 as of such Casualty Value Determination Date, (B) any Supplemental Rent due on such Casualty Value Determination Date in respect of such Unit and (C) all other amounts due hereunder with respect to such Unit, including Base Rent due on or before such Casualty Value Determination Date. The sum of the amounts described in clauses (A), (B) and (C) of the immediately preceding sentence, net of any such credit due Sublessee pursuant to Section 4.2(ii), is hereinafter referred to as on "Aggregate Casualty Payment". Upon the making of such Aggregate Casualty Payment, the Base Rent for the applicable Unit shall cease to accrue, the term of the Lease and this Sublease as to such Unit shall terminate and Sublessee shall be entitled to recover possession of such Unit. Sublessor shall transfer to Sublessee such right, title and interest, if any, as Sublessor may have in the Leasehold Interest with respect to such Unit, "as-is, where-is and with all faults" and without recourse, representation or warranty, express or implied, as to any matter whatsoever except that the Leasehold Interest with respect to the Unit is free and clear of all Sublessor's Liens and Owner Participant's Liens. If no Specified Default or Event of Default shall have occurred and be continuing, then Sublessee shall be entitled to receive and

retain for its own account out of all condemnation or requisition payments paid in respect of such Unit up to an amount equal to the sum of (a) the Aggregate Casualty Payment (but only if such amount shall have been previously received by Sublessor) and (b) deemed interest thereon at the Treasury Rate from the date of payment of such Aggregate Casualty Amount to the Sublessor to but excluding the date of receipt of such condemnation or requisition payments by Sublessee; provided, however, that if Sublessor remits the amount payable under this sentence within five (5) Business Days of Sublessor's receipt of such condemnation or requisition proceeds such deemed interest shall be accrued only to such date of receipt by Sublessor. The remainder of such proceeds, if any, shall be paid over to, or retained by, Sublessor for its own account.

7.4 Requisition Not Constituting a Casualty Occurrence. In the event of the requisition for use of any Unit which does not, or does not yet, constitute a Casualty Occurrence hereunder, all of Sublessee's obligations under this Sublease with respect to such Unit (including the obligation to make all payments of Base Rent and Supplemental Rent) shall continue to the same extent as if such requisition had not occurred. All payments received by Sublessor or Sublessee from the United States government or any other governmental entity for the use of such Unit during the term of this Sublease (other than a use of such Unit constituting a Casualty Occurrence) shall be paid over to, or retained by, Sublessee provided no Specified Default or Event of Default shall have occurred and be continuing.

7.5 Amount of Casualty Value. During the Interim Term and the Base Term the Casualty Value for a Unit shall be (i) as of any Casualty Value Determination Date that is not listed on Schedule 2, (x) Equipment Cost of such Unit multiplied by (y) the Casualty Value Factor for the Casualty Value Determination Date listed on Schedule 2 immediately preceding such Casualty Value Determination Date, plus interest on such amount at a rate per annum equal to the Debt Rate from the preceding Rent Payment Date to the date on which the applicable Aggregate Casualty Payment is received or (ii) as of any Casualty Value Determination Date that is listed on Schedule 2, (x) Equipment Cost of such Unit multiplied by (y) the Casualty Value Factor for such Casualty Value Determination Date. On the first day of the first Renewal Term, if any, the Casualty Value Factor shall be 28.72% and thereafter on each semi-annual Rent Payment Date during such Renewal Term and any subsequent Renewal Term, the Casualty Value Factor shall be reduced by two (2) percentage points

until the Casualty Value Factor equals 0% and thereafter for all purposes of this Sublease shall be 0%.

7.6 No Release. Except as provided in Section 7.3 with respect to the payment of Base Rent and Section 17, Sublessee shall not be released from its obligations hereunder in the event of, and shall bear the risk of, any Casualty Occurrence to any Unit from and after delivery and acceptance thereof by Sublessee hereunder.

SECTION 8. INSURANCE.

8.1 Insurance to Be Maintained.

(i) Subject to Section 8.1(ii), Sublessee will, at all times prior to the return to Sublessor of the Units pursuant to the terms hereof (and in any event while the Units are being collected for delivery to Sublessor and as provided in Sections 14 and 17) and at Sublessee's own expense (except as otherwise provided in Section 17), cause the following insurance to be carried and maintained:

(a) "all risk" property insurance in respect of the Units at all times in such amounts as are required by Section 8.1(ii) ("Property Insurance"); and

(b) liability insurance with respect to third-party personal injury, death and property damage (including contractual liability insurance) in such amounts and against such risks as is consistent with prudent industry practice for a railroad engaged in intercity passenger carriage ("Liability Insurance").

Such Property Insurance and Liability Insurance shall be carried with insurers of recognized responsibility selected by Sublessee. Sublessor confirms that the insurers used by Sublessee on the date hereof are currently satisfactory. Sublessee may self-insure (for purposes of this Section 8.1, "self-insure" and "self-insurance" shall mean uninsured risk, deductibles and co-insurance) such Units in amounts no greater than the lesser of (1) in the case of Property Insurance, the extent to which Sublessee customarily self-insures railcars owned or leased by it similar to the Units, but in no event shall such self-insurance exceed ten million dollars without the prior written consent of Sublessor and the Owner Participant which consent shall not unreasonably be withheld; (2) in the case of Liability Insurance, the extent to which Sublessee customarily self-insures with respect to liability,

but in no event shall such self-insurance exceed thirty million dollars without the prior written consent of Sublessor and the Owner Participant which consent shall not be unreasonably withheld; and (3) in any case, consistent with prudent industry practice for a railroad engaged in intercity passenger carriage.

(ii) Without the consent of Sublessor, Owner Participant and the Indenture Trustee to the contrary, which consent shall not be unreasonably withheld, Sublessee agrees to maintain Property Insurance covering the Units at not less than the aggregate Casualty Value for all Units from time to time. In any event, any such Property Insurance and Liability Insurance coverage will not be less comprehensive in amounts and against fewer risks than customarily insured by Sublessee in respect of railcars owned or leased by it similar to the Units. Subject to the next succeeding sentence, Sublessee may terminate, discontinue or fail to renew any Property Insurance or Liability Insurance if such insurance is not then available on a commercially reasonable basis. Prior to the termination, discontinuance or failure to renew of any such Property Insurance or Liability Insurance coverage, Sublessee shall deliver to Sublessor a certificate of an independent insurance broker to the effect that such coverage is not available to Sublessee on a commercially reasonable basis. Sublessee further covenants that if such Property Insurance or Liability Insurance was previously terminated, discontinued or not renewed because it was not then commercially available and later becomes commercially available, Sublessee agrees to reinstate any such Insurance.

(iii) The insurance policies carried in accordance with the terms of this Sublease shall, to the extent available on a commercially reasonable basis from insurers customarily used by Sublessee:

(a) with respect to Property Insurance, (1) require 30 days' prior notice of cancellation for any reason or material change in the types or limits of coverage to the Additional Insureds; (2) not require contributions from other policies held by the Additional Insureds; (3) waive any right of subrogation of the insurers against the Additional Insureds; (4) in respect of any liability of any of the Additional Insureds, except for salvage rights in the event of a Casualty Occurrence, waive the right of insurers to set-off, to counterclaim or to any other deduction, whether by attachment or otherwise, to the extent of any monies due the Additional Insureds; (5) name Sublessor in its individual capacity and as Owner

Trustee, Owner Participant, Indenture Trustee and each holder of the Secured Notes as additional insureds, as their respective interests may appear (but without imposing on any such party liability to pay premiums with respect to such insurance); and (6) continue to insure the Additional Insureds regardless of any breach or violation of any warranty, declaration or condition contained in such policy by Sublessee or any other Person; and

(b) with respect to both Liability Insurance and Property Insurance, (1) name the Additional Insureds as additional insureds and, with respect to Property Insurance, as loss payees, as their respective interests may appear (provided, that such Property Insurance shall be made payable to Indenture Trustee under a standard mortgage loss payable clause meeting the further provisions hereof and satisfactory to Sublessor, unless and until Secured Notes cease to be outstanding, at which time such insurance shall be made payable to Sublessor); (2) waive any right to claim any premiums or commissions against the Additional Insureds; (3) be in full force and effect throughout any geographical areas at any time traversed by any Unit; and (4) to the extent such coverage is available, provide that the insurers will promptly notify the Additional Insureds in writing of any default in the payment of any premium or any other act or omission on the part of the Sublessee of which they shall have knowledge which might entitle the insurers to cancel the policies.

Sublessee agrees to notify Sublessor and the Owner Participant promptly if the coverage described in Section 8.1(iii)(a)(6) becomes unavailable. At any time when Sublessee's regular insurers will include provisions comparable to those described in subsections (3) and (6) of Section 8.1(iii)(a) in the Sublessee's Liability Insurance policies, Sublessee shall promptly obtain appropriate endorsements in respect of such policies extending such provisions to the Additional Insureds.

(iv) If Sublessee fails to maintain the insurance required by this Section 8.1, each of the Additional Insureds may, at its option, but shall not be required to, provide such insurance (but without duplication of any such insurance obtained by any other Additional Insured pursuant to this Section 8.1 (iv) or by Sublessee), and in such event, Sublessee shall, upon demand from time to time, reimburse such Additional Insured or Insured for the cost to such Additional Insured or Insured of such insurance which Sublessee shall

have failed to maintain and which such Additional Insured or Insured shall have obtained in accordance herewith together with interest thereon at the Overdue Rate, from the date of payment thereof to but excluding the date of receipt of such reimbursement.

(v) Nothing in this Section 8.1 shall prohibit Sublessor, Owner Participant, Indenture Trustee or a holder of a Secured Note from obtaining insurance for its own account and any proceeds payable thereunder shall be as provided in the insurance policy relating thereto; provided, that no such insurance may be obtained that would limit or otherwise adversely affect the coverage of any insurance to be obtained or maintained by Sublessee pursuant to this Section 8.1, it being understood that all salvage rights to the Units in the event of a Casualty Occurrence shall remain with Sublessee or its insurers at all times.

(vi) Not later than fifteen (15) Business Days prior to each anniversary of the Delivery Date each year during the Sublease Term, Sublessee shall provide the Sublessor, the Owner Participant and, so long as the Secured Notes are outstanding, Indenture Trustee with an Officer's Certificate of Sublessee stating, or certificates of insurance evidencing, that the insurance carried by Sublessee complies with the provisions of this Section 8.1. Sublessee shall provide Sublessor and the Indenture Trustee with evidence of Sublessee's payment of liability premiums pursuant to this Section 8 within 15 days of such payment. From time to time, but not more than once in any twelve (12) month period, upon the request of Sublessor, the Owner Participant or Indenture Trustee, Sublessee shall provide certificates of insurance evidencing that the insurance required by Section 8.1 is in effect.

8.2 Insurance Proceeds. Sublessee shall be entitled to receive and retain for its own account all proceeds of Property Insurance (except under policies described in Section 8.1(v)) and third party payments in respect of any Unit suffering a Casualty Occurrence up to the Aggregate Casualty Payment set forth in Section 7.3, but only if such Aggregate Casualty Payment shall have been previously paid to and received by Sublessor or Indenture Trustee, as the case may be. All proceeds or payments, if any, in excess of such Aggregate Casualty Payment shall be paid to, or retained by, Sublessee. All Property Insurance proceeds (except under policies described in Section 8.1(v)) or third party payments in respect of any Unit not suffering a Casualty Occurrence in respect of which Unit Sublessee has elected to repair shall

be held by Sublessor or Indenture Trustee and paid to Sublessee upon a written application signed by Sublessee to reimburse Sublessee for the costs of repairing, restoring or replacing the damaged Unit. Any amounts so held by Sublessor or Indenture Trustee (which amounts shall be held by Sublessor or Indenture Trustee, as the case may be, as security for the obligation of Sublessee to make such repairs) and any proceeds or payments (and net earnings thereon) remaining after Sublessee notifies Sublessor and Indenture Trustee that such repairs have been made shall be paid to Sublessee. Any such amounts which are held by Sublessor or Indenture Trustee, as the case may be, pending payment to Sublessee shall, until paid to Sublessee as provided herein or, as long as the Indenture is in effect, until applied as provided in the Indenture, be invested by Sublessor or Indenture Trustee, as the case may be, as directed from time to time in writing by and at the expense and risk of Sublessee in Permitted Investments. Any gain (including interest received) realized as the result of any such investment (net of any fees, commissions and other expenses, if any, incurred in connection with such investment) shall be applied or reinvested in the same manner as the principal invested. The proceeds of any Liability Insurance shall be paid to Sublessee and the Additional Insureds as their interests may appear.

SECTION 9. REPORTS; INSPECTION

9.1 Reports. (i) Sublessee will notify Owner Participant, Sublessor and Indenture Trustee within ten (10) days after Sublessee shall have become aware of the same, as to (a) any Lien (except Permitted Liens) that shall have attached to any Unit, (b) the full particulars thereof and (c) the action, if any, taken or proposed to be taken by Sublessee in respect thereof; and

(ii) Sublessee agrees that it will, promptly upon a Responsible Officer of Sublessee becoming aware of any event or condition which constitutes a Default or Event of Default, furnish Owner Participant, Sublessor and Indenture Trustee with a written notice specifying such event or condition, the nature and status thereof and the action taken or proposed to be taken by Sublessee in respect thereof.

9.2 Inspection. At all reasonable times, Sublessor, Owner Participant, Indenture Trustee, any holder of more than five percent (5%) of the principal amount of Secured Notes Outstanding or their respective authorized representatives shall each have the right to inspect any Unit

and to inspect and make copies of the books and records of Sublessee relative thereto (and Sublessee agrees that any sub-sublease will contain a substantially similar provision requiring the sub-sublessee thereunder to permit such inspection and copying); provided that (i) no exercise of such inspection right shall interfere with the normal operation or maintenance of such Unit by, or the business of, Sublessee (or any sub-sublessee), (ii) Sublessee (and any sub-sublessee) incurs no out-of-pocket expenses; provided, however, that during the occurrence and continuation of a Specified Default or Event of Default, any inspection conducted shall be at Sublessee's expense and (iii) Sublessor, the Indenture Trustee, the holders from time to time of the Secured Notes and the Owner Participant shall hold confidential all information obtained thereby in accordance with the terms of Section 14.11 of the Participation Agreement. None of Sublessor, the Indenture Trustee, the holders from time to time of the Secured Notes, the Owner Participant or any other Person shall have any duty to make any such inspection or shall any of them incur any liability or obligation by reason of not making any such inspection.

SECTION 10. SUBLESSOR'S REPRESENTATIONS AND WARRANTIES; DISCLAIMER OF WARRANTIES; QUIET ENJOYMENT

SUBLESSEE AGREES THAT IT LEASES THE EQUIPMENT AS-IS, WHERE-IS, WITH ALL FAULTS, AND IN WHATEVER CONDITION IT MAY BE. NEITHER SUBLESSOR (WHETHER ACTING IN ITS INDIVIDUAL CAPACITY OR AS TRUSTEE), OWNER PARTICIPANT NOR INDENTURE TRUSTEE MAKES OR HAS MADE, OR SHALL BE DEEMED TO MAKE OR HAVE MADE, ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE VALUE, QUALITY, DURABILITY, COMPLIANCE WITH SPECIFICATIONS, CONDITION, DESIGN, OPERATION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR USE OR PURPOSE OF THE UNITS, OR ANY OTHER REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO ANY UNIT, EITHER UPON DELIVERY THEREOF TO SUBLESSEE OR OTHERWISE, (which Units were selected by Sublessee on the basis of its own judgment without reliance upon any statements, representations or warranties made by Sublessor, Owner Participant or Indenture Trustee); it being agreed that all such risks, as between Sublessor, Owner Participant, Indenture Trustee and the holder of any Secured Note on the one hand and Sublessee on the other hand, are to be borne by the Sublessee. Notwithstanding the foregoing, Sublessor in its individual capacity warrants that on the Delivery Date, each of the Units shall be free of Sublessor's Liens attributable to it in its individual capacity and agrees that

it shall not directly or indirectly create, incur, assume or suffer to exist any Sublessor Lien attributable to it in its individual capacity, on or with respect to any Unit. Neither Sublessor, Owner Participant nor Indenture Trustee shall have any responsibility or liability to Sublessee or any other Person with respect to any of the following: (i) any liability, loss or damage caused or alleged to be caused directly or indirectly by any Unit or by any inadequacy thereof or deficiency or defect therein or by any other circumstances in connection therewith; (ii) the use, operation or performance of any Unit or any risks relating thereto; (iii) any interruption of service, loss of business or anticipated profits or consequential damages; or (iv) the delivery, operation, servicing, maintenance, repair, improvement or replacement of any Unit. Sublessee's delivery of a Sublease Supplement relating to a Unit shall be conclusive evidence as between Sublessee and Sublessor that such Unit is in all respects satisfactory to Sublessee, and Sublessee will not assert any claim of any nature whatsoever against Sublessor, Owner Participant or Indenture Trustee based on any of the foregoing matters. Notwithstanding the foregoing, Sublessee shall have the right to assert warranty claims as provided in the Warranty Assignment. Sublessor covenants that so long as no Event of Default shall have occurred and be continuing, it will not, through its own actions or inactions, take any action contrary to Sublessee's rights under the Sublease or any Sublease Supplement executed thereunder, or otherwise in any way interfere with the quiet enjoyment of the use and possession of the Units by Sublessee or any sub-sublessee, assignee or transferee under any sub-sublease, assignment or transfer then in effect and permitted by the terms of this Sublease or any Sublease Supplement executed thereunder.

