

*Countrywide*

LOS ANGELES  
CENTURY CITY  
NEWPORT BEACH  
SAN FRANCISCO  
WASHINGTON, D.C.

**O'MELVENY & MYERS LLP**

Citicorp Center  
153 East 53rd Street  
New York, New York 10022-4611  
TELEPHONE (212) 326-2000  
FACSIMILE (212) 326-2061  
INTERNET: www.ommm.com

RECEIVED  
SURFACE TRANSPORTATION  
BOARD

DEC 18 4 28 PM HONG KONG  
LONDON  
SHANGHAI  
TOKYO

RECORDATION NO. 21884 FILED

DEC 18 '98 4-28 PM

December 18, 1998

RECORDATION NO. 21884-A, B, C, D, E FILED

OUR FILE NUMBER  
907,355-011  
651419.1

DEC 18 '98 4-28 PM

WRITER'S DIRECT DIAL  
212-326-2238

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

WRITER'S E-MAIL ADDRESS  
jgledman@ommm.com

Re: WMATA 1998 Trust USB A

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of Section 11301, title 49 of the United States Code are an original and copy each of (1) the Short Form of Head Lease, (2) the Short Form of Lease, and (3) the Short Form of Equipment Mortgage & Pledge Agreement, each dated as of December 18, 1998. These are all primary documents as defined in the Surface Transportation Board's Rules for the recordation of documents.

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

**Short Form of Head Lease**

**Lessor:** Washington Metropolitan Area Transit Authority  
600 Fifth Street N.W.  
Washington, DC 20001

**Lessee:** WMATA 1998 Trust USB A  
c/o Wilmington Trust Company  
Rodney Square North  
1100 North Market Street  
Wilmington, Delaware 19890

**Short Form of Lease**

**Lessor:** WMATA 1998 Trust USB A  
c/o Wilmington Trust Company  
Rodney Square North  
1100 North Market Street  
Wilmington, Delaware 19890

**Lessee:** Washington Metropolitan Area Transit Authority  
600 Fifth Street N.W.  
Washington, DC 20001

**Short Form of Equipment Mortgage & Pledge Agreement**

**Mortgagor:** Washington Metropolitan Area Transit Authority  
600 Fifth Street N.W.  
Washington, DC 20001

**Mortgagee:** WMATA 1998 Trust USB A  
c/o Wilmington Trust Company  
Rodney Square North  
1100 North Market Street  
Wilmington, Delaware 19890

A description and the number of the Equipment covered by the enclosed documents is set forth on Exhibit A attached to each of the above-listed Short Form Agreements.

Additionally, I have enclosed for recordation an original and one copy each of (1) the Short Form of Loan Agreement, dated as of December 18, 1998, which is a secondary document. The Short Form of Loan Agreement relates to the above-listed documents; (2) the Short Form of Lessor's Security Agreement, dated as of December 18, 1998, which is both a primary and a secondary document. The Short Form of Lessor's Security Agreement relates to the Short Form of Head Lease; and (3) the Short Form of Head Lessor's Lease Mortgage, dated as of December 18, 1998, which is both a primary and a secondary document. The Short Form of Head Lessor's Lease Agreement relates to Short Form of Lease.

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

**Short Form of Loan Agreement**

**Assignor:** WMATA 1998 Trust USB A  
c/o Wilmington Trust Company  
Rodney Square North  
1100 North Market Street  
Wilmington, Delaware 19890

**Assignee:** AIG-FP Funding (Cayman) Limited, as agent for  
the Series A and Series B Lenders  
c/o Maples & Calder  
P.O. Box 309  
Ugland House  
South Church Street  
Grand Cayman, Cayman Islands  
British West Indies

**Short Form of Head Lessor's Lease Mortgage**

**Assignor:** WMATA 1998 Trust USB A  
c/o Wilmington Trust Company  
Rodney Square North  
1100 North Market Street  
Wilmington, Delaware 19890

