RECORDATION NO. 20521 FILED 1426
JAN 2 9 1997 -10 50 AM

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RECORDATION NO 20521-A, B, C, D, E
JAN 2 9 1997 -10 50 AM

January 28, 1997

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

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are two (2) copies of a Lease Agreement (1997-C), dated as of January 28, 1997, a primary document and two (2) copies each of the following secondary documents related thereto: Lease Supplement (1997-C), dated January 28, 1997, Sublease Agreement (1997-C), dated as of January 28, 1997, Sublease Supplement (1997-C), dated January 28, 1997, Equipment Pledge Agreement (1997-C), dated as of January 28, 1997 and Loan and Security Agreement (1997-C), dated as of January 28, 1997.

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

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

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

Lessee: Fleet National Bank, Trustee
777 Main Street
Hartford, Connecticut 06115

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

Sublessor: Fleet National Bank, Trustee
777 Main Street
Hartford, Connecticut 06115

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

Equipment Pledge Agreement (1997-C)

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

Pledgee: Fleet National Bank, Trustee
777 Main Street
Hartford, Connecticut 06115

Loan and Security Agreement (1997-C)

Borrower: Fleet National Bank, Trustee
777 Main Street
Hartford, Connecticut 06115

Lender: Utrecht-America Finance Co.
245 Park Avenue, 38th Floor
New York, New York 10167

A description of the railroad equipment covered by the enclosed documents is set forth on Schedule A attached to the Lease Supplement (1997-C).

Also enclosed is a check in the amount of $132.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

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

Very truly yours,

Robert W. Alvord

RWA/bg
Enclosures

SCHEDULE A

(1997-C)

Seven (7) Diesel Electric Passenger Locomotives manufactured by Electro-Motive Division G.M.C. (the "Manufacturer") pursuant to Formal Contract No. 337 dated as of September 15, 1986, as amended, between the Manufacturer and the Massachusetts Bay Transportation Authority (the "MBTA"), identified by the following MBTA identification numbers:

1068
1069
1070
1071
1072
1073
1074

RECORDATION NO. 20521-D FILED 1425
JAN 29 1997 -10 50 AM

EQUIPMENT PLEDGE AGREEMENT
(1997-C)

dated as of January 28, 1997

between

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY,
as Pledgor,

and

FLEET NATIONAL BANK,
not in its individual capacity, but
solely as Trustee (the "Pledgee")

Lease and Sublease of Rail Equipment

EQUIPMENT PLEDGE AGREEMENT

This EQUIPMENT PLEDGE AGREEMENT (1997-C) dated as of January 28, 1997, is between MASSACHUSETTS BAY TRANSPORTATION AUTHORITY, a body politic and corporate and a political subdivision of The Commonwealth of Massachusetts (1997-C) (the "Pledgor"), and FLEET NATIONAL BANK, not in its individual capacity but solely as Trustee except as provided therein (the "Pledgee") under the Trust Agreement dated as of January 28, 1997, between the Pledgee and State Street Bank and Trust Company (the "Equity Investor").

W I T N E S S E T H :

WHEREAS, it is a condition to the obligations of the Pledgee and the Equity Investor to enter into the transactions contemplated by the Participation Agreement (1997-C) dated as of the date hereof among the Pledgor, the Equity Investor, Utrecht-America Finance Co , as Lender, and the Pledgee (the "Participation Agreement"), including specifically entering into the Head Lease and the Sublease with the Pledgor, that the Pledgor and the Pledgee enter into this Equipment Pledge Agreement (this "Agreement") to secure performance by the Pledgor of the Obligations (as hereinafter defined);

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration the receipt and adequacy of which is hereby acknowledged, and in order to induce the Pledgee and the Equity Investor to enter into the Participation Agreement, and intending to be legally bound, the parties do hereby agree as follows:

SECTION 1. Definitions. Capitalized terms used but not otherwise defined herein shall have the respective meanings given such terms in Appendix A to the Participation Agreement and the rules of usage set forth therein shall apply to this Agreement.