SECTION 11. LAWS AND RULES

11.1 Compliance. Sublessee agrees, for the benefit of Sublessor, Owner Participant and Indenture Trustee, to comply with all applicable laws of the United States and the jurisdictions into which its operations involving the Units may extend, with the Interchange Rules of the AAR, if applicable, and with the applicable rules of the United States Department of Transportation, the Federal Railroad Administration, the Environmental Protection Agency, any successors thereto, the ICC and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Units, to the extent that noncompliance with such laws and rules would materially

adversely affect the title, lease, sublease, operation, maintenance, use, value, utility, warranty coverage or insurance coverage of the Units. If such laws or rules require any alteration, replacement or addition of or to any part on any Unit, Sublessee will conform therewith at its own expense; provided, that Sublessee may at its own expense and after written notice to Sublessor with respect thereto, in good faith, contest the validity or application of any such law or rule in any reasonable manner which does not, in the opinion of Sublessor, Indenture Trustee or the Owner Participant, adversely affect the property or rights of Sublessor, or Indenture Trustee under this Sublease or under the Indenture or would have a possibility of resulting in any criminal liability or any material civil liability on the part of Sublessor, Indenture Trustee, Owner Participant or the holder of any Secured Note or involve any risk of loss, forfeiture or sale of the Equipment.

11.2 Reports by Sublessee. In addition to its obligations under Section 9, Sublessee agrees to prepare and deliver to Sublessor, Owner Participant and Indenture Trustee within a reasonable time prior to the required date of filing (or, to the extent permissible, file on behalf of Sublessor and Indenture Trustee) any and all reports (other than tax returns) to be filed by Sublessor, Owner Participant or Indenture Trustee with any federal, state or other regulatory authority solely by reason of the interests of Sublessor, Indenture Trustee and Owner Participant in the Units created pursuant to the Operative Documents or the leasing thereof to Sublessee. Sublessor and Owner Participant each agrees to inform Sublessee of any request for such reports received by it.

SECTION 12. USE AND MAINTENANCE

12.1 Use and Maintenance. Sublessee shall use the Equipment only in the manner for which it was designed and intended and so as to subject it only to ordinary wear and tear and so that not more than five percent (5%) of the Units shall be located in Mexico at any one time. Sublessee agrees that, at its own cost and expense, it will (i) maintain, improve, and service each Unit (including any parts installed on or replacements made to any Unit and considered an accession thereto as herein below provided) which is subject to this Sublease, and comply with its own preventive maintenance schedule which will include testing, repair and overhaul of each Unit, any requirements pertaining to warranties of the Manufacturer (subject to prudent and

reasonable deviations attributable to Sublessee's operations as an intercity passenger carrier) or insurance policies maintained pursuant to Section 8 hereof and in all other respects in material compliance with the Manufacturer's service bulletins and manuals, so that each Unit will remain (a) in as good operating order and condition as when delivered to Sublessee under the Sublease (ordinary wear and tear excepted), (b) in compliance with Section 11.1, (c) free of excessive perforation from corrosion or other damage, (d) eligible under any Manufacturer's warranties and (e) in accordance with prevailing industry standards in the intercity passenger railroad industry, except that Sublessee will be permitted to deviate from such standards to the extent such deviation is reasonable and prudent and is attributable to the nature of Sublessee's operations as an intercity passenger carrier as compared with intraurban or commuter railroad operations; and (ii) maintain all records, logs and other materials required by the then prevailing Interchange Rules, if applicable, the AAR or the United States Department of Transportation, or any other governmental authority having jurisdiction over the Units or Sublessee, to be maintained in respect of each Unit. In no event shall any Unit be maintained with less care or scheduled for maintenance on a basis less frequent than either the maintenance or maintenance scheduling basis employed by Sublessee for similar equipment owned by or operated for or by Sublessee. Sublessee also agrees not to operate or locate, or suffer to be operated or located, any Unit in any area excluded from coverage by any insurance required by the terms of Section 8, except in the case of a requisition by the United States of America, where Sublessee obtains indemnity in lieu of such insurance from the United States of America against the risks and in the amounts required by Section 8 covering such area.

12.2 Additions and Accessions.

(i) Subject in all events to Sections 11.1 and 12.1, Sublessee, at its own cost and expense, may from time to time make additions, modifications and improvements to the Units during the Sublease Term, provided such additions, modifications and improvements do not cause such Units to become "limited use property" within the meaning of Revenue Procedure 76-30, 1976-2 C.B. 647 (or such other successor tax provision), as interpreted as of the applicable Delivery Date or the time of such addition, modification or improvement and do not diminish the value, utility or remaining life of the Units. The additions, modifications and improvements made by Sublessee under the preceding sentence which are readily severable without causing material damage to such Units and

without materially adversely affecting the value, utility or remaining useful life of the Units shall be owned by Sublessee, except to the extent such additions, modifications or improvements are made in order to comply with Sections 11.1 and 12.2(ii), or are otherwise subject to Section 12.2(ii), and such additions, modifications and improvements shall be properly maintained and serviced by Sublessee.

(ii) Any and all parts installed on and additions, modifications and improvements made to any Units (a) which are replacements of existing parts constituting part of the Units owned by Sublessor, (b) which are not readily removable without causing material damage to such Unit, (c) the cost of which is included in the Equipment Cost of such Unit, (d) in the course of ordinary and proper maintenance of the Units, (e) which are readily removable but not removed from the Equipment upon their return to the Sublessor or (f) which are required by law or the regulations of the ICC, the then prevailing Interchange Rules, if applicable, the United States Department of Transportation, any agency thereof, or any other applicable regulatory body, for the operation or use of such Unit, shall constitute accessions to such Unit and shall immediately, and without further act or instrument, be deemed subject to this Sublease, and Sublessee shall comply with all provisions of this Sublease, including Section 18, applicable to such accessions.

(iii) Upon termination of this Sublease, Sublessor shall have the option to purchase from Sublessee any additions, modifications or improvements not described in Section 12.2(ii) above, at the Fair Market Value of such additions, modifications or improvements.

SECTION 13. DEFAULT

13.1 Events of Default; Remedies. The following events shall constitute Events of Default (whether any such event shall be voluntary or involuntary or shall come about or be effected by operation of law or pursuant to or in compliance with any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body) and each such event shall continue to be an Event of Default so long as, but only as long as, it shall not have been remedied:

(i) Sublessee shall fail to make any payment of Base Rent, Casualty Value or Renewal Rent within ten (10) days after the same shall become due;

(ii) Sublessee shall fail to make any payment of Supplemental Rent (other than any failure to make a payment specified in clause (i) above) when due and such failure shall continue for twenty (20) days after Sublessee shall have received written notice from the Person entitled to such Supplemental Rent (provided, that an Event of Default shall be deemed to have occurred without the necessity of giving such notice if the failure to make such payment continues for a period of twenty (20) days after it was due and Sublessor is prevented from furnishing the notice specified in this subparagraph to Sublessee by reason of Section 362 or 105 of the Bankruptcy Reform Act of 1978 or by reason of any other proceeding seeking liquidation, reorganization or other similar relief in respect of Sublessee under any other applicable bankruptcy, insolvency or similar law (whether federal, state or other));

(iii) Sublessee shall fail to carry and maintain insurance on or with respect to any Unit in accordance with the provisions of Section 8;

(iv) Any written representation or warranty made by Sublessee herein, in the Participation Agreement or in any other Operative Document to which it is a party (other than the Tax Indemnity Agreement) or made by Sublessee or any other Person in any certificate or other document delivered by Sublessee in connection herewith or therewith shall prove at any time to have been in error in any material respect when made and such error shall be material at the time when the notice referred to below shall have been given to Sublessee and shall not have been cured (as of the date of cure) within thirty (30) days after written notice thereof to Sublessee by Sublessor, Indenture Trustee or Owner Participant, or, if such error is curable but is not capable of being cured within such 30-day period, such longer period during which (1) Sublessee shall be diligently attempting to cure such error and (2) Sublessee's failure to cure does not result in a sale, forfeiture or loss of the Equipment or adversely affect the Tax Assumptions as set forth in Section 2 of the Tax Indemnity Agreement (provided, that an Event of Default shall be deemed to have occurred without the necessity of giving such notice if such error is material at the time it was discovered and Sublessor is prevented from furnishing the notice specified in this subparagraph to Sublessee by reason of Section 362 or 105 of the Bankruptcy Reform Act of 1978

or by reason of any other proceeding seeking liquidation, reorganization or other similar relief in respect of Sublessee under any other applicable bankruptcy, insolvency or other similar law (whether federal, state or other));

(v) Sublessee shall fail to perform or observe any covenant (other than covenants relating to matters covered by subsections (i), (ii) and (iii) above), condition or agreement to be performed or observed by it hereunder, under the Participation Agreement or in any other Operative Document to which it is a party (other than the Tax Indemnity Agreement), and such failure shall not have been cured (as of the date of cure) within thirty (30) days after written notice thereof to Sublessee by Sublessor, Indenture Trustee or Owner Participant, or, if such failure is curable but not capable of being cured within such 30-day period, such longer period during which (1) Sublessee shall be diligently attempting to cure such failure and (2) Sublessee's failure to cure does not result in a sale, forfeiture or loss of the Equipment or adversely affect the Tax Assumptions as set forth in Section 2 of the Tax Indemnity Agreement (provided, that an Event of Default shall be deemed to have occurred without the necessity of giving such notice if such failure to perform or observe any such covenant, condition or agreement shall continue for a period of thirty (30) days after discovery of the same and Sublessor is prevented from furnishing the notice as specified in this subparagraph to Sublessee by reason of Section 362 or 105 of the Bankruptcy Reform Act of 1978 or by reason of any other proceeding seeking liquidation, reorganization or other similar relief in respect of Sublessee under any other applicable bankruptcy, insolvency or other similar law (whether federal, state or other));

(vi) Sublessee shall consent to the appointment of a custodian, receiver, trustee or liquidator (or other similar official) of itself, any Unit or of a substantial part of its property, or shall admit in writing its inability to pay its debts generally as they come due, or a court of competent jurisdiction shall determine that Sublessee is generally not paying its debts as such debts become due, or Sublessee shall make a general assignment for the benefit of creditors;

(vii) Sublessee shall file a voluntary petition in bankruptcy or a voluntary petition or an answer seeking

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

(viii) an order, judgment or decree shall be entered in any proceeding by any court of competent jurisdiction appointing, without the consent (express or legally implied) of Sublessee, a custodian, receiver, trustee or liquidator (or other similar official) of Sublessee, any Unit or any substantial part of its property, or sequestering any Unit or any substantial part of the property of Sublessee, and any such order, judgment or decree or appointment or sequestration shall remain in force undismissed, unstayed or unvacated for a period of sixty (60) days after the date of entry thereof;

(ix) a petition against Sublessee in a proceeding under applicable bankruptcy laws or other insolvency laws, as now or hereafter in effect, shall be filed and shall not be stayed, withdrawn or dismissed within 60 days thereafter, or if, under the provisions of any law providing for reorganization or winding-up of debtors which may apply to Sublessee, any court of competent jurisdiction shall assume jurisdiction, custody or control of Sublessee, any Unit or any substantial part of its property and such jurisdiction, custody or control shall remain in force unrelinquished, unstayed or unterminated for a period of sixty (60) days;

(x) any additional procedure similar to those referred to in subsections (vi), (vii), (viii) or (ix) above, for the relief of financially distressed debtors under applicable laws is entered into by Sublessee voluntarily or involuntarily and, if such procedure shall have been entered into involuntarily, shall be unstayed and remain in effect for a period of sixty (60) consecutive days; or

(xi) Sublessee shall fail to perform or observe any covenant, condition, agreement or obligation to be performed or observed by it pursuant to Section 26.2;

then, in any such case, Sublessor, at its option, may declare this Sublease in default by a written notice to Sublessee (provided, that this Sublease shall be deemed to have been declared in default without the necessity of such written notice upon the occurrence of any Event of Default described in subsection (vi), (vii), (viii), (ix) or (x) above) and at its option, may exercise one or more of the following rights, powers or remedies as Sublessor in its sole discretion shall determine to the extent not prohibited by, and subject to compliance with any mandatory requirements of, applicable law then in effect:

(A) proceed by appropriate court action or actions, either at law or in equity, to enforce performance by Sublessee of the applicable covenants of this Sublease or to recover damages for the breach thereof, including reasonable attorneys' fees and expenses;

(B) by notice in writing to Sublessee terminate this Sublease, whereupon all right of the Sublessee to the use of the Equipment shall absolutely cease and terminate as though this Sublease had never been made, but the Sublessee shall remain liable as hereinafter provided, and thereupon by its agents enter upon the premises of Sublessee or other premises, insofar (in the case of any such other premises) as Sublessee may be lawfully authorized to so permit, where any of the Units may be located, without judicial process, and take possession of all or any of such Units and thenceforth hold, possess, sell (pursuant to paragraph (F) below), operate, sublease and enjoy the same free from any right of Sublessee, or its successors or assigns, to use the Units for any purposes whatsoever (no such entry and taking of possession of the Equipment by the Sublessor shall be construed (x) as an election by the Sublessor to terminate this Sublease in the absence of a written notice of termination or (y) to relieve the Sublessee of any liability or obligation of this Sublease);

(C) if Sublessor, pursuant to paragraph (B) above or (F) below, shall have sold or repossessed all or any of the Units and shall have made no demand under paragraph (D) below, Sublessor may demand that Sublessee pay to Sublessor, and, if demanded, Sublessee shall pay to Sublessor, on the date of such sale or repossession, as liquidated damages for loss of a bargain and not as a penalty (in lieu of the Base Rent due for the remainder of the Sublease Term commencing on the Rent Payment Date next preceding the earlier of the date of such sale or

the date of such repossession), any unpaid Base Rent due under the Sublease to and including such Rent Payment Date, plus (I) the amount of any deficiency between the proceeds of such sale, net of all costs and expenses incurred by Sublessor in connection with such repossession or sale, and the Casualty Value for such Equipment, computed as of such Rent Payment Date less (II) any amount of liquidated damages collected by Lessee with respect to such Units pursuant to Section 6.6 of the Lease;

(D) if Sublessor, pursuant to paragraph (B) above, shall have re-subleased all or any of the Units (it being understood that a sub-sublease which under Section 15.2 is not subject and subordinate hereto shall, for purposes of this paragraph (D), be considered such a re-sublease) and shall have made no demand under paragraph (C) above, Sublessor may, by notice to Sublessee, cause Sublessee to pay to Sublessor, and Sublessee shall pay to Sublessor, as liquidated damages for loss of a bargain and not as a penalty (in lieu of Base Rent due for such Units for the remainder of the Sublease Term commencing after the date of such notice) any unpaid Base Rent for such Units for any period prior to and including the date of such notice plus (I) an amount equal to the excess of the then present value of the entire unpaid balance of all Base Rent hereunder which would, but for Sublessee's default, have accrued hereunder from the date of such notice to the end of the Base Lease Term or Renewal Term, as the case may be (to be computed on the basis of a discount rate equal to the Debt Rate, computed semi-annually for the respective dates upon which rentals would have been payable hereunder had this Sublease not been terminated), over the then present value of the rental payable to Sublessor at such time for such Unit pursuant to such re-sublease (to be computed on the basis of a discount rate equal to the Debt Rate, computed semi-annually for the respective dates upon which rents would have been payable hereunder had this Sublease not been terminated), plus all costs and expenses incurred by Sublessor in connection with such repossession and re-subleasing, less (II) any amount of liquidated damages collected by Lessee with respect to such Units pursuant to Section 6.6 of the Lease;

(E) cause a receiver to be appointed in any action against the Sublessee to take possession of the Equipment or to collect the rental thereon; provided, that neither the appointment of such receiver nor any other action

taken by Sublessor shall constitute an election by the Sublessor to terminate this Sublease unless written notice of termination is given to Sublessee;

(F) whether or not this Sublease is terminated, upon not less than 20 days prior notice (which the parties hereby deem to be commercially reasonable notice) to Sublessee, sell the Equipment or any part thereof at public or private sale, which sale shall be held in a commercially reasonable manner, to the highest cash bidder (or to a noncash bidder determined by Sublessor in its sole discretion to have made a more favorable offer), free and clear of any rights of Sublessee and without any duty to account to Sublessee with respect to such sale or for the proceeds thereof (except in connection with any demand for payment under paragraph (C) above or as otherwise required under this Sublease);

(G) apply to the obligations of the Sublessee hereunder or under any other Operative Document, in any such order as Sublessor shall elect, any amounts held as security hereunder for Sublessee's obligations; and

(H) except as otherwise expressly agreed herein, exercise any other right, power or remedy which may then be available under any of the Operative Documents or which may be available to Sublessor under applicable law or proceed by court action to enforce the terms hereof or to recover damages for the breach hereof or to rescind this Sublease.