**Assignee:** Washington Metropolitan Area Transit Authority  
600 Fifth Street N.W.  
Washington, DC 20001

**Mortgagor:** WMATA 1998 Trust USB A  
c/o Wilmington Trust Company  
Rodney Square North  
1100 North Market Street  
Wilmington, Delaware 19890

**Mortgagee:** Washington Metropolitan Area Transit Authority  
600 Fifth Street N.W.  
Washington, DC 20001

**Short Form of Lessor's Security Agreement**

**Assignor:**

WMATA 1998 Trust USB A  
c/o Wilmington Trust Company  
Rodney Square North  
1100 North Market Street  
Wilmington, Delaware 19890

**Assignee:**

Washington Metropolitan Area Transit Authority  
600 Fifth Street N.W.  
Washington, DC 20001

**Mortgagor:**

WMATA 1998 Trust USB A  
c/o Wilmington Trust Company  
Rodney Square North  
1100 North Market Street  
Wilmington, Delaware 19890

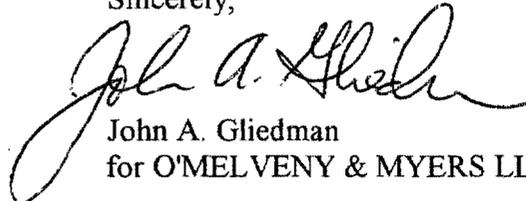
**Mortgagee:**

Washington Metropolitan Area Transit Authority  
600 Fifth Street N.W.  
Washington, DC 20001

Please cross-reference the above three agreements under the names Washington Metropolitan Area Transit Authority and WMATA 1998 Trust USB A.

We enclose the filing fee pursuant to the applicable regulations. Please stamp and return original documents to Mr. Richard Vorosmarti of the Federal Research Corporation, 400 Seventh St., N.W., Suite 101, Washington, D.C. 20004. WMATA has appointed Mr. Vorosmarti as its attorney-in-fact for the purpose of making this filing.

Sincerely,



John A. Gliedman  
for O'MELVENY & MYERS LLP

RECORDING REQUESTED BY  
AND WHEN RECORDED MAIL TO:

RECORDATION NO. 21884-A FILED

DEC 18 '98 4-28 PM

O'Melveny & Myers LLP  
153 East 53rd Street  
New York, New York 10022

### SHORT FORM OF LEASE

This Short Form of Lease is made and dated as of the 18<sup>th</sup> day of December, 1998, by and among, **WMATA 1998 TRUST USB A**, a Delaware statutory business trust ("**Lessor**"), and having an address in care of Wilmington Trust Company, 1100 North Market Street, Wilmington, Delaware 19890-0001, and **WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY**, a body corporate and politic created and existing under and by virtue of a compact between the State of Maryland, the Commonwealth of Virginia and the District of Columbia ("**Lessee**"), and having an address at 600 Fifth Street, NW, Washington, DC 20001.

A. Lessor is the owner of a leasehold interest in certain Equipment described in Exhibit A attached hereto and incorporated herein by reference (the "**Equipment**").

B. Lessor desires to lease the Equipment to Lessee, and Lessee desires to lease the Equipment from the lessor, on the terms and conditions set forth in that certain Lease Agreement between Lessor and Lessee of date even herewith (the "**Lease**"), which by this reference is incorporated herein and made a part hereof as if set forth at length.

C. Lessor and Lessee desire to record this Short Form of Lease with the U.S. Surface Transportation Board to give constructive notice of Lessee's interest in the Equipment.

D. Attached hereto as Exhibit B is a Lease Certificate of Acceptance between Lessor and Lessee of date even herewith, which is incorporated by reference herein and made a part hereof as if set forth at length.

In consideration of the foregoing recitals, and for other good and allowable consideration, the receipt and sufficiency of which are hereby acknowledged, Lessee and Lessor agree as follows:

1. **Property Leased.** Lessor hereby leases to Lessee, and Lessee hereby leases from Lessor, the Equipment for the term, and on the covenants and conditions set forth in the Lease, which Lease is by this reference incorporated herein and made a part hereof as fully as if set forth herein at length.