SECTION 2. Pledge. As collateral security for (i) the performance by the Pledgor of all of its obligations under the Head Lease, including, without limitation, Section 5(b) of the Head Lease and Section 13 of the Head Lease to transfer to Pledgee or its designee all of Pledgor's residual interest in the Equipment upon compliance by the Pledgee with the terms set forth in such Section 13 as conditions to such transfer and (ii) the prompt payment when due of the obligations of the Pledgor under the Sublease (collectively, the "Obligations"), the Pledgor hereby mortgages, pledges, hypothecates, assigns, transfers and sets over unto the Pledgee, in the manner hereinafter provided, and grants to the Pledgee a security interest in and Lien upon the following (the "Collateral"):

(a) the Equipment and all other property now owned or hereafter acquired by Pledgor and subjected to the Head Lease,

(b) all rights, claims and causes of action, if any, that the Pledgor may have against any Person in respect of the foregoing; and

(c) all proceeds of any or all of the foregoing.

TO HAVE AND TO HOLD the Collateral, together with all rights, titles, interests, powers, privileges and preferences pertaining or incidental thereto, unto the Pledgee, its successors and assigns, forever, subject, however, to the terms, covenants and conditions hereinafter set forth.

SECTION 3. Representations, Warranties and Agreements.

(a) The Pledgor agrees not to withdraw, liquidate, sell, convey, or in any way dispose of, or create, incur, or permit to exist any pledge, mortgage, lien, charge, encumbrance or security interest whatsoever, or cause any of the foregoing to occur in or with respect to, any of the Collateral, or any interest therein, except as provided in Section 14(d) of the Participation Agreement and except for Permitted Liens. The Pledgor agrees, at its own expense, to defend the Pledgee's security interest in and to the Collateral against the claims of any Person and to ensure that the Pledgee has at all times a first Lien on and security interest in the Collateral, subject to no other Liens whatsoever other than Permitted Liens

(b) The Pledgor hereby represents and warrants to the Pledgee that the Pledgor holds good title to the Collateral free and clear of all Liens other than Permitted Liens, and that this Agreement grants to the Pledgee a first Lien on and security interest in the Collateral, subject to no other Liens whatsoever other than Permitted Liens.

(c) The Pledgor hereby expressly waives diligence, presentment, demand for payment, protest, any requirement that any right or power be exhausted or any action be taken against the Pledgee, all notices (whether of non-payment by the Pledgor or anyone else, dishonor, protest or otherwise) with respect to any of the Obligations and notice of acceptance of this Agreement and of the incurring by the Pledgor of any of the Obligations.

SECTION 4. Remedies Upon Event of Default. (a) Upon the occurrence of a breach by Pledgor of an Obligation described in clause (i) of Section 2 hereof or (b) upon the occurrence of a default in respect of an Obligation described in clause (ii) of Section 2 hereof and a declaration by the Pledgee of an Event of Default under Section 17 of the Sublease (the occurrence of (a) or (b) above, a "Default"), the Pledgee may, without limitation of all other rights and remedies available at law or in equity in such event, exercise any one or more or all, and in any order, of the following remedies, it being expressly understood that no remedy herein conferred is intended to be exclusive of any other remedy or remedies, but that each and every

remedy is cumulative and is in addition to every other remedy given herein or now or hereafter existing at law or in equity or by statute.

(a) the Pledgee personally, or by agents or attorneys, will have the right (subject to compliance with Applicable Law) to take possession of all or any part of the Collateral, and having and holding the same may use, operate, manage and control the Collateral and conduct the business thereof and collect and receive all earnings, revenues, rents, issues, proceeds and income of the Collateral and every part thereof and may maintain, repair and renew the Collateral and make replacements, alterations, additions and improvements thereto or remove and dispose of any portion of the Collateral and may otherwise exercise any and all of the rights and powers of the Pledgor in respect thereof;

(b) the Pledgee may, if at the time such action may be lawful and always subject to compliance with Applicable Law, either with or without taking possession, and either before or after taking possession, and without instituting any legal proceedings whatsoever, sell and dispose of the Collateral, or any part thereof, or interest therein, at any private sale or public auction to the highest bidder, with or without demand, advertisement or notice (except as may be required by law) of the date, time and place of sale, and any adjournment thereof in one lot as an entirety or in separate lots, and either for cash or on credit and on such terms as the Pledgee may determine, and at any place (whether or not it be the location of the Collateral or any part thereof) Any such sale or sales may be adjourned from time to time by announcement at the time and place appointed for such sale or sales, or for any such adjourned sale or sales, and the Pledgee or the Equity Investor may bid and become the purchaser at any such sale;