In addition, Sublessee shall be liable, except as otherwise provided above, for any and all unpaid Base Rent and Supplemental Rent due hereunder before or during the exercise of any of the foregoing rights, powers or remedies and for all legal fees and other costs and expenses incurred by Sublessor, Indenture Trustee, Owner Participant or any holder of a Secured Note by reason of the occurrence of any Event of Default or the exercise of any of Sublessor's rights, powers or remedies with respect thereto, including all costs and expenses incurred in connection with the surrender of the Units or in placing the Units in the condition required hereby, together, in each case, with interest thereon at the Overdue Rate; provided, that if a Unit has been repossessed, re-subleased or sold pursuant to paragraph (B), (D) or (F) above or otherwise or redelivered pursuant to Section 14 or otherwise (including any redelivery under the Lessee Security Agreement), Sublessee shall have no further obligation under this Sublease to pay Base Rent and Supplemental Rent in

respect of such Unit except for (a) Sublessee's obligation to pay any amounts of Base Rent and Supplemental Rent in respect of such Unit that on the date of repossession, re-subleasing or sale are due or overdue or that relate to the period prior to repossession, re-sublease or sale, (b) any obligations with respect to such Unit provided for in paragraphs (C) and (D) of this Section 13.1 or Section 14 and (c) the obligation to pay after such repossession as Supplemental Rent all indemnity payments and other obligations set forth in Section 6 of the Participation Agreement or under the Tax Indemnity Agreement; provided, that nothing herein shall expand or diminish the indemnities under Section 6 of the Participation Agreement or under the Tax Indemnity Agreement.

At any sale pursuant to this Section 13.1, Owner Participant and any holder of a Secured Note, or any of the foregoing, may bid for and purchase any or all of the Units.

13.2 Remedies Not Exclusive; Waiver. Except as otherwise expressly agreed herein, the remedies provided in this Sublease in favor of Sublessor shall not be deemed exclusive, but shall be cumulative and may be exercised concurrently or consecutively, and shall be in addition to all other remedies in its favor existing at law or in equity. Sublessee hereby waives any mandatory requirements of law, now or hereafter in effect, which might limit or modify the remedies herein provided, to the extent that such waiver is effective under applicable law. Except as provided in Section 4.2(ii), Sublessee hereby waives any and all existing or future claims to any offset against the Rent payments due hereunder, and agrees to make such payments regardless of any offset or claim which may be asserted by Sublessee or on its behalf.

Except as otherwise provided in this Sublease, Sublessee, to the full extent effective under applicable law, hereby waives all statutory or other legal requirements for any notice of any kind, any other requirements with respect to the enforcement of Sublessor's rights under this Sublease and any and all rights of redemption.

13.3 Failure to Exercise Rights is Not Waiver. The failure of Sublessor, Owner Participant, or any holder from time to time of any Secured Note to exercise the rights granted it hereunder upon the occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies, or upon the occurrence of any similar contingencies.

13.4 Indemnities. Notwithstanding anything contained in Section 13.1 to the contrary, if an Event of Default has occurred and Sublessor has exercised remedies with respect thereto, Sublessee shall be liable for all costs and expenses incurred by Sublessor and any assignee thereof by reason of such exercise of remedies.

SECTION 14. RETURN OF UNITS UPON DEFAULT

14.1 Return of Units. Upon the date of notice of termination by Sublessor pursuant to Section 13.1(B), Sublessee shall, without expense to the Sublessor, promptly redeliver the Units, or cause the Units to be redelivered, to the Sublessor with all reasonable dispatch, in the same manner and in the same condition as if such Units were being redelivered on the last day of the Sublease Term in accordance with the provisions of Section 17, and all obligations of the Sublessee under Section 17 shall apply to such redelivery; provided, however, that notwithstanding the provisions of Section 17, in the case of any redelivery under this Section 14, Sublessee shall:

(i) forthwith deliver the Units to such storage locations as the Sublessor shall reasonably designate;

(ii) permit the Sublessor to store the Units until the same have been sold, re-subleased or otherwise disposed of by the Sublessor and so stored at such locations without charge for insurance, rent or storage, and during such period of storage the Sublessee shall continue at its expense to maintain all insurance required by Section 8 hereof; and

(iii) transport each Unit one time to a railroad interchange point in Chicago, Illinois or to such other interchange point as the Sublessor and the Sublessee may agree.

Each Unit will, when placed in storage, be in the condition required by Sections 11 and 12 hereof; and the Sublessee shall comply with the requirements thereof and as otherwise required by Sublessor to enable the same to be sold or re-subleased to a third party for use in interchange service under the Interchange Rules. Sublessee agrees that no Unit shall be considered to have been returned under this Section 14 until Sublessee has returned such Unit in such condition. The Sublessor, without further notice, may, but shall be under no

obligation to, retake such Units wherever found, without the Sublessor incurring any liability by reason of such retaking, whether for the restoration of damage to property caused by such retaking or otherwise; provided, however, that if there is a material reduction in the value of the Equipment as a direct result of the Sublessor's gross negligence or willful misconduct in retaking such Units, any deficiency claimed by Sublessor under Section 13.1(C) hereof or Section 7 of the Lessee Security Agreement shall be reduced by the amount of such reduction.

14.2 Specific Performance. The assembling, delivery, storage and transporting of the Equipment as hereinbefore provided are of the essence of this Sublease and upon application to any court of equity having jurisdiction in the premises, the Sublessor shall be entitled to a decree against the Sublessee requiring specific performance of the covenants of the Sublessee so to assemble, redeliver, store and transport the Equipment.

14.3 Sublessor Appointed Agent of Sublessee. Without in any way limiting the obligation of Sublessee under the foregoing provisions of this Section 14, Sublessee hereby irrevocably appoints Sublessor as the agent and attorney of Sublessee, with full power and authority to exercise Sublessee's rights under this Section 14, at any time while Sublessee is obligated to deliver possession of any Unit to Sublessor, to demand and take possession of such Unit in the name and on behalf of Sublessee from whomever shall then be in possession of such Unit.

SECTION 15. ASSIGNMENT, POSSESSION AND USE

15.1 Assignment; Consent; Security for Sublessor's Obligations to Holders of Secured Notes. (i) In order to secure the indebtedness evidenced by the Secured Notes, the Indenture provides, among other things, for the assignment, by Sublessor to Indenture Trustee, of this Sublease to the extent set forth therein and for the creation of a first priority security interest in the Trust Indenture Estate in favor of Indenture Trustee for the benefit of the holders from time to time of the Secured Notes. Sublessee hereby consents to the assignment by Sublessor of Sublessor's right, title and interest in and to this Sublease to Indenture Trustee pursuant to the terms of, and to the extent set forth in, the Indenture, and agrees that, so long as any Secured Notes are Outstanding, all payments of Base Rent and Casualty Value payable hereunder shall be made to Indenture Trustee at

Meridian Trust Company/Philadelphia, (A.B.A. No. 031 000095) (Amtrak), for credit to Meridian Asset Management, for further credit to Corporate Trust Account No. 01313851 or as the Indenture Trustee may otherwise direct in a writing received by Sublessee at least ten (10) Business Days prior to the applicable payment date, and thereafter by wire transfer to an account in New York, New York designated by Owner Trustee or at such place or to the attention of such Person or department as Sublessor may specify from time to time in writing delivered to Sublessee not less than ten (10) Business Days prior to the due date of the payment to be made at the place specified in such writing.

(ii) Unless and until Sublessee shall have received written notice from Indenture Trustee that the Lien of the Indenture has been released, the terms and provisions of the Indenture shall govern as to whether (a) the consent or agreement of either Sublessor or Indenture Trustee, or both, shall be required in order to effect any consent, amendment or modification of, or waive any requirements under, this Sublease and (b) Sublessor or Indenture Trustee, or both, may exercise any right, privilege or remedy of Sublessor provided for in this Sublease.

15.2 Sublessee's Rights to Use the Units, to Permit Use Thereof by Others and to Sub-sublease the Units; No Liens.

(i) So long as no Event of Default shall have occurred and be continuing hereunder, Sublessee and its permitted sub-sublessees shall be entitled to the quiet enjoyment, possession and use of the Units in accordance with the terms of this Sublease. Sublessee shall not assign or sub-sublease its interest in the Units under this Sublease except as provided in paragraph (ii) below. Sublessee will not, directly or indirectly, create, incur, assume or suffer to exist any Lien on or with respect to any Unit, any part thereof, the title thereto or any interest therein (other than Permitted Liens). Without limiting the generality of the foregoing, Sublessee, at its own expense, will forthwith pay or discharge any and all sums claimed by any party which become a Lien (other than Permitted Liens) upon or with respect to any Unit (including any accession thereto), or the interest of Sublessor, Owner Participant, Indenture Trustee or Sublessee therein, and will promptly discharge any such Lien which arises; provided, that Sublessee may at its own expense and after written notice to Sublessor with respect thereto, in good faith, contest the validity or application of any such Liens in any reasonable manner which does not, in the reasonable opinion of Sublessor, the Owner Participant or

Indenture Trustee, materially adversely affect the property or rights of Sublessor or Indenture Trustee under this Sublease or under the Indenture or would have a possibility of resulting in any criminal liability or any material civil liability on the part of Sublessor, Indenture Trustee, Owner Participant or the holder of any Secured Note or involve any risk of loss, forfeiture or sale of the Equipment.

(ii) So long as no Event of Default shall have occurred and be continuing hereunder, Sublessee shall be entitled to the possession and use of the Units and to sub-sublease the Units subject to all the terms and conditions of this Sublease; provided, that Sublessee's obligations hereunder shall continue in full force and effect as the obligations of a principal and not of a surety irrespective of any such sub-sublease; and provided, further, however, that, without Sublessor's prior written consent, Sublessee may not enter into any sub-sublease with a foreign carrier operating in Mexico if at the time such sub-sublease is entered into a material adverse change in Sublessee's financial condition from its financial condition prevailing on the Delivery Date shall have occurred and be continuing or if such sub-sublease would permit the use at any one time of more than five percent (5%) of the Units in Mexico. Each sub-sublease permitted by this paragraph shall (a) be expressly subject and subordinate to all of the provisions of the Lease and this Sublease and to the rights and remedies of Indenture Trustee under the Indenture and Sublessor under this Sublease in respect of the Units covered by such sub-sublease; provided, that such a sub-sublease shall not be required to be so subject and subordinate to this Sublease if (1) the equipment obligations of the sub-sublessee under such sub-sublease are rated Investment Grade, (2) the sub-sublease rent due on or before each Rent Payment Date during the term of such sub-sublease shall be at least equal to the Base Rent due on the applicable Rent Payment Date, (3) the terms and conditions of the sub-sublease, including the amounts payable in the event of a Casualty Occurrence, an early termination and an Event of Default and the provisions on maintenance, use and insurance, do not conflict with and provide at least as much protection to Sublessor as the comparable terms of this Sublease, as determined by Sublessor in its reasonable judgment, (4) the sub-sublease and all payments thereunder other than indemnities, reimbursements and proceeds of third party liability insurance (or amounts in respect of any thereof) payable to Sublessee are assigned to Sublessor as security for Sublessee's obligations hereunder (which security interest shall be duly perfected), (5) the sub-sublessee is a "railroad" within the meaning of Section 1168 of the

Bankruptcy Code and (6) the sub-sublease prohibits any further assignment or sublease of the Units and (b) be for a term not extending beyond the end of the Base Lease Term or the end of the Renewal Term then in effect, unless such sub-sublease provides for Sublessee's right to substitute similar equipment thereunder. Sublessee shall, within five (5) Business Days after the execution of any such sub-sublease, deliver a true and complete copy thereof to Owner Participant, Sublessor and, so long as Secured Notes are outstanding under the Indenture, Indenture Trustee.

(iii) Sublessee agrees not to operate or locate any Unit, or to suffer any Unit, by sub-sublease or otherwise, to be operated or located, so as to cause a violation of the first sentence of Section 12.1 or in any area excluded from coverage by any insurance policy required by the terms of Section 8 hereof, except in the case of a requisition for use by the United States Government where Sublessee (or any sub-sublessee) has obtained, prior to the operation or location of the Unit in such area, indemnification or insurance in lieu of such indemnification from the United States Government against the risks and in the amounts required by, and in compliance with, Section 8 hereof covering such area.

15.3 Transfers by Sublessor. Sublessor shall not transfer its interest in this Sublease except in compliance with Section 10 of the Participation Agreement and Article X of the Trust Agreement. No such transfer by Sublessor shall interfere with Sublessee's rights under this Sublease with respect to Sublessee's use of the Units.

SECTION 16. PURCHASE OPTIONS; RENEWAL OPTIONS

16.1 Special Purchase Option.

If this Sublease has not been earlier terminated, then Sublessee may on the Special Purchase Date, by irrevocable written notice delivered to Sublessor and Owner Participant not less than 180 days prior to such Special Purchase Date, elect to purchase the Leasehold Interest with respect to all, or any portion at least equal to 50%, of the Units then subject to this Sublease at a purchase price equal to 52.06% of the Equipment Cost of the Units to be so purchased less an amount equal to any Base Rent paid in advance with respect to such Units on such Special Purchase Date. Sublessee may elect to pay a portion of the purchase price under this Section 16.1 by causing to be issued, in exchange for a like principal amount of Secured Notes pursuant

to Section 2.04 of the Indenture, notes having an aggregate principal amount up to the aggregate principal amount of Secured Notes that would have been mandatorily prepaid pursuant to Section 6.02 of the Indenture had Sublessee paid such purchase price entirely in cash. The balance of the purchase price, together with all other Rent then due, shall be paid to Sublessor, in cash or other immediately available funds, on the Special Purchase Date. If less than all of the Leasehold Interests are to be purchased pursuant to this Section 16.1, Sublessee shall specify the particular Units to be purchased in such notice; provided, however, that if Sublessee has so notified Sublessor and Owner Participant that less than all of the Units will be purchased pursuant to this Section 16.1 and prior to such Special Purchase Date a Casualty Occurrence shall occur with respect to one or more Units specified to be purchased, Sublessee may, but shall be under no obligation to, substitute for purchase under this Section 16.1 Units not originally specified in such notice for the Units suffering such Casualty Occurrence.

16.2 End of Term Purchase Options.

(i) Not less than 270 days prior to the Base Lease Termination Date, Sublessee shall give Sublessor and Owner Participant written notice of whether Sublessee intends to return some or all of the Units in accordance with Section 17, which notice shall specify the number of such Units, if any, to be so returned; provided, however, that if Sublessee has notified Sublessor and Owner Participant that less than all of the Units will be returned on the Base Lease Termination Date and prior to such Date a Casualty Occurrence shall occur with respect to one or more Units, Sublessee may elect to treat such Casualty Occurrence as having occurred with respect to Units to be so returned; and, provided, further, that subject to the provisions of Section 16.2(ii) and Section 16.3, Sublessee shall be required to make one of the elections described in such Sections with respect to each Unit not to be so returned. Sublessee shall not be required to specify in such notice the particular Units to be returned and shall not be required to make any elections under Section 16.2(ii) or Section 16.3 prior to the 90th day prior to the Base Lease Termination Date.

(ii) If this Sublease has not been earlier terminated and Sublessee has given the notice required by Section 16.2(i), then Sublessee may on the Base Lease Termination Date, by irrevocable written notice delivered not less than 90 days prior to such Date, elect to purchase the Leasehold Interest with respect to all, or any portion at

least equal to 50%, of the Units then subject to this Sublease at a purchase price equal to the Fair Market Value thereof (as determined below) payable on the Base Lease Termination Date.

(iii) If this Sublease has not been earlier terminated, then Sublessee may by irrevocable written notice delivered to Sublessor not less than 90 days prior to the end of any Renewal Term, elect to purchase the Leasehold Interest with respect to all, or any portion at least equal to 50%, of the Units then subject to this Sublease, at a purchase price equal to the Fair Market Value thereof payable on the last day of such Renewal Term.