2. **Term of Lease.** The above-described lease term is for the term set forth in the Lease, subject to any extension or renewal options contained in the Lease.

3. **Conflict With Lease.** In the event of any conflict between this Short Form of Lease and the Lease, the terms, covenants and conditions of the Lease shall control.

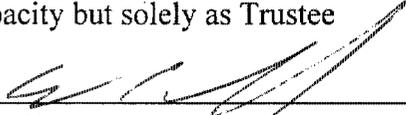
4. **Counterparts.** This Short Form of Lease may be executed in one or more counterparts, but there shall only be one original. Signature pages may be detached from multiple separate counterparts and attached to a single counterpart so that all signature pages are physically attached the same instrument, which shall be the original of this Short Form of Lease.

**IN WITNESS WHEREOF**, the Lessee and Lessor have executed this Short Form of Lease as of the date first above written.

LESSOR:

WMATA 1998 TRUST USB A

By: Wilmington Trust Company, not in its individual capacity but solely as Trustee

By:   
Name: **W. CHRIS SPONENBERG**  
Title: **ASSISTANT VICE PRESIDENT**

LESSEE:

WASHINGTON METROPOLITAN AREA TRANSIT  
AUTHORITY

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

Acknowledgment  
Pursuant to 49 C.F.R. § 1177.3

I, W. CHRIS SPONENBERG, certify that I am <sup>Assistant</sup> ~~vice President~~ of Wilmington Trust Company, the Trustee of WMATA 1998 TRUST USB A, a Delaware statutory business trust, that the instrument was signed and sealed on behalf of the Trust by authority of its Trustee, and that I acknowledge that the execution of the foregoing instrument was the free act and deed of the Trust. I further declare under penalty of perjury that the foregoing is true and correct.

Executed on December \_\_, 1998



Name: **W. CHRIS SPONENBERG**  
Title: **ASSISTANT VICE PRESIDENT**

**IN WITNESS WHEREOF**, the Lessee and Lessor have executed this Short Form of Lease as of the date first above written.

LESSOR:

WMATA 1998 TRUST USB A

By: Wilmington Trust Company, not in its individual capacity but solely as Trustee

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

LESSEE:

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

By: *Peter Benjamin*  
Name: Peter Benjamin  
Title: Assistant General Manager for Finance and Program Development

Acknowledgment  
Pursuant to 49 C.F.R. § 1177.3

I, Harold M. Bartlett, certify that I am  
Secretary of Washington Metropolitan Area Transit Authority  
("WMATA"), a body corporate and politic created and existing under and by virtue of a compact  
between the State of Maryland, the Commonwealth of Virginia and the District of Columbia, that  
the seal affixed to the foregoing instrument is the seal of WMATA, that the instrument was  
signed and sealed on behalf of WMATA by authority of its Board of Directors, and that I  
acknowledge that the execution of the foregoing instrument was the free act and deed of  
WMATA. I further declare under penalty of perjury that the foregoing is true and correct.

Executed on December \_\_, 1998.