(c) the Pledgee may proceed to protect and enforce this Agreement by suit or suits or proceedings in equity, at law or in bankruptcy, and whether for the specific performance of any covenant or agreement herein contained or in execution or aid of any power herein granted, or for foreclosure hereunder, or for the appointment of a receiver or receivers for the Collateral or any part thereof, or for the enforcement of any other proper, legal or equitable remedy available under Applicable Law;

(d) the Pledgee may proceed to exercise all rights, privileges and remedies of the Pledgor as assigned to the Pledgee, and may exercise all such rights and remedies either in the name of the Pledgee or in the name of the Pledgor for the use and benefit of the Pledgee;

(e) the Pledgee may appoint, hire and employ and remunerate agents, servants, attendants, workmen and others in such terms and generally in such manner as Pledgee shall think fit, either in connection with any exercise by it of any of the foregoing powers or otherwise for any purpose connected with the Collateral or any part thereof and may discharge any person so appointed, hired or employed;

(f) the Pledgee may do all such other acts and things as Pledgee may consider necessary or desirable for the realization of any of the Collateral or any part thereof or incidental or conducive to any of the matters, powers or authorities conferred on Pledgee hereby, and may exercise and do, in relation to the Collateral hereby charged or any part thereof, all such powers, authorities and things as Pledgee would be capable of exercising if it were the absolute beneficial owner of the same; and

(g) the Pledgee may exercise all rights, privileges and remedies authorized or permitted under the Enabling Act and Applicable Law.

SECTION 5 Continuing Security Interest This Agreement shall create a continuing security interest in the Collateral and shall (a) remain in full force and effect until satisfaction in full of the Obligations and (b) be binding upon the Pledgor and its successors and assigns. Upon the satisfaction in full of the Obligations, the lien and security interest granted hereby shall terminate upon any such termination, the Pledgee will, at Pledgor's expense, execute and deliver to the Pledgor such documents as the Pledgor reasonably request to evidence such termination.

SECTION 6. Acknowledgment of Assignment for Security In order to secure the indebtedness evidenced by the Loan Certificates and all other amounts owing to the Lender under the Operative Documents, the Pledgee has agreed in the Loan Agreement, among other things, to assign to the Lender its rights under this Agreement. The Pledgor hereby consents to such assignment and acknowledges receipt of copies of the Loan Agreement, it being understood that such consent shall not affect any requirement or the absence of any requirement for any consent under any other circumstances.

SECTION 7. Further Assurances. The Pledgor agrees that it will join with the Pledgee in executing and will file or record such notices, financing statements or other documents as may be necessary for the perfection of the security interests granted to the Pledgee hereunder under Applicable Law, and as the Pledgee, the Equity Investor or their counsel may reasonably request, such instruments to be in form and substance satisfactory to such Persons. The Pledgor also agrees that it will do such further acts and things and execute and deliver to the Pledgee such additional conveyances, assignments, agreements and instruments as the Pledgee or the Equity Investor may at any time reasonably request in connection with the administration and enforcement of this Agreement or relative to the Collateral or any part thereof or in order to assure and confirm unto the Pledgee its rights, powers and remedies hereunder

SECTION 8. No Waiver. No failure on the part of the Pledgee to exercise, and no delay on its part in exercising, any right, power or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right, power or remedy preclude any other or the further exercise thereof or the exercise of any other right, power or

remedy. All remedies hereunder are cumulative and are not exclusive of any other remedies provided by Applicable Law

SECTION 9. Attorney-in-Fact. Subject to Applicable Law, the Pledgee is hereby appointed the attorney-in-fact of the Pledgor (i) for any period, for the purpose of signing documents and taking other action to perfect its security interest in the Collateral and (ii) during any period during which a Default has occurred and has been continuing, for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instruments which the Pledgee may deem necessary or advisable to accomplish the purposes hereof, which appointment as attorney-in-fact is irrevocable and coupled with an interest. Without limiting the generality of the foregoing, during the period specified in clause (ii) above, the Pledgee shall have the right and power to receive, endorse and collect all checks made payable to the order of the Pledgor representing any payment in respect of the Collateral or any part of any of the foregoing and to give full discharge of the same

SECTION 10 Expenses. The Pledgor agrees to pay to the Pledgee all reasonable costs and expenses (including reasonable expenses for legal services of every kind) of, or incident to, the enforcement of, or protection or preservation of any right under, any of the provisions of this Agreement, or any actual or attempted sale, or any exchange, enforcement, collection, compromise or settlement in respect of any, of the Collateral, and for the care of the Collateral and defending or asserting rights and claims of the Pledgee in respect thereof, by litigation or otherwise; and all such expenses shall be Obligations secured under this Agreement.

