

ALVORD AND ALVORD
ATTORNEYS AT LAW
1050 SEVENTEENTH STREET, N.W.
SUITE 301
WASHINGTON, D.C.
20036

(202) 393-2266
FAX (202) 393-2156
E-MAIL alvordlaw@aol.com

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-C FILED

SEP 26 '02 2-31 PM

Re: SEPTA (2002-I)

SURFACE TRANSPORTATION BOARD

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 Supplement (2002-I), 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-C

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

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

Lessee: Southeastern Pennsylvania
Transportation Authority
SEPTA Treasury and Finance
1234 Market Street, 10th 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 Supplement (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", written in a cursive style.

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 SUPPLEMENT
(2002-1)

This Memorandum of Lease Supplement (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") and respecting that certain Lease Supplement No. 1 (2002-1) dated September 25, 2002, between Subessor and Sublessee (the "Lease Supplement").

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 Supplement, 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 Supplement.

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-C FILED

SEP 26 '02 2-31 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 Supplement (2002-1) is not a summary of the Lease Supplement 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 Supplement (2002-1) and the provisions of the Lease Supplement, the provisions of the Lease Supplement shall control.

4. This Memorandum of Lease Supplement (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 Supplement (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: 

By: _____

Name:

Name:

Title:

William Spone
Vice President

Title: Chairman

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due authority, has caused this Memorandum of Lease Supplement (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:

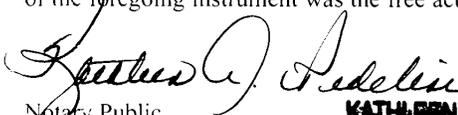
By: 

Name: Pasquale T. Deon, Sr.

Title: Chairman

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

On this 16th of August, 2002, before me personally appeared W. Chris Spore, to me personally known, who being duly sworn, stated that he/she is Vice 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.


Notary Public
KATHLEEN A. PIZOLINI
NOTARY PUBLIC-DELAWARE
My Commission Expires ~~My Commission Expires Oct. 31, 2002~~

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)
) SS:
COUNTY OF NEW CASTLE)

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)
) SS:
COUNTY OF PHILADELPHIA)

On this 24th of Sept, 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

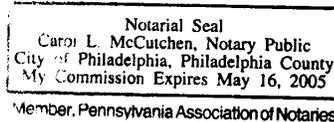


Exhibit A

SEPTA Rail Statutory Trust 2002-1

Number of Cars: 46

Manufacturer:
Kawasaki Heavy Industries, Ltd.

Reporting Mark: SEPTA

| Number of Cars | Railcar Number |
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| 26 | 9040 |
| 27 | 9041 |
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