(iv) If Leasehold Interests of less than all Units are to be purchased pursuant to one of the foregoing provisions of this Section 16.2, Sublessee shall specify the particular Leasehold Interests to be purchased in the applicable election notice.

16.3 Further Assurances. Upon payment of the purchase price of the Leasehold Interest with respect to a Unit pursuant to an exercise by Sublessee of any option to purchase under this Section 16, Sublessor shall, upon request and at the expense of Sublessee, execute and deliver to Sublessee, or Sublessee's assignee or nominee, such instrument as will transfer to Sublessee the Leasehold Interest in such Units, as-is, where-is, without recourse, representation or warranty of any kind other than that such Leasehold Interest and the related Units are free and clear of all Sublessor's Liens and Owner Participant's Liens. Upon Sublessee's purchase of the Leasehold Interest with respect to a Unit pursuant to this Section 16 at a time when Sublessee is also Lessor under the Lease then, with respect to such Unit, there shall be a merger of this Sublease and the leasehold interest created hereby with the title to such Units.

16.4 Renewal Options.

(i) Renewal Terms. If this Sublease has not been earlier terminated, Sublessee has given the notice required by Section 16.2(i) and, after giving effect to any purchases of Leasehold Interests pursuant to Sections 16.1 and 16.2, no Specified Default or Event of Default shall be continuing on the effective date of the renewal, Sublessee may elect, by irrevocable written notice delivered to Sublessor and Owner Participant, with respect to all, or any portion at least equal to 50%, of the Units then subject to this Sublease, to extend this Sublease for one or more one year periods:

(a) at a Base Rent equal to 50% of the average actual Base Rent payments during the Base Lease Term determined by assuming that only the Units to be subject to the Sublease during the applicable Fixed Rate Renewal Term were subject to the Sublease during the Base Lease Term; provided, however, that Sublessee shall have delivered an appraisal to Sublessor in accordance with Section 16.4(ii) below setting forth the Maximum Fixed Rate Renewal Termination Date; and provided, further, that the first such renewal shall be for a period of at least two (2) years; and provided, further, that no such renewal term shall extend beyond such Maximum Fixed Rate Renewal Termination Date (each such renewal term under this clause (a) being referred to herein as a "Fixed Rate Renewal Term"); or

(b) at Fair Market Rental; provided, however, that there shall be no more than ten (10) successive renewal terms under this clause (b) (each, a "Fair Market Renewal Term").

Such notice shall be given not later than 90 days (180 days in the case of a notice electing the first Fair Market Renewal Term) prior to the Base Lease Termination Date or the last date of any pending Renewal Term, as the case may be and, if the Sublease is to be extended with respect to less than all Units, Sublessee shall specify in such notice the particular Units as to which the Sublease is to be extended. The Fixed Rate Renewal Terms and the Fair Market Renewal Terms are referred to herein collectively as the "Renewal Terms", and individually as a "Renewal Term".

(ii) Appraisal. At any time after the 18th anniversary of the Base Lease Commencement Date, Sublessee may deliver to Sublessor an appraisal of at least 50% of the Units then subject hereto by an independent appraiser of railroad equipment selected by Sublessee and reasonably satisfactory to Sublessor to the effect that as of the second or any later anniversary date of the Base Lease Termination Date specified in such appraisal (such specified date being referred to herein as the "Maximum Fixed Rate Renewal Termination Date") (a) at least 20% of such Units' total useful life from the Delivery Date will remain and (b) the Fair Market Value of such Units (without regard to inflation or deflation from the Delivery Date) will be at least 20% of the Equipment Cost of such Units.

16.5 Determination of Fair Market Value and Fair Market Rental.

(i) If Sublessee has given a notice under Section 16.2 or 16.4 to the effect that not all of the Units will be returned at the Base Lease Termination Date or the end of the then pending Renewal Term, Sublessor and Sublessee agree to negotiate in good faith to determine the Fair Market Value and Fair Market Rental of the Units within 45 days after such notice has been given. If after such 45-day period, Sublessor and Sublessee are unable to agree upon a determination of the Fair Market Value or Fair Market Rental, as the case may be, of the Units, the Fair Market Value or Fair Market Rental, as the case may be, shall be determined in accordance with the appraisal procedure set forth in Section 16.4. If either party shall have given written notice to the other requesting determination of such Fair Market Value or Fair Market Rental by such appraisal procedure, the parties shall consult for the purpose of appointing a qualified independent appraiser by mutual agreement. If no such appraiser is appointed within 15 days after such notice is given, such determinations shall be made by a panel of three independent appraisers, one of whom shall be selected by Sublessee and another of whom shall be selected by Sublessor, both selections to be made within 10 days after the end of such 15-day period, and the third of whom shall be selected by the two appraisers so selected. If Sublessor or Sublessee fails to appoint an appraiser within such 10-day period, no other appraiser shall be appointed and the appraisal shall be made solely by the appraiser appointed by the other party. If the two appraisers so selected cannot agree upon such third appraiser, such third appraiser shall be selected by the American Arbitration Association (or any successor organization) from a pool of arbitrators having experience in the railroad industry and a familiarity with the railcars comparable to the Units.

(ii) If a single appraiser shall have been appointed by the parties, the determination of such appraiser shall be final and binding upon the parties. If three appraisers shall have been appointed, the average of the appraisals of the two of the three appraisers whose appraisals are the closest shall constitute the determination of the appraisers (unless one appraisal is equally close to two different appraisals, in which case the average of the three appraisals shall constitute such determination) and be final and binding upon the parties.

(iii) The appraiser or appraisers shall be provided with, and instructed to appraise in accordance with, the

definitions of all terms appearing in the Operative Documents and having a bearing on the determinations subject to appraisal.

(iv) The fees and expenses of each appraiser (a) selected by Sublessee shall be paid by Sublessee, (b) selected by Sublessor shall be paid by Sublessor and (c) selected jointly by Sublessee and Sublessor or selected by the appraisers selected by Sublessee and Sublessor or selected by the American Arbitration Association (or any successor organization) shall be paid one-half by Sublessee and one-half by Sublessor.

SECTION 17. RETURN OF UNITS UPON EXPIRATION OF TERM

17.1 Redelivery. (i) When any Units are to be redelivered at the expiration of the Base Lease Term or any applicable Renewal Term with respect thereto or, if Sublessor shall have requested storage with respect to such Units as provided hereinbelow, at the termination of any applicable storage period or at one earlier time during such a storage period as Sublessor may specify on at least thirty (30) days' notice (it being understood that all Units being stored shall be moved to Redelivery Locations at the same time), Sublessee shall assemble and deliver possession of such Units in accordance with the terms of this Sublease, at Sublessee's cost and expense, to not more than three (3) locations on Sublessee's lines. Such locations and the number of Units to be delivered to each shall be specified in a written notice given by Sublessor to Sublessee at least sixty (60) Business Days (and thirty (30) days if the Units are being delivered out of storage) prior to such redelivery and shall be reasonably acceptable to Sublessee (taking into account the capacity of such lines and the possible disruption to Sublessee's operations as a result of such return) (each, a "Redelivery Location").

(ii) Sublessee will, at the written request of Sublessor made once not later than 120 days prior to the end of the Base Lease Term or any applicable Renewal Term with respect to a Unit, store such Unit free of charge and at Sublessee's expense, except for the cost of any insurance taken out by Sublessee for Sublessor's benefit, on storage tracks selected and owned or leased by Sublessee for a period commencing on the date of delivery thereof (it being understood that such date will begin on or after the Base Lease Termination Date or the last day of the applicable

Renewal Term, as the case may be) to such storage tracks and terminating on a date not later than 90 days thereafter; provided, that Sublessor shall bear all risk of loss to such Units during such storage period. In addition, Sublessor shall have the right to store each such Unit delivered to it on storage tracks owned or leased by Sublessee for an additional period of 90 days after the expiration of the free storage period referred to in the preceding sentence; provided, that Sublessee may charge Sublessor an amount based on the then normal rates charged by Sublessee to third parties for storage of railcars of the same or similar type on its tracks, such additional storage to be at Sublessor's expense and risk; provided, further, that Sublessee's obligation to provide storage pursuant to this sentence shall be subject to Sublessee's reasonable determination that the use of such tracks for such storage will not significantly interfere with Sublessee's normal operations (including Sublessee's need to store other railcars owned or operated by it); and provided, further, that if Sublessee makes such a determination, (a) Sublessee shall use its best efforts in a commercially reasonable manner to find alternative tracks for such storage at Sublessor's expense, (b) the transport, if any, of each such Unit to such alternative tracks shall be at Sublessor's expense and (c) the risk of loss to each such Unit during its transport, if any, to such alternative tracks shall remain with Sublessor. At Sublessor's request, Sublessee shall use its best efforts in a commercially reasonable manner to include the Units being stored pursuant to this subsection (ii) under Sublessee's then existing property and liability insurance policies upon receipt from Sublessor of any incremental costs attributable to such inclusion.

(iii) If any Unit is inspected pursuant to Section 17.3(ii) and pursuant to Section 17.3(iii) is deemed not in the condition required by Section 17.2, Sublessee, at its expense and risk, shall within 30 days thereafter make such repairs and perform such work as shall be necessary to place such Unit in the condition required by Section 17.2; provided, however, that if Sublessee reasonably determines that it cannot repair a Unit pursuant to this Section 17.1(iii) within the period permitted herein, Sublessee may elect to declare a Casualty Occurrence with respect to that Unit, which Casualty Occurrence shall be deemed to have occurred on the last day of the applicable Sublease Term. Sublessee will provide Sublessor with notice when such Unit has been repaired so as to be in the condition required by Section 17.2. Sublessee agrees to pay Supplemental Rent in respect of each Unit not redelivered or deemed to have been redelivered in the condition required by Section 17.2, from and including the

date of inspection after return of the Unit pursuant to Section 17.3 to but excluding the date the Unit has been repaired and delivered to a Redelivery Location or, if applicable, a storage location, at a daily rate equal to (x) the average annual Base Rent payment or Renewal Rent Payment, as the case may be, which would have been payable during the Base Lease Term or the Renewal Term, as the case may be, had such Unit been the only Unit subject hereto for purposes of determining "Equipment Cost" divided by (y) 365. Any such Supplemental Rent shall be payable not later than 30 days after the last day of the Sublease Term with respect to such Unit.

17.2 Return. (i) At the time of any return, the Units so being returned shall be free and clear of all liens, security interests, charges and encumbrances and rights of others (except Permitted Liens, it being understood that the Sublessee will promptly and diligently cause any such Permitted Liens (other than Sublessor's Liens and Owner Participant's Liens) to be discharged or bonded or otherwise secured for payment and discharge and shall be in the condition required by Section 12 and this Section 17.2. Each Unit returned to Sublessor pursuant to this Section 17 shall (a) be in as good condition as when delivered to Sublessee under the Sublease (ordinary wear and tear excepted), (b) be in compliance with Section 11.1, (c) have attached or affixed thereto any addition, modification or improvement considered an accession thereto as provided in Section 12.2(ii), (d) if requested by Sublessor, at Sublessee's expense, have removed therefrom any such addition, modification or improvement which, as provided by Section 12.2(i), is owned by Sublessee and is not purchased by Sublessor pursuant to Section 12.2(iii) and (e) at Sublessee's expense, have removed therefrom any logos or other identification marks. Sublessee shall provide to Sublessor, with respect to each Unit returned to Sublessor pursuant to this Section 17, true, correct and complete copies of all records, logs and other materials maintained by Sublessee in accordance with Section 12.1(ii).

(ii) Upon the request of Sublessor, and at Sublessor's sole expense, Sublessee shall cooperate with Sublessor in obtaining the valid and effective issuance, or, as the case may be, transfer or amendment of all governmental action necessary or, in the reasonable opinion of Sublessor, desirable for the ownership of any Unit by Sublessor or any transferee, sublessee or assignee thereof.

17.3 Inspections. (i) Sublessee may make any or all of the Units available for inspection at no more than three locations on Sublessee's route system in the United States at such hours and for such length of time as are mutually agreed to by Sublessor and Sublessee in order to provide Sublessor a reasonable opportunity to make the inspection described in Section 17.3(iii) without undue disruption of Sublessee's operations. Sublessor shall inspect all such Units pursuant to Section 17.3(i); provided, however, that Sublessor shall have no obligation to commence such inspections more than 270 days nor less than 180 days prior to the end of the Sublease Term with respect to such Unit; and provided, further, however, that if Sublessor and Sublessee are unable to agree on arrangements for the inspection of a Unit pursuant to this Section 17.3(i) after consultation in good faith, such Unit shall not be deemed to have been made available for inspection for purposes of this Section 17.3(i).

(ii) Not later than (a) ten (10) Business Days after the redelivery of a Unit pursuant to Section 17.1 (including a redelivery to a storage location) if the Units are located in not more than three locations or (b) thirty (30) days after the date of redelivery of a Unit pursuant to Section 17.1 if the Units are located in more than three locations, Sublessor or its agent may inspect such Unit to determine whether such Unit is in the condition required by Section 17.2. If Sublessor fails to object to the condition of a Unit during such period or if Sublessor removes or causes to be removed such Unit from any storage area or Redelivery Location prior to any inspection thereof, such Unit shall be deemed to have satisfied the conditions of Section 17.2.

(iii) At any inspection pursuant to this Section 17.3, independent inspectors or surveyors representing both Sublessee and Sublessor, or an independent inspector or surveyor satisfactory to both sides, shall be present and shall determine and state the agreed repairs or work necessary to place each Unit in the condition required by Section 17.2; provided, however, that if a Unit shall have been made available for inspection pursuant to Section 17.3(i) and all repairs agreed upon at such inspection shall have been satisfactorily completed at the time of an inspection pursuant to Section 17.3(ii), such Unit shall be deemed to be in the condition required by Section 17.2 unless the circumstances resulting in the failure of such Unit to satisfy Section 17.2 arose after the inspection pursuant to Section 17.3(i). Sublessee and Sublessor shall bear the cost of their respective independent inspectors and surveyors.

17.4 Continuing Obligation. Any Unit not delivered on the date of expiration of the Sublease Term in accordance with Section 14 or this Section 17, as the case may be, shall continue to be subject to all of the obligations of Sublessee set forth in this Sublease. If the Sublessee shall, for any reason whatsoever, fail to return any Unit at the time specified herein, the obligations of Sublessee as provided in this Sublease shall continue in effect with respect to such Unit until the Unit is returned to Sublessor; provided, however, that this Section 17.4 shall not be construed as permitting Sublessee to fail to meet its obligations to return any Unit in accordance with the requirements of this Sublease or constitute a waiver of an Event of Default.

SECTION 18. RECORDING

18.1 ICC; States. Sublessee, at its own expense, pursuant to the Participation Agreement, will cause this Sublease, each Sublease Supplement relating to the Units being delivered on the Delivery Date, the Lease, each Lease Supplement relating to the Units being delivered on the Delivery Date, the Indenture, the Indenture Supplements relating to the Units being delivered on the Delivery Date, the Lessee Security Agreement and each Lessee Security Agreement Supplement relating to the Units being delivered on the Delivery Date to be filed with the ICC pursuant to Section 11303 of the Act prior to the delivery and acceptance of any Unit and shall cause to be so filed promptly after execution and delivery thereof by all parties thereto any Lease Supplement, Sublease Supplement, Indenture Supplement and Lessee Security Agreement Supplement entered into in accordance with the Operative Documents. Sublessee, at its own expense, will further cause this Sublease, the Lease, the Indenture, the Lessee Security Agreement, any Sublease Supplements, Lease Supplements, Indenture Supplements, Lessee Security Agreement Supplements and/or appropriate financing statements or continuation statements to be filed and recorded and, from time to time when required, refiled and rerecorded, in accordance with the applicable provisions of the Uniform Commercial Code as in effect in the District of Columbia (and, if Sublessee changes its chief executive office to any state, in such state) and in any other state of the United States or the District of Columbia where filing is necessary to the reasonable satisfaction of counsel to Owner Participant and counsel to the Indenture Trustee.

18.2 Continuing Obligations. Sublessee, in addition to the requirements of Section 18.1 above, will from time to time do and perform in a timely manner any other act

and will execute, acknowledge, deliver, file, register, record and deposit (and will refile, re-register, rerecord or redeposit whenever required) any and all further instruments required by law (including without limitation continuation statements) or reasonably requested by Sublessor, Owner Participant or the Indenture Trustee for the purpose of proper protection, to its satisfaction, of its respective interests in the Units, or for the purpose of carrying out the intention of this Sublease, the Lease, the Indenture and the Lessee Security Agreement.