By: Harold M. Bartlett  
Name: Harold M. Bartlett  
Title: Secretary

**EXHIBIT A**

**EQUIPMENT LOT RELATING TO**

**WMATA 1998 TRUST USB A**

<u>Equipment Description</u>	<u>Car Serial #</u>
1 Breda 3000 Passenger Rail Car	3004
1 Breda 3000 Passenger Rail Car	3005
1 Breda 3000 Passenger Rail Car	3006
1 Breda 3000 Passenger Rail Car	3007
1 Breda 3000 Passenger Rail Car	3010
1 Breda 3000 Passenger Rail Car	3011
1 Breda 3000 Passenger Rail Car	3016
1 Breda 3000 Passenger Rail Car	3017
1 Breda 3000 Passenger Rail Car	3018
1 Breda 3000 Passenger Rail Car	3019
1 Breda 3000 Passenger Rail Car	3028
1 Breda 3000 Passenger Rail Car	3029
1 Breda 3000 Passenger Rail Car	3034
1 Breda 3000 Passenger Rail Car	3035
1 Breda 3000 Passenger Rail Car	3036
1 Breda 3000 Passenger Rail Car	3037
1 Breda 3000 Passenger Rail Car	3038
1 Breda 3000 Passenger Rail Car	3039
1 Breda 3000 Passenger Rail Car	3040
1 Breda 3000 Passenger Rail Car	3041
1 Breda 3000 Passenger Rail Car	3042
1 Breda 3000 Passenger Rail Car	3043
1 Breda 3000 Passenger Rail Car	3044
1 Breda 3000 Passenger Rail Car	3045
1 Breda 3000 Passenger Rail Car	3046
1 Breda 3000 Passenger Rail Car	3047
1 Breda 3000 Passenger Rail Car	3048
1 Breda 3000 Passenger Rail Car	3049
1 Breda 3000 Passenger Rail Car	3050
1 Breda 3000 Passenger Rail Car	3051
1 Breda 3000 Passenger Rail Car	3052
1 Breda 3000 Passenger Rail Car	3053
1 Breda 3000 Passenger Rail Car	3054
1 Breda 3000 Passenger Rail Car	3055
1 Breda 3000 Passenger Rail Car	3056
1 Breda 3000 Passenger Rail Car	3057
1 Breda 3000 Passenger Rail Car	3058
1 Breda 3000 Passenger Rail Car	3059
1 Breda 3000 Passenger Rail Car	3060
1 Breda 3000 Passenger Rail Car	3061
1 Breda 3000 Passenger Rail Car	3062
1 Breda 3000 Passenger Rail Car	3063

**EXHIBIT B**

LEASE CERTIFICATE OF ACCEPTANCE (WMATA-USB-A), dated December \_\_, 1998, by WMATA 1998 TRUST-USB A, a Delaware statutory business trust (herein called the "Lessor"), and by WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY (herein called the "Lessee"). All capitalized terms used herein, unless defined herein, shall have the respective meanings set forth in Appendix A to the Participation Agreement (WMATA-USB-A), dated as of December \_\_, 1998 among the Lessee, the Lessor and others.

W I T N E S S E T H:

WHEREAS, the Lessor and the Lessee, concurrently herewith, are entering into the Lease Agreement (the "Lease"). The Participation Agreement provides for, inter alia, the execution and delivery on the date hereof of this Lease Certificate of Acceptance for the purpose of acknowledging delivery of specific Items of Equipment under the Lease and leasing such Items of Equipment under the Lease as and when delivered in accordance with the terms thereof.

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

1. The Lessor hereby delivers and leases to the Lessee under the Lease, and the Lessee hereby accepts and leases from the Lessor under the Lease the Items of Equipment specified in Schedule I hereto.
2. The date of delivery and acceptance of such Items of Equipment under the Lease is the date of this Lease Certificate of Acceptance as set forth in the opening paragraph hereof, on which date the Term for such Items of Equipment shall commence.
3. The Lessee hereby confirms to the Lessor that the Lessee has accepted such Items of Equipment for all purposes of the Lease as being in good working order and repair and without defect or inherent vice in condition, design, operation or fitness for use, and otherwise in full compliance with the Lease; provided, however, that nothing contained herein or in the Lease shall in any way diminish or otherwise affect any right the Lessor may have with respect to such Items of Equipment against the Lessee under the Head Lease.

IN WITNESS WHEREOF, the Lessor and the Lessee have caused this Lease Certificate of Acceptance to be duly executed on the day and year first above written.

