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ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

OF COUNSEL  
URBAN A. LESTER

September 26, 2002

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

RECORDATION NO. 24130-B FILED  
SEP 26 '02 2-20 PM  
SURFACE TRANSPORTATION BOARD

Re: SEPTA (2002-1)

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease Agreement (2002-1), dated as of September 25, 2002, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Head Lease Agreement which is being filed with the Board under Recordation Number 24130-B

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

Lessor: SEPTA Rail Statutory Trust 2002-1  
c/o Wilmington Trust Company  
1100 North Market Street  
Wilmington, Delaware 19890

Lessee: Southeastern Pennsylvania  
Transportation Authority  
SEPTA Treasury and Finance  
1234 Market Street, 10<sup>th</sup> Floor  
Philadelphia, PA 19107

Mr. Vernon A. Williams  
September 26, 2002  
Page Two

A description of the railroad equipment covered by the enclosed document is:

46 railcars bearing SEPTA reporting marks and road numbers.

A short summary of the document to appear in the index follows:

Memorandum of Lease Agreement (2002-1)

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "Alvord", with a stylized flourish at the end.

Robert W. Alvord

RWA/anr  
Enclosures

Exhibit A

SEPTA Rail Statutory Trust 2002-1

Number of Cars: 46

Manufacturer:  
Kawasaki Heavy Industries, Ltd.

Reporting Mark: SEPTA

Number of Cars	Railcar Number
1	103
2	104
3	105
4	106
5	111
6	112
7	113
8	114
9	115
10	9022
11	9023
12	9024
13	9025
14	9026
15	9027
16	9028
17	9029
18	9032
19	9033
20	9034
21	9035
22	9036
23	9037
24	9038
25	9039
26	9040
27	9041
28	122
29	123
30	9096
31	9097
32	9098
33	9099
34	101
35	102
36	9016
37	9018
38	9020
39	9021
40	126
41	127
42	128
43	9107
44	9108
45	9109
46	9110

**MEMORANDUM OF LEASE AGREEMENT**

(2002-1)

This Memorandum of Lease Agreement (2002-1) is made and entered into as of September 25, 2002, by and between SEPTA RAIL STATUTORY TRUST 2002-1 (hereinafter referred to as "Lessor") and SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY (hereinafter referred to as "Lessee") respecting that certain Lease Agreement (2002-1) dated September 25, 2002, between Lessor and Lessee (the "Lease").

For purposes of this Agreement, capitalized terms used and not otherwise defined herein shall have the meanings assigned to them in Appendix A to the Participation Agreement (2002-1), dated as of September 25, 2002, among Southeastern Pennsylvania Transportation Authority, as Head Lessor and Lessee, SEPTA Rail Statutory Trust 2002-1, as Head Lessee and Lessor, Australia and New Zealand Banking Group Limited, as Equity Investor and Series B Lender, FSA Global Funding Limited, as Series A Initial Lender and Series AA Initial Lender, and Wilmington Trust Company, not in its individual capacity, except as otherwise expressly set forth therein, but solely as Trustee under the Trust Agreement (2002-1) and the rules of usage set forth therein shall apply hereto.

Pursuant to the provisions of the Lease, Lessor and Lessee hereby affirm and acknowledge that:

1. For good and valuable consideration, Lessor has agreed to lease to Lessee and Lessee has agreed to lease from Lessor certain railroad equipment bearing reporting marks and road numbers as listed on Exhibit A attached hereto, effective as of the date hereof and subject to the terms defined in the Lease.

2. The Lessee has (a) assigned to the Initial Lenders for the benefit of the Lenders its rights under the Lease and any Lease Supplement (including its rights thereunder as so assigned) and granted a first priority security interest in its rights under the Lease, subject to the reservations set forth in the Loan Agreement, including all right, title and interest of the Lessee, whether now existing or hereafter arising or acquired, in, to and under the property, rights and privileges described in clauses (A)-(C) below and (b) subject and subordinate in all respects to the assignment to the Initial Lenders under the Loan Agreement, assigned to the Series B Lender its rights under the Lease and any Lease Supplement (including its rights thereunder as so assigned) and granted a second priority security interest in its rights under the Lease, subject to the reservations set forth in the Series B Loan Agreement, including, without limitation, Section 7.01 thereof, including all right, title and interest of the Lessee, whether now existing or hereafter arising or acquired, in, to and under the property, rights and privileges described in clauses (A)-(C) below:

RECORDATION NO. 24130 - B FILED

SEP 26 '02 2-20 PM

SURFACE TRANSPORTATION BOARD

- (A) All of Lessee's right, title and interest under the Lease and the Lease Supplement, whether now or hereafter acquired, including, without limitation, the interest in the Equipment described in Exhibit A to the Lease Supplement and all of Lessee's right, title and interest in the Equipment and all goods and equipment which constitute a portion of the Trust Estate and all replacements thereof, accessions thereto and substitutions therefor;
- (B) All of the Lessor's estate, right, title and interest now or hereafter acquired under the Lease; and
- (C) All property received upon the sale, exchange, collection or other disposition of any or all of the foregoing.