SECTION 19. SUBLESSOR'S RIGHT TO PERFORM FOR SUBLESSEE

If Sublessee fails to perform or comply with any of its agreements contained herein, Sublessor may upon notice to Sublessee (but shall be under no obligation to) perform or comply with such agreement, and the amount of the reasonable costs and expenses of Sublessor incurred in connection with such performance or compliance, together with interest on such amount at the Overdue Rate shall be payable by Sublessee upon demand. No such performance or compliance by Sublessor shall be deemed a waiver of the rights and remedies of Sublessor, Indenture Trustee or any assignee of Sublessor against Sublessee hereunder.

SECTION 20. NOTICES

Any notices, request or other communication hereunder shall be in writing and, if mailed, shall be deemed to be duly given or made in accordance with the Participation Agreement.

SECTION 21. SEVERABILITY

Any provision of this Sublease which is prohibited or unenforceable in any jurisdiction shall be, as to such jurisdiction, ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

SECTION 22. EFFECT AND MODIFICATION OF THIS SUBLEASE

Except for the other Operative Documents, this Sublease exclusively and completely states the rights of Sublessor and Sublessee with respect to the leasing of the Units and supersedes all other agreements, oral or written, with respect thereto. Subject to Article XIII of the Indenture, no variation or modification of this Sublease and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized signatories for Sublessor and Sublessee, and if required by the Indenture, Indenture Trustee.

SECTION 23. NATURE OF THIS SUBLEASE

It is the intention of the parties hereto that this Sublease shall constitute an agreement of sublease, and nothing herein shall be construed as conveying to Sublessee any title to or ownership of the Units, the rights and interest of Sublessee hereunder with respect to and in the Units being those of a sublessee only.

SECTION 24. EXECUTION

This Sublease may be executed in any number of counterparts and by the different parties hereto on separate counterparts (or upon separate signature pages bound together into one or more counterparts), each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument. To the extent, if any, that this Sublease or any Sublease Supplement constitutes chattel paper or other collateral within the meaning of the Uniform Commercial Code (or other law respecting security interests) as in effect in any applicable jurisdiction, no security interest in Sublessor's interest under this Sublease or any such Sublease Supplement may be created through the transfer or possession of any counterpart of this Sublease or such Supplement other than the original executed counterpart No. 1 hereof or thereof which shall be identified as the counterpart containing the receipt therefor executed by Indenture Trustee on or immediately following the signature page hereof or thereof.

SECTION 25. LAW GOVERNING

The terms of this Sublease and all rights and obligations hereunder shall be governed by the law of the District of Columbia applicable to contracts executed and delivered, and to be fully performed, in the District of Columbia, without regard to its principles of conflicts of law; provided, that the parties shall be entitled to all rights conferred by Section 11303 of the Act.

SECTION 26. SPECIAL TERMINATIONS

26.1 Voluntary Termination by Sublessee. At any time on or after the eighth anniversary of the Delivery Date with respect to a Unit, if Sublessee shall have determined that such Unit shall have become obsolete or uneconomic or surplus to Sublessee's requirements and shall have furnished to Sublessor a certificate executed by an engineering or financial officer of Sublessee having a title of Vice President or higher to such effect, Sublessee shall have the right at its option, on at least 90 days' prior written notice to Sublessor, Owner Participant and, if any Secured Note is then outstanding, Indenture Trustee, to terminate this Sublease with respect to such Unit on the Rent Payment Date following such determination and specified in such notice (a "Termination Date"). Sublessor may, by notice to Sublessee given on or before the 15th day after the date of Sublessee's termination notice, elect to terminate this Sublease with respect to such Unit as of the Termination Date without further liability or obligation of Sublessee under this Section 26 with respect to such Unit except the obligation to pay any Base Rent payable in arrears on such Termination Date calculated in accordance with clause (B) below and Sublessor will prepay and retire a pro rata portion of the Outstanding Secured Notes pursuant to the terms thereof (including payment of any required premium or break funding costs payable in connection therewith).

Unless Sublessor shall have elected to terminate this Sublease with respect to such Unit in accordance with the immediately preceding sentence, Sublessee, as agent for Sublessor, shall use its best efforts on a commercially reasonable basis to obtain bids for the cash purchase on the Termination Date of such Unit during the period from the giving of such notice until the Termination Date. Sublessee shall certify to Sublessor in writing the terms and amount of each bid received by Sublessee and the name and address of the Person (who shall not be Sublessee or any Person acting for

or affiliated with Sublessee) submitting such bid. Sublessor may, at Sublessor's expense, independently obtain bids for such purchase and certify them to Sublessee as provided in the next preceding sentence.

On the Termination Date, unless Sublessor shall have elected to terminate this Sublease pursuant to the last sentence of the first paragraph of this Section 26, Sublessor shall sell such Unit for cash to a third party who shall have submitted the highest bid prior to such date; provided, however, that Sublessee shall have the right to withdraw its election to terminate and reject each bid, if any, theretofore received; provided, further, however, that Sublessee may withdraw such election no more than two (2) times and, upon any such revocation, Sublessee shall reimburse each of Sublessor, Owner Participant, each Loan Participant and Indenture Trustee for all reasonable out-of-pocket expenses incurred by it in connection with the revoked termination and this Sublease shall continue in full force and effect with respect to such Unit. The total sale price realized at such sale, net of all fees and expenses of the sale incurred by Sublessor, Sublessee, Owner Participant and Indenture Trustee in connection with the sale (including commissions) shall be received by Sublessor and, in addition, on the date of such sale Sublessee shall pay to Sublessor the sum of: (A) the amount, if any, by which the Casualty Value for such Unit computed as of the Termination Date exceeds such total sales price net of such fees and expenses, (B) the installment of Base Rent due on the Termination Date and (C) all other amounts, whether Rent or otherwise, owing by Sublessee to Sublessor, Owner Participant, Indenture Trustee and any holder of a Secured Note under any Operative Document, under the Participation Agreement and the Tax Indemnity Agreement, including any premium payable in respect of Secured Notes required to be prepaid as a result of the sale of such Unit pursuant to this Section 26. Sublessor may, but shall be under no duty to, solicit bids, inquire into the efforts of Sublessee to obtain bids or otherwise take action in connection with any such sale other than to transfer to the purchaser named in the highest cash bid certified by Sublessee to Sublessor against payment therefor and payment of all other sums payable to Sublessor under this Section 26, all Sublessor's right, title and interest in and to such Unit; provided, however, that Sublessor shall have no such obligation if Lessor has not complied with Section 6.4 of the Lease with respect to such Unit on the Termination Date. Upon such payment, if any, this Sublease shall terminate with respect to such Unit and Sublessor will transfer without recourse, representation or warranty, except as to the absence of

Sublessor's Liens and Owner Participant's Liens, to the purchaser thereof, all of Sublessor's right, title and interest in and to such Unit. If no sale shall have occurred on the Termination Date, this Sublease shall continue in full force and effect as to such Unit as if no notice of termination had been given.

At least thirty (30) days (or such shorter period as is acceptable to Indenture Trustee) prior to the Termination Date, Sublessee shall furnish, or cause to be furnished, to Indenture Trustee and Owner Participant, in writing, all pertinent information (including method of calculation of the Make-Whole Amount) required to be included in the notice to be given by Indenture Trustee pursuant to Section 6.05 of the Indenture and described in subsections (a), (b) and (c) thereof.

26.2 Special Termination by Sublessor. Not later than the thirtieth day after Sublessor receives a demand from Indenture Trustee under Section 6.02(b) of the Indenture, Sublessor may terminate this Sublease by written notice to Sublessee referring to this Section 26.2 and specifying the date on which Sublessor received such demand from Indenture Trustee. If such a notice has been given, Sublessee shall pay as Supplemental Rent on a date, which shall be not later than the 270th Business Day following the date on which Indenture Trustee made such demand under Section 6.02(b) of the Indenture, specified in a notice from Sublessee to Sublessor, Indenture Trustee and Owner Participant (the "Special Termination Date") an amount equal to the Aggregate Casualty Payment which would have been payable if the Special Termination Date had been a Casualty Value Determination Date for a Casualty Occurrence with respect to all Units then subject to the Sublease, determined in accordance with Section 7.5. Upon the making of such payment, the Base Rent for all Units shall cease to accrue, the term of the Lease and this Sublease for all Units shall terminate and Sublessee shall be entitled to recover possession of such Units. Sublessor shall transfer to Sublessee such right, title and interest, if any, as Sublessor may have in the Leasehold Interests with respect to such Units, "as-is, where-is and with all faults" and without recourse, representation or warranty, express or implied, as to any matter whatsoever except that the Leasehold Interests with respect to the Units are free and clear of all Sublessor's Liens and Owner Participant's Liens.

SECTION 27. ASSIGNMENT

Sublessee may not assign its rights and obligations under this Sublease and the other Operative Documents without the prior written consent of the Sublessor (such consent not to be unreasonably withheld), except that no such consent shall be required in the case of an assignment to an Affiliate of the Sublessee, provided that the Sublessee guarantees such Affiliate's obligations under the Sublease in a form of guaranty reasonably satisfactory to Sublessor. Notwithstanding the foregoing, the Sublessee may, without the consent of the Sublessor, assign its interest hereunder to any corporation into or with which it shall be merged or consolidated or to whom it shall transfer substantially all of its property so long as (i) such assignee shall be a corporation incorporated in any state of the United States or the District of Columbia which shall have all necessary authorizations and approvals to own and operate such property and shall be engaged in business as an intercity passenger service carrier and (ii) the net worth of the surviving entity shall be no less than that of the Sublessee immediately prior to such merger or transfer.

Notwithstanding the preceding paragraph, an assignment under this Section either to an Affiliate or resulting from a merger, consolidation or transfer of all or substantially all of Sublessee's property shall be subject to the following conditions precedent:

(a) the assignee shall have entered into an agreement or agreements, reasonably satisfactory in form and substance to Sublessor and Indenture Trustee, whereby such assignee shall agree to become a party to the Operative Documents to which Sublessee is a party and to be bound by the terms thereof and shall make representations and warranties as to the assignee to the effect in all material respects as Sublessee's representations and warranties set forth in Section 4.1 of the Participation Agreement;

(b) such assignee and such guarantor, if any, have the requisite power and authority and legal right to enter into and carry out the transactions contemplated hereby; and

(c) an opinion of counsel of the assignee or Sublessee, confirming the matters referred to in clause (b) above (with appropriate reliance on certificates of corporate officers or public officials as to matters of

fact and subject to customary exceptions) and confirming that the agreement or agreements referred to in clause (a) above are legal, valid, binding and enforceable obligations of the assignee and that the guarantee referred to in the first sentence of this Section, if any, is the legal, valid, binding and enforceable obligation of the Sublessee, shall be provided, at least three (3) Business Days prior to such assignment, to Sublessor and Indenture Trustee, which opinion shall be in form and substance reasonably satisfactory to each of them.

SECTION 28. SUBLESSOR

Whenever the term "Sublessor" is used in this Sublease it shall apply and refer to Sublessor and (to the extent assigned by Sublessor) any permitted assignee of Sublessor (including, so long as any indebtedness evidenced by the Secured Notes or interest thereon shall remain unpaid or any other obligation thereunder be continuing, Indenture Trustee, all as more fully provided in Section 15.1(ii)).

SECTION 29. LIABILITY OF SUBLESSOR LIMITED

It is expressly agreed, anything herein to the contrary notwithstanding, that each and all of the representations, warranties, covenants, undertakings and agreements herein made on the part of Sublessor are made and intended not as personal representations, warranties, covenants, undertakings and agreements by CB&T, or for the purpose or with the intention of binding CB&T personally, but are made and intended for the purpose of binding only the Trust Estate, and this Sublease is executed and delivered by CB&T not in its own right but solely in the exercise of the powers expressly conferred upon it as trustee under the Trust Agreement; and no personal liability or personal responsibility, except in the case of willful misconduct or gross negligence of Sublessor (other than with respect to the handling of funds, in which case Sublessor shall be accountable for its failure to exercise ordinary care), is assumed by or shall at any time be asserted or enforceable against CB&T on account of this Sublease or on account of any representation, warranty, covenant, undertaking or agreement of Sublessor, either expressed or implied herein, all such personal liability, if any, being expressly waived and released by Sublessee and by all Persons claiming by, through or under it, and that all recourse against CB&T or Owner

Participant under this Sublease shall be limited to the Trust Estate.

SECTION 30. NOTICE AS TO LIENS

SUBLESSEE SHALL NOT HAVE ANY RIGHT, POWER, PRIVILEGE OR AUTHORITY TO CREATE OR INCUR ANY LIEN UPON SUBLESSOR'S INTEREST IN THE UNITS. NOTICE IS HEREBY GIVEN TO ALL CONTRACTORS, SUBCONTRACTORS, LABORERS, MATERIALMEN AND OTHER PERSONS THAT SUBLESSOR WILL NOT BE LIABLE FOR ANY LABOR, SERVICES OR MATERIALS FURNISHED TO SUBLESSEE AND THAT NO LIENS FOR ANY SUCH LABOR, SERVICES OR MATERIALS SHALL ATTACH TO OR AFFECT SUBLESSOR'S INTEREST IN THE UNITS.

SECTION 31. NO MERGER

Except as provided for in Section 16.3, there shall be no merger of this Sublease or of the leasehold interest hereby created with the title to the Units, or any portion thereof or interest therein by reason of the fact that the same Person may acquire or hold directly or indirectly this Sublease or the leasehold interest created hereby or any interest in this Sublease or in any such leasehold interest as well as the title to the Units.

IN WITNESS WHEREOF, Sublessor and Sublessee have caused this Sublease to be executed in their respective corporate names as of the day and year first above written.

THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, not in its individual capacity, but solely as Owner Trustee, Sublessor

By: _____
Name: V. GLUNT
Title: ASSISTANT VICE PRESIDENT

NATIONAL RAILROAD PASSENGER CORPORATION, Sublessee

By: _____
Name: Richard I. Klein
Title: Treasurer

STATE OF NEW YORK)
) ss
COUNTY OF NEW YORK)

On this 11th day of June, 1990, before me personally appeared V. GLUNT, to me personally known, who being by me duly sworn, says that he is the ASSISTANT VICE PRESIDENT of THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association, as Owner Trustee under such instrument, that said instrument was signed on behalf of said national banking association by authority of its Board of Directors, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said national banking association.

Notary Public

My Commission Expires: July 31, 1991

[SEAL]

LAURE SALERNO
NOTARY PUBLIC, State of New York
No 41-4694935
Qualified in Queens County
Commission Expires March 30, ...
July 31, 1991

STATE OF NEW YORK)
) ss
COUNTY OF NEW YORK)

On this 11th day of June, 1990, before me personally appeared Richard I. Klein, to me personally known, who being by me duly sworn, says that he is the Treasurer of NATIONAL RAILROAD PASSENGER CORPORATION, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

My Commission Expires: July 31, 1991

[SEAL]

LAURE SALERNO
NOTARY PUBLIC, State of New York
No. 41-4694935
Qualified in Queens County
Commission Expires ~~March 30, ...~~ July 31, 1991

BASIC RENT

FACTORS

PART I.

Rent Factors are expressed as percentages of Equipment Cost.

Rent Payment Date	Total Rent Factor	Payable in Advance	Payable in Arrears
2 Jul 1991	5.12338239	0.00000000	5.12338239
2 Jan 1992	3.80693941	0.00000000	3.80693941
2 Jul 1992	5.12338239	0.00000000	5.12338239
2 Jan 1993	3.80693941	0.00000000	3.80693941
2 Jul 1993	3.80693941	0.00000000	3.80693941
2 Jan 1994	5.12338239	0.00000000	5.12338239
2 Jul 1994	3.73947169	0.00000000	3.73947169
2 Jan 1995	5.19085011	0.00000000	5.19085011
2 Jul 1995	3.66508853	0.00000000	3.66508853
2 Jan 1996	5.26523323	0.00000000	5.26523323
2 Jul 1996	3.58308114	0.00000000	3.58308114
2 Jan 1997	5.34724066	0.00000000	5.34724066
2 Jul 1997	3.49266793	0.00000000	3.49266793
2 Jan 1998	5.43765383	0.00000000	5.43765383
2 Jul 1998	3.39298743	0.00000000	3.39298743
2 Jan 1999	5.53733437	0.00000000	5.53733437
2 Jul 1999	3.28308965	0.00000000	3.28308965
2 Jan 2000	5.64723215	0.00000000	5.64723215
2 Jul 2000	7.01680754	0.00000000	7.01680754
2 Jan 2001	3.89803018	0.00000000	3.89803018
2 Jul 2001	7.11438559	0.00000000	7.11438559
2 Jan 2002	3.80045218	0.00000000	3.80045218
2 Jul 2002	10.91483773	0.00000000	10.91483773
2 Jan 2003	7.19631639	7.19631639	0.00000000
2 Jul 2003	3.71852133	3.71852133	0.00000000
2 Jan 2004	8.84708186	8.84708186	0.00000000
2 Jul 2004	2.06775587	2.06775587	0.00000000
2 Jan 2005	9.14049308	9.14049308	0.00000000
2 Jul 2005	1.77434464	1.77434464	0.00000000
2 Jan 2006	9.53840096	9.53840096	0.00000000
2 Jul 2006	1.37643677	1.37643677	0.00000000
2 Jan 2007	9.97929761	9.97929761	0.00000000
2 Jul 2007	0.93554016	0.93554016	0.00000000
2 Jan 2008	10.46782732	10.46782732	0.00000000
2 Jul 2008	0.44701041	0.44701041	0.00000000
2 Jan 2009	10.91483773	10.91483773	0.00000000
2 Jul 2009	0.00000000	0.00000000	0.00000000
2 Jan 2010	10.91483773	10.91483773	0.00000000
2 Jul 2010	0.00000000	0.00000000	0.00000000
2 Jan 2011	10.91483773	10.91483773	0.00000000
2 Jul 2011	0.00000000	0.00000000	0.00000000

PART II.