LESSOR:

WMATA 1998 TRUST USB A

By: Wilmington Trust Company, not in its individual capacity but solely as Trustee

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

LESSEE:

WASHINGTON METROPOLITAN AREA TRANSIT  
AUTHORITY

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

CERTAIN OF THE RIGHT, TITLE AND INTEREST IN AND TO THIS LEASE CERTIFICATE OF ACCEPTANCE OF WMATA 1998 TRUST-USB A, HAVE BEEN ASSIGNED TO AND ARE SUBJECT TO A FIRST PRIORITY SECURITY INTEREST IN FAVOR OF THE UNDERSIGNED, AS AGENT, UNDER THE LOAN AND SECURITY AGREEMENT (WMATA-USB-A), DATED AS OF DECEMBER \_\_, 1998, AS AMENDED AND SUPPLEMENTED. THIS CERTIFICATE OF ACCEPTANCE HAS BEEN EXECUTED IN SEVERAL COUNTERPARTS. ONLY THE ORIGINAL COUNTERPART CONTAINS THE RECEIPT THEREFOR EXECUTED BY THE UNDERSIGNED, ON THE SIGNATURE PAGE HEREOF. SEE SECTION 23 OF THE LEASE FOR INFORMATION CONCERNING THE RIGHTS OF THE HOLDERS OF THE VARIOUS COUNTERPARTS HEREOF.

Receipt of this original counterpart of the foregoing Lease Certificate of Acceptance is hereby acknowledged on this December \_\_, 1998.

AIG-FP FUNDING (CAYMAN) LIMITED

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

**DESCRIPTION OF ITEMS OF EQUIPMENT**

(WMATA-USB-A)

Identification  
Numbers

Equipment  
Description

Value of  
Leasehold Interest

---

---

Total \_\_\_\_\_

**BASIC RENT**

Lease Period		Rent Payment Date	Lease Rent Allocation*		Basic Rent Payment
Beginning Date (Including)	Ending Date (Excluding)		Allocated Advance Rent	Allocated Arrears Rent	

\* All Advance Basic Rent (whether paid currently or deferred) is allocated from the Beginning Date of the applicable Lease Period to the Ending Date of the applicable Lease Period. All Arrears Basic Rent (whether paid currently or deferred) is allocated from the Beginning Date of the preceding Lease Period to the Ending Date of the preceding Lease Period.

**TERMINATION VALUES\***

<u>Termination Date</u>	<u>Termination Value</u>	<u>Casualty Value</u>
-------------------------	--------------------------	-----------------------

\* Amounts are expressed as a percentage of Leaschold Value.

**PURCHASE OPTION PRICE PAYMENTS\***

Payment Date	% of Leasehold Value
--------------	----------------------

\* Amounts are expressed as a percentage of Leasehold Value.

**RENEWAL RENT\***

Lease Period		Lease Rent Allocation**			
Beginning Date (Including)	Ending Date (Excluding)	Rent Payment Date	Advance Rent Allocation	Current Rent Paid***	Deferred Rent***

\* Amounts are expressed as a percentage of Leasehold Value.

\*\* All Advance Renewal Rent (whether paid currently or deferred) is allocated from the Beginning Date of the applicable Lease Period to the Ending Date of the applicable Lease Period.

\*\*\* Current Renewal Rent is due and payable on the applicable Rent Payment Date. Deferred Renewal Rent shall be payable on the last Rent Payment Date, together with interest thereon at 10.25% (compounded annually).

**RENEWAL TERMINATION VALUES\***

<u>Termination Date</u>	<u>Termination Value</u>	<u>Casualty Value</u>
-------------------------	--------------------------	-----------------------

\* Amounts are expressed as a percentage of Leasehold Value.

**ASSUMPTIONS USED BY THE EQUITY INVESTOR\***

1. Closing Date:
2. Basic Lease Commencement Date:
3. Interest Rate:
4. Free Cash Discount Rate:
5. Loan Amount:
6. Rent Periodicity:
7. Fee Amortization

\* Amount expressed as a percentage of Leasehold Value.