SECTION 11. Miscellaneous. This Agreement may be executed by the parties hereto in separate 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. The section headings set forth in this Agreement have been inserted for convenience of reference only and shall in no way restrict or modify any of the terms or provisions of this Agreement or constitute a representation or warranty by any party hereto to or for the benefit of any other Person Neither this Agreement nor any of the terms hereof may be terminated, amended, supplemented, waived or modified orally, but only by an instrument in writing signed by the party against which the enforcement of the termination, amendment, supplement, waiver or modification is sought. The terms of this Agreement shall be binding upon, and inure to the benefit of, the Pledgor, the Pledgee and their respective successors and permitted assigns

SECTION 12. GOVERNING LAW. THIS AGREEMENT SHALL IN ALL RESPECTS BE GOVERNED BY THE LAWS OF THE COMMONWEALTH OF MASSACHUSETTS, INCLUDING ALL MATTERS OF CONSTRUCTION, VALIDITY AND PERFORMANCE WITHOUT REFERENCE TO ANY CHOICE-OF-LAW OR CONFLICTS-OF-LAWS RULES WHICH MIGHT LEAD TO THE APPLICATION OF THE LAWS OF ANY OTHER JURISDICTION.

SECTION 13. Notices. All notices, demands, declarations and other communications required under the terms and provisions hereof shall be in writing (including telecopy), regardless of whether a notice is expressly required to be in writing by any provision hereof, and shall be addressed as set forth in the Participation Agreement with a copy to the Equity Investor at its address set forth in the Participation Agreement, or at any other address subsequently specified in writing by any party.

SECTION 14 Waiver of Offset Rights The Pledgee hereby expressly waives any right of offset, banker's lien or other similar rights that it might have against, or any assignment, security interest or other interest that it might have in, the Collateral.

SECTION 15. Concerning the Pledgee. It is expressly understood and agreed by and among the parties hereto (i) that this Agreement is executed and delivered by Fleet National Bank, not in its individual capacity but solely in its capacity as Trustee under the Trust Agreement and the exercise of the power and authority conferred and vested in it as such Pledgee, (ii) each of the representations, undertakings and agreements made herein by the Pledgee are not personal representations, undertakings and agreements of Fleet National Bank, but are binding only on the Trust Estate created by the Trust Agreement, (iii) nothing herein contained shall be construed as creating any liability on Fleet National Bank, individually or personally, to perform any covenant of the Pledgee either expressed or implied contained herein, all such liability, if any, being expressly waived by the parties hereto and by any person claiming by, through or under any such party, and (iv) under no circumstances shall Fleet National Bank be personally liable for the payment of any indebtedness or expense of the Pledgee or be liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken by the Pledgee under this Agreement or the other Operative Documents.

SECTION 16. ENTIRE AGREEMENT. THIS WRITTEN AGREEMENT, TOGETHER WITH ALL RELATED DOCUMENTS, REPRESENTS THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS, OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed by their authorized officers as of the day and year first above written

MASSACHUSETTS BAY TRANSPORTATION AUTHORITY

By: _____
Name:
Title:

FLEET NATIONAL BANK, not in its individual capacity, but solely as Trustee

By: _____
Name: FRANK McDONALD
Title: VICE PRESIDENT

STATE OF NEW YORK)
) ss.
COUNTY OF THE BRONX)

On January 28, 1997 before me, personally appeared Jonathan R. Davis, known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal

DANELLE GAGER
Notary Public, State of New York
No 01GA5011697
Qualified in Bronx County
Commission Expires June 15, 1997

Danelle Gager
Notary Public

STATE OF NEW YORK)
) ss.
COUNTY OF THE BRONX)

On January 28, 1997 before me, personally appeared Frank McDonald, known to me or proved to me on the basis of satisfactory evidence to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same in his authorized capacity, and that by his signature on the instrument the person, or entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal

DANELLE GAGER
Notary Public, State of New York
No 01GA5011697
Qualified in Bronx County
Commission Expires June 15, 1997

Danelle Gager
Notary Public