The foregoing Rent Factors are based on the following assumptions:

1. Transaction Expenses equal 2% of aggregate Equipment Cost.

2. Equipment Cost equals $22,197,000.00.

3. The Delivery Date is July 3, 1990.

4. The Debt Rate equals the amount specified in paragraph 4 of Sublease Supplement No. 1.

5. The Base Lease Commencement Date is January 2, 1991.

CASUALTY VALUE FACTORS

Casualty Value Factors are expressed as percentages of Equipment Cost.

Casualty Value Determination Date	Casualty Value Factor
2 Jan 1991	108.250039
2 Jul 1991	109.343698
2 Jan 1992	111.283460
2 Jul 1992	111.613853
2 Jan 1993	112.876273
2 Jul 1993	113.929148
2 Jan 1994	113.483733
2 Jul 1994	114.210745
2 Jan 1995	113.365079
2 Jul 1995	113.861524
2 Jan 1996	112.631038
2 Jul 1996	112.880589
2 Jan 1997	111.228188
2 Jul 1997	111.243676
2 Jan 1998	109.298690
2 Jul 1998	109.298690
2 Jan 1999	107.154343
2 Jul 1999	107.162987
2 Jan 2000	104.847541
2 Jul 2000	101.086934
2 Jan 2001	100.301190
2 Jul 2001	96.308919
2 Jan 2002	95.476521
2 Jul 2002	87.541605
2 Jan 2003	82.974578
2 Jul 2003	81.712353
2 Jan 2004	75.320228
2 Jul 2004	75.447338
2 Jan 2005	68.648584
2 Jul 2005	68.937706
2 Jan 2006	61.631360
2 Jul 2006	62.260376
2 Jan 2007	54.491370
2 Jul 2007	55.534310
2 Jan 2008	47.292355
2 Jul 2008	48.835960
2 Jan 2009	40.208733
2 Jul 2009	42.180882
2 Jan 2010	33.579094
2 Jul 2010	35.158887
2 Jan 2011	26.143090
2 Jul 2011	27.284721
2 Jan 2012	28.720000

[SUBLEASE SUPPLEMENT]

EXHIBIT A TO SUBLEASE
OF RAILROAD EQUIPMENT

SUBLEASE SUPPLEMENT NO. _____

THIS SUBLEASE SUPPLEMENT NO. _____ dated as of _____, 19__ (this "Sublease Supplement") between The Connecticut Bank and Trust Company, National Association, a national banking association, not in its individual capacity but solely as trustee under that certain Trust Agreement dated as of May 30, 1990 between American Security Bank, National Association and such trustee, as sublessor, and NATIONAL RAILROAD PASSENGER CORPORATION (also known as AMTRAK), a corporation organized under the Rail Passenger Service Act and the laws of the District of Columbia, as sublessee, pursuant to and in accordance with the Sublease of Railroad Equipment dated as of May 30, 1990 between Sublessor and Sublessee (as amended and supplemented to the date hereof, the "Sublease").

1. Capitalized terms and phrases used and not otherwise defined herein shall for all purposes of this Sublease Supplement have the respective meanings specified therefor in Annex A to the Sublease, as originally executed or as modified, amended or supplemented in accordance with the applicable provisions thereof.

2. The Units covered by this Sublease Supplement are described in Schedule 1 attached hereto.

3. The Equipment Cost for each Unit is $_____.

4. The Debt Rate equals ____% per annum based on a year consisting of twelve (12) thirty (30) day months.

5. The Interim Term of the Sublease for the Units covered by this Sublease Supplement shall commence on the date of this Sublease Supplement and shall terminate on January 1, 1991 unless terminated or extended pursuant to the terms of the Sublease. The Base Lease Term of the Sublease for the Units covered by this Sublease Supplement shall commence on January 2, 1991 and shall terminate at on January 2, 2012 unless earlier terminated or extended pursuant to the terms of the Sublease.

6. By the execution and delivery of this Sublease Supplement, Sublessee and Sublessor reaffirm all of the terms, provisions and conditions of the Sublease.

7. This Supplement may be executed in several counterparts (or upon separate signature pages bound together into one or more counterparts), such counterparts together constituting but one and the same instrument. To the extent, if any, that this Sublease Supplement constitutes chattel paper or other collateral within the meaning of the Uniform Commercial Code (or other law respecting security interests) as in effect in any applicable jurisdiction, no security interest in Sublessor's interest under this Sublease Supplement may be created through the transfer or possession of any counterpart of this Sublease Supplement other than the original executed counterpart No. 1 hereof which shall be identified as the counterpart containing the receipt therefor executed by Indenture Trustee on or immediately following the signature page hereof.

8. Sublessee hereby represents and warrants to Owner Trustee that, effective on the date hereof, the Units described in Schedule 1 hereto have been delivered to Sublessee, have been duly accepted by Sublessee and that said Schedule 1 contains a correct and complete description of said Units sufficient for the purposes of the Sublease and the Lessee Security Agreement.

IN WITNESS WHEREOF, the parties have caused this Sublease Supplement to be duly executed by their respective duly authorized officers as of the date first set forth above.

THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, not in its individual capacity

but solely as Owner Trustee, Sublessor

By:_____
Name:
Title:

NATIONAL RAILROAD PASSENGER CORPORATION, Sublessee

By:_____
Name: Richard I. Klein
Title: Treasurer

[*] TO THE EXTENT, IF ANY, THAT THIS SUBLEASE SUPPLEMENT CONSTITUTES CHATTEL PAPER OR OTHER COLLATERAL WITHIN THE MEANING OF THE UNIFORM COMMERCIAL CODE (OR OTHER LAW RESPECTING SECURITY INTERESTS) AS IN EFFECT IN ANY APPLICABLE JURISDICTION, NO SECURITY INTEREST IN SUBLESSOR'S INTEREST UNDER THIS SUBLEASE SUPPLEMENT MAY BE CREATED THROUGH THE TRANSFER OR POSSESSION OF ANY COUNTERPART OTHER THAN THE ORIGINAL EXECUTED COUNTERPART NO. 1 HEREOF WHICH SHALL BE IDENTIFIED AS THE COUNTERPART CONTAINING THE RECEIPT THEREFOR EXECUTED BY MERIDIAN TRUST COMPANY, AS INDENTURE TRUSTEE, IMMEDIATELY FOLLOWING THIS LEGEND. SUCH COUNTERPART IS THE ONLY COUNTERPART OF THE SUBLEASE SUPPLEMENT THAT CONTAINS THIS LEGEND.

Receipt of this original counterpart No. 1 of the foregoing Sublease Supplement is hereby acknowledged this _____ day of _____, 19__.

MERIDIAN TRUST COMPANY,
as Indenture Trustee

By_____
Name:
Title:

---

[*] This legend and receipt appear only in original counterpart No. 1 of this Sublease Supplement.

STATE OF NEW YORK)
) ss
COUNTY OF NEW YORK)

On this _____ day of _____, 19__ before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ __ of NATIONAL RAILROAD PASSENGER CORPORATION, that said instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation.

_____
Notary Public

My Commission Expires: _____

[SEAL]

_____)
) ss
_____)

On this _____ day of _____, 19__ before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association, as Owner Trustee under such instrument, that said instrument was signed on behalf of said national banking association by authority of its Board of Directors, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said national banking association.

_____
Notary Public

My Commission Expires: _____

[SEAL]

"Base Rent" with respect to the Equipment as of any Rent Payment Date during the Base Lease Term means the aggregate Equipment Cost of all Units then subject to the Sublease multiplied by the Rent Factor for such Rent Payment Date and as of any Rent Payment Date during a Renewal Term, the applicable Renewal Rent then due.

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

"Cash Portion" means 25.718258% of the Equipment Cost of the Units on the Delivery Date as set forth in the appraisal delivered pursuant to Section 5.1(xviii) of the Participation Agreement.

"Casualty Occurrence" with respect to any Unit means any of the following events with respect to such Unit: (i) such Unit shall be or become lost or stolen for a period in excess of 180 days (or to the end of the remaining term of the Sublease, if it first occurs), or shall be destroyed or irreparably damaged, or uneconomical to repair from any cause whatsoever during the Sublease Term or until such Unit is returned pursuant to Section 14 or Section 17 of the Sublease, (ii) title to such Unit shall be taken by any Governmental Authority by condemnation or otherwise, (iii) use of such Unit shall be taken or requisitioned by any Governmental Authority (I) for a stated period which shall equal or exceed the then remaining Sublease Term or (II) for a period which shall exceed one (1) year, in the case of a United States or Canadian Governmental Authority, or for a period which shall exceed three (3) months, in the case of a Mexican Governmental Authority, or (iv) as a result of any rule, regulation, order or other action by any Instrumentality, the use of such Unit in the normal course of interstate rail transportation in the United States generally shall have been prohibited for a continuous period of eighteen (18) months (or beyond the end of the remaining Sublease Term, if it first occurs) (it being understood that nothing in this clause (iv) shall be deemed to limit Sublessee's obligations under Section 11.1 of the Sublease).

"Casualty Value" has the meaning specified in Section 7.5 of the Sublease.

"Casualty Value Determination Date" means the later of 30 days after the Casualty Occurrence or the Rent Payment Date first following the Casualty Occurrence except that (i) if less than 30 days remain in the Sublease Term with respect to the applicable Unit, the Casualty Value Determination Date

[EXECUTION COPY]

ANNEX A TO
SUBLEASE

DEFINITIONS

The following terms shall have the following meanings for all purposes of the Sublease to which this Annex A is appended:

"AAR" means American Association of Railroads.

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

"Act" means the Interstate Commerce Act (49 U.S.C. § 10101 et seq.).

"Additional Insureds" means Sublessor, in its individual capacity and as Owner Trustee, Owner Participant, Indenture Trustee and each holder of the Secured Notes.

"Advance Rental Cost" means an amount equal to the Equipment Cost of the Units on the Delivery Date as set forth in the appraisal delivered pursuant to Section 5.1(xviii) of the Participation Agreement.

"Affiliate", with respect to any Person, shall mean any other Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, such Person. For purposes of this definition, the term "control" (including the correlative meanings of the terms "controlled by" and "under common control with"), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

"After-Tax Basis" means on a basis such that any payment received or deemed to have been received by any Indemnified Party shall be supplemented by a further payment to that Indemnified Party so that the sum of the two payments shall, after deduction of all Taxes (taking into account any related credits or deductions and the timing thereof) resulting from the receipt or accrual of such payments, be equal to the payment received or deemed to have been received.

"Aggregate Casualty Payment" has the meaning specified in Section 7.3 of the Sublease.

"Amendment" means any amendment, modification, waiver or consent in respect of any provisions of the Sublease or the Lease.

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

"Applicable Law" has the meaning specified in Section 9.01 of the Trust Agreement.

"Appraiser" means B. Royce Green Associates.

"Assumed Principal Amount" has the meaning specified in Section 2.04(a) of the Indenture.

"Assumption Portion" means 74.281742% of the Equipment Cost of the Units on the Delivery Date as set forth in the appraisal delivered pursuant to Section 5.1(xviii) of the Participation Agreement.

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

"Babcock & Brown" means Babcock & Brown Financial Corporation, a California corporation.

"Bankruptcy Code" means the Federal Bankruptcy Code (11 U.S.C. § 101 et seq.).

"Base Lease Commencement Date" means January 2, 1991.

"Base Lease Term" for a Unit means the period described in the second sentence of Section 3 of the Sublease.

"Base Lease Termination Date" means the date which is the twenty-first (21st) anniversary of the Base Lease Commencement Date.

shall be the last day of such Sublease Term and (ii) if an Event of Default shall be continuing or any Unit is being returned pursuant to Section 14 of the Sublease, such Casualty Value Determination Date shall be the next Rent Payment Date after the applicable Casualty Occurrence.

"Casualty Value Factor" as of any Casualty Value Determination Date (i) during the Interim Term or the Base Lease Term means the percentage set forth opposite the relevant Casualty Value Determination Date on Schedule 2 to the Sublease, as such Casualty Value Factor may have been adjusted pursuant to Section 4.3 of the Sublease or Section 9 of the Tax Indemnity Agreement and (ii) during any Renewal Term means the percentage for such Casualty Value Determination Date determined in accordance with Section 7.5 of the Sublease.

"CB&T" means The Connecticut Bank and Trust Company, National Association, in its individual capacity.

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

"Change in Tax Law" means with respect to any Unit (i) any change, in the Code or Treasury Regulations, which affects the Tax Assumptions, is enacted or promulgated prior to the Delivery Date or proposed prior to the Delivery Date and, in the case of the Code, is enacted during the same taxable year of the Owner Participant in which it is proposed or (ii) a revenue ruling or other official published administrative pronouncement which revenue ruling or pronouncement is issued or rendered prior to the Delivery Date.

"Claims" has the meaning specified in Section 6.2(i) of the Participation Agreement.

"Clayton Act" means the Clayton Act (15 U.S.C. § 12 et seq.).

"Code" means the Internal Revenue Code of 1986.

"Commitment" of a Participant means (i) in the case of the Owner Participant, an amount equal to the Cash Portion to be provided to the Owner Trustee pursuant to Section 2.3(i) of the Participation Agreement and (ii) in the case of a Loan Participant, the amount of the secured loan to be made by such Loan Participant pursuant to Section 2.5(i) of the Participation Agreement.

"Consent and Agreement" means the Consent and Agreement of Manufacturer dated as of May 30, 1990 whereby Manufacturer consents and agrees to the terms and conditions of the Warranty Assignment.

"Cure Rights Agreement" means that certain Cure Rights Agreement dated as of May 30, 1990 between Owner Trustee and Indenture Trustee and attached as Annex I to the FRA Subordinated Security Agreement.

"Debt Rate" has the meaning specified in paragraph 4 of Sublease Supplement No. 1.

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

"Delayed Delivery Date" has the meaning specified in Section 3.5 of the Participation Agreement.

"Delivery Date" means the date on or as of which the Units are subjected to the Lease and the Sublease.

"Delivery Notice" has the meaning specified in Section 3.1 of the Participation Agreement.

"Directive" has the meaning specified in Section 13.01 of the Indenture.

"Equipment" means up to seventy (70) high-speed material handling railcars to the extent and for so long as they are subjected to the Lease and Sublease, together with related appliances, parts, accessories, appurtenances, additions, improvements and other equipment or components of any nature installed thereon, as specified in the Delivery Notice (but subject to Section 3.5 of the Participation Agreement) and replacements thereof and substitutions therefor, including any Replacement Units substituted for Units in accordance with Section 7.2 of the Sublease (individually, a "Unit" and, collectively, the "Equipment" or the "Units"). For avoidance of doubt, a Purchased Unit shall not be included in the Equipment or be deemed a Unit for any purpose under the Operative Documents.

"Equipment Cost" of (i) the Equipment as of any date means the aggregate Fair Market Value of the Units then subject to the Lease and the Sublease as set forth in the appraisal delivered pursuant to Section 5.1(xviii) of the Participation Agreement and (ii) any particular Unit as of any date means its pro rata portion of the aggregate of the Fair Market Values of all the Units then subject to the Lease and the Sublease as set forth in the appraisal delivered pursuant to Section 5.1(xviii) of the Participation Agreement.

Any Replacement Unit shall be deemed to have the Equipment Cost of the Unit for which it was substituted in accordance with Section 7.2 of the Sublease.

"ERISA" means the Employee Retirement Income Security Act of 1974 (29 U.S.C. § 331 et seq.).

"Event of Default" has the meaning specified in Section 13.1 of the Sublease.

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

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

"Excess Amount" has the meaning specified in Section 12 of the Participation Agreement.

"Exchange Act" means the Securities Exchange Act of 1934 (15 U.S.C. §78a et seq.).