3. Lessor and Lessee further acknowledge and affirm that this Memorandum of Lease Agreement (2002-1) is not a summary of the Lease nor a complete recitation of the terms and provisions thereof. Accordingly, Lessor and Lessee hereby agree that in the event of a conflict between this Memorandum of Lease Agreement (2002-1) and the provisions of the Lease, the provisions of the Lease shall control.

4. This Memorandum of Lease Agreement (2002-1) is prepared only for the public record and is being recorded with the Surface Transportation Board pursuant to 49 U.S.C. Section 11301(a).

[Intentionally Left Blank]

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due authority, has caused this Memorandum of Lease Agreement (2002-1) to be duly executed in its name by its officers, thereunto duly authorized, all as of the date first above written.

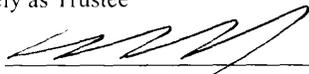
LESSOR:

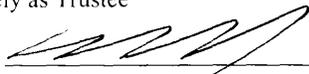
LESSEE:

SEPTA RAIL STATUTORY TRUST  
2002-1

SOUTHEASTERN PENNSYLVANIA  
TRANSPORTATION AUTHORITY

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

By:  \_\_\_\_\_

Name:   
Vice President

Title:

By: \_\_\_\_\_

Name:

Title: Chairman

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due authority, has caused this Memorandum of Lease Agreement (2002-1) to be duly executed in its name by its officers, thereunto duly authorized, all as of the date first above written.

LESSOR:

LESSEE:

SEPTA RAIL STATUTORY TRUST  
2002-1

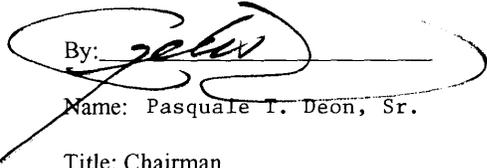
SOUTHEASTERN PENNSYLVANIA  
TRANSPORTATION AUTHORITY

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

By: \_\_\_\_\_

Name:

Title:

By:  \_\_\_\_\_

Name: Pasquale T. Deon, Sr.

Title: Chairman

STATE OF DELAWARE )

SS:

COUNTY OF NEW CASTLE )

On this 26<sup>th</sup> of August 2002, before me personally appeared W. Chris Spohn, to me personally known, who being duly sworn, stated that he/she is the President of WILMINGTON TRUST COMPANY, that said instrument was signed on behalf of said corporation, not in its individual capacity, but solely as trustee on behalf of SEPTA Rail Statutory Trust 2002-1 by authority of its board of directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

*Kathleen A. Pedeloni*

Notary Public

**KATHLEEN A. PEDELONI**

My Commission Expires 11/15/2006 PUBLIC-DELAWARE

My Commission Expires 11/15/2006

STATE OF \_\_\_\_\_ )

SS:

COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ of \_\_\_\_\_, 2002, before me personally appeared \_\_\_\_\_, to me personally known, who being duly sworn, stated that he/she is chairman of SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY that said instrument was signed on behalf of said organization by authority of its board of directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said organization.

Notary Public

My Commission Expires

STATE OF DELAWARE            )  
  )  
COUNTY OF NEW CASTLE        )        SS:

On this \_\_\_\_\_ of \_\_\_\_\_, 2002, before me personally appeared \_\_\_\_\_, to me personally known, who being duly sworn, stated that he/she is \_\_\_\_\_ of WILMINGTON TRUST COMPANY, that said instrument was signed on behalf of said corporation, not in its individual capacity, but solely as trustee on behalf of SEPTA Rail Statutory Trust 2002-1 by authority of its board of directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

My Commission Expires

STATE OF Pennsylvania        )  
  )  
COUNTY OF Philadelphia        )        SS:

On this 23rd of September, 2002, before me personally appeared Pasquale T. Deon, Sr., to me personally known, who being duly sworn, stated that he/she is chairman of SOUTHEASTERN PENNSYLVANIA TRANSPORTATION AUTHORITY that said instrument was signed on behalf of said organization by authority of its board of directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said organization.

  
Notary Public

My Commission Expires

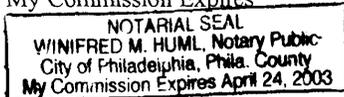


Exhibit A

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