"Expenses" has the meaning specified in Section 8.01 of the Trust Agreement.

"Fair Market Rental" for a Unit means the semi-annual rent which would be obtained in an arm's-length transaction between an informed and willing lessee and an informed and willing lessor, neither being under any compulsion to lease. In determining Fair Market Rental at or as of the end of the Sublease Term or any Renewal Term, it shall be assumed that Sublessee has complied with all of the terms, provisions and conditions of the Sublease and, in the case of a Unit, that such Unit is in the condition and configuration required upon its return to Sublessor as provided therein and the value of, and any enhancement of value attributable to, any severable improvements shall be disregarded; provided, however, that the value of, and any enhancement of value attributable to, those severable improvements made in accordance with Section 12.2(ii)(f) of the Sublease shall not be so disregarded.

"Fair Market Value" for a Unit means the cash price which would be obtained in an arm's-length transaction between an informed and willing buyer under no compulsion to buy, and an informed and willing seller under no compulsion to sell. In determining Fair Market Value at or as of the end of the Sublease Term or any Renewal Term, it shall be assumed that Sublessee has complied with all of the terms, provisions and conditions of the Sublease and, in the case of a Unit, that such Unit is in the condition and configuration required upon its return to Sublessor as provided therein. The fair market value of Units to be purchased shall be determined in the

aggregate for all such Units (i.e., the purchase price for all such Units shall be deemed to be the same regardless of potential Unit-to-Unit variation in condition) and the value of, and any enhancement of value attributable to, any severable improvements shall be disregarded; provided, however, that the value of, and any enhancement of value attributable to, those severable improvements made in accordance with Section 12.2(ii)(f) of the Sublease shall not be so disregarded.

"Fair Market Renewal Term" has the meaning specified in Section 16.4 of the Sublease.

"Fixed Rate Renewal Term" has the meaning specified in Section 16.4 of the Sublease.

"FRA" means the Federal Railroad Administrator of the Department of Transportation.

"FRA Contingent Lien" means the contingent lien contemplated in the last sentence of Section 3 of the Release and Consent.

"FRA Note" means that certain Note dated as of October 5, 1983 from Amtrak to the FRA.

"FRA Security Agreement" means that certain Security Agreement dated October 5, 1983 by and between Amtrak and the FRA.

"FRA Subordinated Security Agreement" means that certain FRA Subordinated Security Agreement dated as of May 30, 1990 by and between Amtrak and the FRA.

"Governmental Authority" means any federal, state or local government or other governmental authority in the United States or any foreign government or any political subdivision or governmental authority thereof or any territory or possession of the United States or any international authority.

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

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

"Indemnified Parties" means Owner Participant, Owner Trustee, in its individual capacity and as Owner Trustee, Indenture Trustee, the Loan Participants, each other holder from time to time of any Secured Note (including, in the case of each of the foregoing, as to any such corporation, any corporation which is a member of the same affiliated group,

as defined in Section 1504 of the Code, as such corporation), the Trust Estate, the Trust Indenture Estate, and the successors, assigns, Affiliates, agents, officers, shareholders, directors, servants and employees of any thereof, each individually being an "Indemnified Party."

"Indenture" means that certain Trust Indenture and Security Agreement (Mortgage) dated as of May 30, 1990 among Amtrak, Owner Trustee and Indenture Trustee. Unless the context otherwise requires, "Indenture" shall include each Indenture Supplement.

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

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

"Indenture Supplement" means any amendment or supplement to the Indenture adopted in accordance with Article XIII of the Indenture, including an indenture supplement substantially in the form of either Appendix C or D to the Indenture.

"Indenture Trustee" means Meridian Trust Company, a Pennsylvania trust company, in its capacity as Indenture Trustee under the Indenture.

"Installment Payment Date" means each January 2 and July 2 during the period Secured Notes are Outstanding under the Indenture, commencing January 2, 1991.

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

"Interchange Rules" means the current interchange rules or supplements thereto of the Mechanical Division of the Association of American Railroads as the same may be in effect from time to time.

"Interim Term" for each Unit means the period prescribed therefor in Section 3 of the Sublease.

"Investment" means the funds required to be delivered by the Owner Participant to the Owner Trustee on the Delivery Date pursuant to Section 3 of the Participation Agreement to finance the Cash Portion of Advance Rental Cost.

"Investment Grade" means with respect to the equipment obligations of any sub-sublessee for purposes of Section 15.2(ii)(a)(1) of the Sublease a rating by a nationally recognized statistical rating organization (within

the meaning of Rule 15c3 of the Exchange Act), including Moody's Investors Service, Inc., Standard & Poor's Corporation and Duff & Phelps, Inc. (or any successor to any thereof), equivalent to or better than "Baa3", in the case of Moody's Investors Service, Inc., "BBB-", in the case of Standard & Poor's Corporation, "10", in the case of Duff & Phelps, Inc., and, in the case of any other nationally recognized statistical rating organization, such organization's closet comparable rating to those specified above.

"Lease" means that certain Lease of Railroad Equipment dated as of May 30, 1990 between Amtrak, as lessor, and Owner Trustee, as lessee. Unless the context otherwise requires, "Lease" shall include each Lease Supplement.

"Lease Supplement" means a supplement to the Lease in substantially the form of Exhibit A to the Lease, entered into between Lessor and Lessee (collectively, the "Lease Supplements").

"Lease Term" for any Unit means the period beginning on the date on which the Lease Supplement extending the Lease to cover such Unit is executed and delivered and ending on the Lease Termination Date, unless sooner terminated in a manner provided in the Lease.

"Lease Termination Date" means the fifteenth (15th) anniversary of the Base Lease Termination Date or, if applicable, any Maximum Fixed Rate Renewal Termination Date.

"Leasehold Interest" with respect to a Unit (including accessions thereto) means the rights thereto of Lessee created under the Lease.

"Lessee" means The Connecticut Bank and Trust Company, National Association, a national banking association, not in its individual capacity but solely as Owner Trustee except as otherwise expressly provided in the Operative Documents, in its capacity as lessee under the Lease.

"Lessee Security Agreement" means that certain Lessee Security Agreement (Mortgage) dated as of May 30, 1990 by and between Amtrak and Owner Trustee. Unless the context otherwise requires, "Lessee Security Agreement" shall include each Lessee Security Agreement Supplement.

"Lessee Security Agreement Supplement" means a supplement to the Lessee Security Agreement in substantially the form of Exhibit A to the Lessee Security Agreement, entered into between Amtrak and Owner Trustee (collectively, the "Lessee Security Agreement Supplements").

"Lessor" means Amtrak, in its capacity as lessor under the Lease.

"Liability Insurance" has the meaning specified in Section 8.1(i)(b) of the Sublease.

"Lien" means any mortgage, pledge, lien, charge, claim, encumbrance, lease, sublease, sub-sublease or security interest.

"Loan Participants" mean those parties listed on Schedule I to the Participation Agreement.

"Majority in Interest of Secured Noteholders" means, as of a particular date of determination, the holder or holders of in excess of 50% in aggregate principal amount of all Secured Notes Outstanding as of such date (excluding any Secured Notes then held by Owner Trustee, Owner Participant or Amtrak or any Affiliate of any thereof unless all Secured Notes then Outstanding are held by Owner Trustee, Owner Participant and Amtrak and their Affiliates).

"Make-Whole Amount" means, in connection with any applicable prepayment, the excess, if any, of (i) the aggregate present value as of the date of such prepayment of each dollar of principal being prepaid (taking into account the application of such prepayment required by Section 5.01 of the Indenture) and the amount of interest (exclusive of interest accrued to the date of prepayment) that would have been payable in respect of such dollar if such prepayment had not been made, determined by discounting such amounts at the Reinvestment Rate from the respective dates on which they would have been payable, over (ii) 100% of the principal amount of the Secured Notes Outstanding being prepaid. If the Reinvestment Rate is equal to or higher than the Debt Rate or if the date of such prepayment is on or after the date which is 13.705 years after the Delivery Date, the Make-Whole Amount shall be zero.

"Manufacturer" means Thrall Car Manufacturing Company, an Illinois corporation.

"Maximum Fixed Rate Renewal Termination Date" has the meaning specified in Section 16.4(ii) of the Sublease.

"MTC" means Meridian Trust Company, a Pennsylvania trust company, in its individual capacity.

"Net Economic Return" means Owner Participant's nominal after-tax book yield, return on assets and aggregate after-tax cash flow using the multiple investment sinking fund method computed on the basis of the assumptions, including the tax assumptions set forth in the Tax Indemnity Agreement, used

by Owner Participant in originally evaluating the transactions contemplated by the Sublease.

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

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

"Obligor" with respect to a Secured Note, means Amtrak until Owner Trustee assumes Amtrak's obligations thereunder by execution and delivery of the Owner Trustee Assumption Confirmation attached thereto, and thereafter Owner Trustee.

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

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

"Operative Documents" means, collectively, the Participation Agreement, the Trust Agreement, the Indenture, any Indenture Supplement, the Lease, any Lease Supplement, the Sublease, any Sublease Supplement, the Tax Indemnity Agreement, the Secured Notes each with an Owner Trustee Assumption Confirmation attached thereto, the Warranty Assignment, the Release and Consent, the FRA Subordinated Security Agreement, the Cure Rights Agreement, the Lessee Security Agreement and any Lessee Security Agreement Supplement.

"Opinion Addressees" mean the Indenture Trustee, the Loan Participants, the Owner Trustee, the Owner Participant and Amtrak.

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

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

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

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

provided, however, that in determining whether the holders of the requisite aggregate unpaid principal amount of Secured Notes Outstanding have made or given any request, demand, instruction, authorization, direction, notice, consent or waiver under the Indenture, Secured Notes held or owned by Owner Trustee, Owner Participant or Amtrak, or any Affiliate of any thereof, shall be disregarded and deemed not to be Outstanding, except that, in determining whether Indenture Trustee shall be protected in relying upon any such request, demand, instruction, authorization, direction, notice, consent or waiver, only Secured Notes which Indenture Trustee knows to be so held or owned shall be disregarded.

"Overall Transaction" means the arrangements and transactions contemplated by and reflected in the Operative Documents.

"Overdue Rate" means the higher of 11.50% per annum or a rate per annum equal to one (1) percentage point over the rate of interest announced from time to time by The Chase Manhattan Bank, N.A. at its principal office in New York as its "prime" or "base" rate, except that with respect to any portion of a payment of Rent which pursuant to the terms of the Indenture is to be distributed to the holders of the Secured Notes, "Overdue Rate" shall mean one (1) percentage point over the Debt Rate.

"Owner Participant" means American Security Bank, National Association, a national banking association.

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

"Owner Participant Lien" means any Lien required to be discharged, dismissed and removed by the Owner Participant pursuant to Section 9.2(i) of the Participation Agreement.

"Owner Trustee" means The Connecticut Bank and Trust Company, National Association, a national banking association,

not in its individual capacity but solely as Owner Trustee under the Trust Agreement, except as otherwise expressly provided in the Operative Documents.

"Owner Trustee Assumption Confirmation" means an Owner Trustee Assumption Confirmation dated the Delivery Date and executed and delivered by the Owner Trustee and the Indenture Trustee in the form attached to each Secured Note.

"Participant" or "Participants" means the Loan Participants and the Owner Participant.

"Participation Agreement" means that certain Participation Agreement dated as of May 30, 1990 among Amtrak, the Owner Participant, the Loan Participants, CB&T, the Owner Trustee and the Indenture Trustee.

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

"Permitted Investment" means (i) certificates of deposit and time and other interest bearing deposits in banks which are which are rated at least "AA" by IBCA Banking Analysis Limited or by Keefe Bank Watch Service, (ii) short-term debt securities issued by or entitled to the full faith and credit of the United States government or (iii) commercial paper which is rated "A-1" or better (or comparable ratings) by Standard & Poor's Corporation or "P-1" or better (or comparable ratings) by Moody's Investors Service, Inc. or the successors to such rating organizations, in each case referred to in the foregoing clauses (i) through (iii) due within 210 days of the date of purchase.

"Permitted Liens" means (i) Liens for taxes, assessments or governmental charges or levies in each case not due and delinquent, (ii) inchoate materialmen's, mechanics', workmen's, repairmen's or other like Liens arising in the ordinary course of Amtrak's business and in each case not delinquent, (iii) the Leasehold Interest created by the Lease, the Lien of the Indenture and the Lien of the Lessee Security Agreement, (iv) Sublessor's Liens, (v) Owner Participant's Liens, (vi) sub-subleases permitted under the Sublease, (vii) the FRA Contingent Lien and (viii) the Lien of the FRA Subordinated Security Agreement.

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

"Principal Corporate Trust Office" with respect to the Indenture Trustee means the office of the Indenture

Trustee located at the address set forth in the first paragraph of the Indenture, or such other office at which the corporate trust business of the Indenture Trustee shall be conducted, written notice of which shall have been given to the Owner Trustee, Owner Participant, Amtrak and the holders of Outstanding Secured Notes.

"Property Insurance" has the meaning specified in Section 8.1(i)(a) of the Sublease.

"Purchase Agreement" means that certain Car Purchase Agreement dated June 12, 1989 between Amtrak, as purchaser, and Manufacturer, as seller.

"Purchased Units" means any Units with respect to which Sublessee shall have acquired the Leasehold Interests pursuant to Section 16.1 of the Sublease.

"Rail Passenger Service Act" means the Rail Passenger Service Act (45 U.S.C. § 501 et seq.).

"Reimbursement Amount" shall have the meaning specified in Section 4.2(ii) of the Sublease.

"Reinvestment Rate" means 50 basis points plus the arithmetic mean of the yields under the respective headings "This Week" and "Last Week" published in the Statistical Release under the caption "Treasury Constant Maturities" for the maturity (rounded to the nearest month) corresponding to the Weighted Average Life to Maturity of the principal being prepaid (taking into account the application of such prepayment required by Section 5.01 of the Indenture). If no maturity exactly corresponds to such Weighted Average Life to Maturity, yields for the two published maturities most closely corresponding to such Weighted Average Life to Maturity shall be calculated pursuant to the immediately preceding sentence and the Reinvestment Rate shall be interpolated or extrapolated from such yields on a straight-line basis, rounding in each of such relevant periods to the nearest month. For the purposes of calculating the Reinvestment Rate, the most recent Statistical Release published prior to the date of determination of the Make-Whole Amount shall be used.

"Release and Consent" means that certain Release of Mortgage and Consent dated as of May 30, 1990 by the FRA.

"Renewal Rent" has the meaning specified in Section 16.4 of the Sublease.

"Renewal Term" means a Fixed Rate Renewal Term or a Fair Market Renewal Term.

"Rent" means Base Rent, Renewal Rent and Supplemental Rent, collectively.

"Rent Factor" for any Rent Payment Date means the percentage of Equipment Cost set forth opposite such Rent Payment Date on Schedule 1 to the Sublease, as such Rent Factor may have been adjusted pursuant to Section 4.3 or 16.4 of the Sublease.

"Rent Payment Date" means each January 2 and July 2 during the Sublease Term commencing with July 2, 1991.

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

"Replacement Unit" for a Unit suffering a Casualty Occurrence means a material handling car of the same or improved model as the Unit being replaced, or a comparable material handling car of a different manufacturer, in any case having a value, utility and remaining useful life at least equal to the Unit being replaced, assuming that the Unit being replaced was of the value, utility and remaining useful life as required by the terms hereof immediately prior to such Casualty Occurrence.

"Responsible Officer" of an entity means any corporate officer or other responsible official of such entity who is designated as the recipient of a notice pursuant to the provisions of any Operative Document or who, in the normal performance of such official's operational responsibilities, would have knowledge of the matter at issue and the relevant provisions of any applicable Operative Document. When used with respect to the Indenture Trustee or the Owner Trustee, "Responsible Officer" means any officer within the Principal Corporate Trust Office or the Corporate Trust Department (or any successor group) thereof assigned by the Indenture Trustee or the Owner Trustee, as the case may be, to administer its corporate trust matters.

"Restricted Security" means a Secured Note unless and until (i) it has been effectively registered in accordance with a registration statement under the Securities Act covering it or (ii) it has been distributed to the public pursuant to Rule 144 (or any successor rule) under the Securities Act.

"Secretary" means the Secretary of the Department of Transportation.

"Secured Note" means each of the notes of Amtrak, substantially in the form thereof specified in Appendix A to the Indenture, as are authenticated and delivered pursuant to the Indenture and as assumed by the Owner Trustee pursuant to

an Owner Trustee Assumption Confirmation and any Replacement Note.

"Securities Act" means the Securities Act of 1933 (15 U.S.C. § 77a et seq.).

"Specified Default" means a Default specified in Sections 13.1(i), (ii), (iii), (vi), (vii), (viii), (ix), (x) and (xi) of the Sublease.

"Special Purchase Date" means the 18th anniversary of the Base Lease Commencement Date or, if such date is not a Business Day, the next succeeding Business Day or such other later date as Sublessor and Sublessee may agree.

"Special Termination Date" has the meaning specified in Section 26.2 of the Sublease.

"Statistical Release" means the statistical release designated "H.15(519)" or any successor publication which is published weekly by the Federal Reserve System and which establishes yields on actively traded U.S. Government Securities adjusted to constant maturities or, if such statistical release is not published at the time of any determination hereunder, then such other reasonably comparable index which shall be designated by the holders of 66-2/3% in aggregate principal amount of the Secured Notes Outstanding; provided, however, that if there are more than twenty (20) holders of Secured Notes Outstanding, then such other reasonably comparable index shall be designated by the holders of 50% in aggregate principal amount of the Secured Notes Outstanding.

"Sublease" means that certain Sublease of Railroad Equipment dated as of May 30, 1990 between Owner Trustee, as sublessor, and Amtrak, as sublessee. Unless the context otherwise requires, "Sublease" shall include each Sublease Supplement.

"Sublease Assignment" means any assignment of a sub-sublease pursuant to Section 15.2(ii)(a)(4) of the Sublease.

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

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

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

"Sublease Supplement" means a supplement to the Sublease in substantially the form of Exhibit A to the

Sublease, entered into between Sublessor and Sublessee (collectively, the "Sublease Supplements").

"Sublease Term" for each Unit means the period commencing on the Delivery Date therefor and continuing to and including the last day of the Base Lease Term, or if Sublessee exercises any renewal options contained in Section 16.4 of the Sublease with respect to such Unit, the last day of the last Renewal Term, in each case unless earlier terminated pursuant to the terms of the Sublease.

"Sublessee" means National Railroad Passenger Corporation, a corporation organized under the Rail Passenger Service Act and the laws of the District of Columbia, also known as Amtrak, in its capacity as sublessee under the Sublease.

"Sublessor" means The Connecticut Bank and Trust Company, National Association, a national banking association, not in its individual capacity but solely as Owner Trustee except as otherwise expressly provided in the Operative Documents, in its capacity as sublessor under the Sublease.

"Sublessor's Liens" means any Lien which results from claims by or against Sublessor, in its individual capacity or as trustee, unrelated to the transactions contemplated by the Operative Documents.

"Supplemental Rent" means any and all amounts, liabilities and obligations (other than Base Rent or Renewal Rent) which Sublessee assumes or agrees to pay to any Person under the Sublease or under the Participation Agreement, including, without limitation, Section 4.2 of the Sublease and Sections 6 and 7 of the Participation Agreement, or under any other Operative Document, including, without limitation, payments of Casualty Value and amounts measured by reference thereto, indemnity payments and payments pursuant to the Tax Indemnity Agreement.

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

"Taxes" has the meaning specified in Section 6.1(i) to the Participation Agreement.

"Tax Indemnity Agreement" means that certain Tax Indemnity Agreement dated as of May 30, 1990 between Owner Participant and Amtrak.

"Termination Date" has the meaning specified in Section 26 of the Sublease.

"Transaction Expenses" has the meaning specified in Section 7.1 of the Participation Agreement.

"Transferee" means the Person to whom the Owner Participant has transferred its interest in the Trust Estate in accordance with Section 10 of the Participation Agreement.

"Treasury Rate" shall mean, as of any date, the weighted average yield to maturity of 30-day United States Treasury Notes as quoted by Shearson Lehman Hutton, Inc. or Bankers Trust Company (or, if neither of such Persons shall be quoting such a rate, as quoted by a reputable dealer in United States Treasury Notes mutually acceptable to Owner Participant and Sublessor).

"Trust Agreement" means that certain Trust Agreement dated as of May 30, 1990 between Owner Participant and CB&T.

"Trust Estate" means all estate, right, title and interest of Owner Trustee in and to the Equipment, the Lease and the Sublease and any other property contributed by Owner Participant, including all amounts of Rent, insurance proceeds and requisition, indemnity or other payments of any kind for or with respect to the Equipment. Notwithstanding the foregoing, except for purposes of Section 6.1 of the Participation Agreement, "Trust Estate" shall not include any Excepted Rights or Excepted Payments.

"Trust Indenture Act" means the Trust Indenture Act of 1939 (15 U.S.C. § 77aaa et seq.).

"Trustee's Expenses" has the meaning specified in Section 5.01(a) clause "Second" of the Indenture.

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

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

"Trust Indenture Estate (Owner Trustee)" has the meaning specified in the Granting Clauses of the Indenture.

"Unit" and "Units" have the meanings set forth under "Equipment".

"Voluntary Termination" has the meaning specified in Section 26.1 of the Sublease.

"Warranty Assignment" means that certain Warranty Assignment dated as of May 30, 1990 between Amtrak, as assignor, and Owner Trustee, as assignee.

"Weighted Average Life to Maturity" of the principal amount of the Secured Notes being prepaid means, as of the time of any determination thereof, the number of years obtained by dividing the then Remaining Dollar-Years of such principal by the aggregate amount of such principal. The term "Remaining Dollar-Years" of such principal shall mean the amount obtained by (i) multiplying (x) the remainder of (1) the amount of principal that would have become due on each scheduled payment date if such prepayment had not been made, less (2) the amount of principal on the Secured Notes scheduled to become due on such date after giving effect to such prepayment and the application thereof in accordance with the provisions of Section 5.01 of the Indenture, by (y) the number of years (calculated to the nearest one-twelfth) which will elapse between the date of determination and such schedule payment date, and (ii) totalling the products obtained in (i).

[SUBLEASE SUPPLEMENT]

SCHEDULE 1 TO SUBLEASE
SUPPLEMENT NO. _____

DESCRIPTION OF UNITS
MATERIAL HANDLING CARS

EQUIPMENT TYPE	AMTRAK EQUIPMENT NUMBER	EQUIPMENT TYPE	AMTRAK EQUIPMENT NUMBER
MATERIAL HANDLING CAR	1500	MATERIAL HANDLING CAR	1535
MATERIAL HANDLING CAR	1501	MATERIAL HANDLING CAR	1536
MATERIAL HANDLING CAR	1502	MATERIAL HANDLING CAR	1537
MATERIAL HANDLING CAR	1503	MATERIAL HANDLING CAR	1538
MATERIAL HANDLING CAR	1504	MATERIAL HANDLING CAR	1539
MATERIAL HANDLING CAR	1505	MATERIAL HANDLING CAR	1540
MATERIAL HANDLING CAR	1506	MATERIAL HANDLING CAR	1541
MATERIAL HANDLING CAR	1507	MATERIAL HANDLING CAR	1542
MATERIAL HANDLING CAR	1508	MATERIAL HANDLING CAR	1543
MATERIAL HANDLING CAR	1509	MATERIAL HANDLING CAR	1544
MATERIAL HANDLING CAR	1510	MATERIAL HANDLING CAR	1545
MATERIAL HANDLING CAR	1511	MATERIAL HANDLING CAR	1546
MATERIAL HANDLING CAR	1512	MATERIAL HANDLING CAR	1547
MATERIAL HANDLING CAR	1513	MATERIAL HANDLING CAR	1548
MATERIAL HANDLING CAR	1514	MATERIAL HANDLING CAR	1549
MATERIAL HANDLING CAR	1515	MATERIAL HANDLING CAR	1550
MATERIAL HANDLING CAR	1516	MATERIAL HANDLING CAR	1551
MATERIAL HANDLING CAR	1517	MATERIAL HANDLING CAR	1552
MATERIAL HANDLING CAR	1518	MATERIAL HANDLING CAR	1553
MATERIAL HANDLING CAR	1519	MATERIAL HANDLING CAR	1554
MATERIAL HANDLING CAR	1520	MATERIAL HANDLING CAR	1555
MATERIAL HANDLING CAR	1521	MATERIAL HANDLING CAR	1556
MATERIAL HANDLING CAR	1522	MATERIAL HANDLING CAR	1557
MATERIAL HANDLING CAR	1523	MATERIAL HANDLING CAR	1558
MATERIAL HANDLING CAR	1524	MATERIAL HANDLING CAR	1559
MATERIAL HANDLING CAR	1525	MATERIAL HANDLING CAR	1560
MATERIAL HANDLING CAR	1526	MATERIAL HANDLING CAR	1561
MATERIAL HANDLING CAR	1527	MATERIAL HANDLING CAR	1562
MATERIAL HANDLING CAR	1528	MATERIAL HANDLING CAR	1563
MATERIAL HANDLING CAR	1529	MATERIAL HANDLING CAR	1564
MATERIAL HANDLING CAR	1530	MATERIAL HANDLING CAR	1565
MATERIAL HANDLING CAR	1531	MATERIAL HANDLING CAR	1566
MATERIAL HANDLING CAR	1532	MATERIAL HANDLING CAR	1567
MATERIAL HANDLING CAR	1533	MATERIAL HANDLING CAR	1568
MATERIAL HANDLING CAR	1534	MATERIAL HANDLING CAR	1569

16917
RECORDATION NO _____ FILED 1425
JUN 29 1990 -12 50 PM
INTERSTATE COMMERCE COMMISSION

SUBLEASE SUPPLEMENT NO. 1

THIS SUBLEASE SUPPLEMENT NO. 1 dated as of July, 3 1990 (this "Sublease Supplement") between The Connecticut Bank and Trust Company, National Association, a national banking association, not in its individual capacity but solely as trustee under that certain Trust Agreement dated as of May 30, 1990 between American Security Bank, National Association and such trustee, as sublessor, and NATIONAL RAILROAD PASSENGER CORPORATION (also known as AMTRAK), a corporation organized under the Rail Passenger Service Act and the laws of the District of Columbia, as sublessee, pursuant to and in accordance with the Sublease of Railroad Equipment dated as of May 30, 1990 between Sublessor and Sublessee (as amended and supplemented to the date hereof, the "Sublease").

1. Capitalized terms and phrases used and not otherwise defined herein shall for all purposes of this Sublease Supplement have the respective meanings specified therefor in Annex A to the Sublease, as originally executed or as modified, amended or supplemented in accordance with the applicable provisions thereof.

2. The Units covered by this Sublease Supplement are described in Schedule 1 attached hereto.

3. The Equipment Cost for the Units is $22,197,000.00.

4. The Debt Rate equals 10.25% per annum based on a year consisting of twelve (12) thirty (30) day months.

5. The Interim Term of the Sublease for the Units covered by this Sublease Supplement shall commence on the date of this Sublease Supplement and shall terminate on January 1, 1991 unless terminated or extended pursuant to the terms of the Sublease. The Base Lease Term of the Sublease for the Units covered by this Sublease Supplement shall commence on January 2, 1991 and shall terminate at on January 2, 2012 unless earlier terminated or extended pursuant to the terms of the Sublease.

6. By the execution and delivery of this Sublease Supplement, Sublessee and Sublessor reaffirm all of the terms, provisions and conditions of the Sublease.

7. This Supplement may be executed in several counterparts (or upon separate signature pages bound together into one or more counterparts), such counterparts together constituting but one and the same instrument. To the extent, if any, that this Sublease Supplement constitutes chattel paper or other collateral within the meaning of the Uniform Commercial Code (or other law respecting security interests) as in effect in any applicable jurisdiction, no security interest in Sublessor's interest under this Sublease Supplement may be created through the transfer or possession of any counterpart of this Sublease Supplement other than the original executed counterpart No. 1 hereof which shall be identified as the counterpart containing the receipt therefor executed by Indenture Trustee on or immediately following the signature page hereof.

8. Sublessee hereby represents and warrants to Owner Trustee that, effective on the date hereof, the Units described in Schedule 1 hereto have been delivered to Sublessee, have been duly accepted by Sublessee and that said Schedule 1 contains a correct and complete description of said Units sufficient for the purposes of the Sublease and the Lessee Security Agreement.

IN WITNESS WHEREOF, the parties have caused this Sublease Supplement to be duly executed by their respective duly authorized officers as of the date first set forth above.

THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, not in its individual capacity but solely as Owner Trustee, Sublessor

By: _____
Name: V. SLUITT
Title: ASSISTANT VICE PRESIDENT

NATIONAL RAILROAD PASSENGER CORPORATION, Sublessee

By: _____
Name: Richard I. Klein
Title: Treasurer

STATE OF NEW YORK)
) ss
COUNTY OF NEW YORK)

On this 27th day of June, 1990 before me personally appeared V GLUNT, to me personally known, who being by me duly sworn, says that he is the ASSISTANT VICE PRESIDENT of THE CONNECTICUT BANK AND TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association, as Owner Trustee under such instrument, that said instrument was signed on behalf of said national banking association by authority of its Board of Directors on such day, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said national banking association.

LAURE SALERNO
NOTARY PUBLIC, State of New York
No 41-4694935
Qualified in Queens County
Commission Expires ~~March 30, ...~~

Laure Salerno
Notary Public

My Commission Expires: July 31, 1991

[SEAL]

DISTRICT OF COLUMBIA)
) ss
CITY OF WASHINGTON)

On this 25th day of June, 1990 before me personally appeared Richard I. Klein, to me personally known, who being by me duly sworn, says that he is the Treasurer of NATIONAL RAILROAD PASSENGER CORPORATION, that said instrument was signed on behalf of said corporation by authority of its Board of Directors on such day, and he acknowledges that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

My Commission Expires: 1-1-95

[SEAL]

SCHEDULE 1 TO SUBLEASE
SUPPLEMENT NO. 1

DESCRIPTION OF UNITS
MATERIAL HANDLING CARS

EQUIPMENT TYPE	AMTRAK EQUIPMENT NUMBER	EQUIPMENT TYPE	AMTRAK EQUIPMENT NUMBER
MATERIAL HANDLING CAR	1500	MATERIAL HANDLING CAR	1535
MATERIAL HANDLING CAR	1501	MATERIAL HANDLING CAR	1536
MATERIAL HANDLING CAR	1502	MATERIAL HANDLING CAR	1537
MATERIAL HANDLING CAR	1503	MATERIAL HANDLING CAR	1538
MATERIAL HANDLING CAR	1504	MATERIAL HANDLING CAR	1539
MATERIAL HANDLING CAR	1505	MATERIAL HANDLING CAR	1540
MATERIAL HANDLING CAR	1506	MATERIAL HANDLING CAR	1541
MATERIAL HANDLING CAR	1507	MATERIAL HANDLING CAR	1542
MATERIAL HANDLING CAR	1508	MATERIAL HANDLING CAR	1543
MATERIAL HANDLING CAR	1509	MATERIAL HANDLING CAR	1544
MATERIAL HANDLING CAR	1510	MATERIAL HANDLING CAR	1545
MATERIAL HANDLING CAR	1511	MATERIAL HANDLING CAR	1546
MATERIAL HANDLING CAR	1512	MATERIAL HANDLING CAR	1547
MATERIAL HANDLING CAR	1513	MATERIAL HANDLING CAR	1548
MATERIAL HANDLING CAR	1514	MATERIAL HANDLING CAR	1549
MATERIAL HANDLING CAR	1515	MATERIAL HANDLING CAR	1550
MATERIAL HANDLING CAR	1516	MATERIAL HANDLING CAR	1551
MATERIAL HANDLING CAR	1517	MATERIAL HANDLING CAR	1552
MATERIAL HANDLING CAR	1518	MATERIAL HANDLING CAR	1553
MATERIAL HANDLING CAR	1519	MATERIAL HANDLING CAR	1554
MATERIAL HANDLING CAR	1520	MATERIAL HANDLING CAR	1555
MATERIAL HANDLING CAR	1521	MATERIAL HANDLING CAR	1556
MATERIAL HANDLING CAR	1522	MATERIAL HANDLING CAR	1557
MATERIAL HANDLING CAR	1523	MATERIAL HANDLING CAR	1558
MATERIAL HANDLING CAR	1524	MATERIAL HANDLING CAR	1559
MATERIAL HANDLING CAR	1525	MATERIAL HANDLING CAR	1560
MATERIAL HANDLING CAR	1526	MATERIAL HANDLING CAR	1561
MATERIAL HANDLING CAR	1527	MATERIAL HANDLING CAR	1562
MATERIAL HANDLING CAR	1528	MATERIAL HANDLING CAR	1563
MATERIAL HANDLING CAR	1529	MATERIAL HANDLING CAR	1564
MATERIAL HANDLING CAR	1530	MATERIAL HANDLING CAR	1565
MATERIAL HANDLING CAR	1531	MATERIAL HANDLING CAR	1566
MATERIAL HANDLING CAR	1532	MATERIAL HANDLING CAR	1567
MATERIAL HANDLING CAR	1533	MATERIAL HANDLING CAR	1568
MATERIAL HANDLING CAR	1534	MATERIAL HANDLING CAR	1569