



**AMENDMENT NO. 2**

**TO**

**CONTRACT NO. OP136-10**  
**METROLINK OPERATOR SERVICES**

**BETWEEN**

**SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY AND**  
**NATIONAL RAILROAD PASSENGER CORPORATION**

This Amendment No. 2 to Contract No. OP136-10 between the Southern California Regional Rail Authority (“SCRRA”) and the National Railroad Passenger Corporation (“Amtrak”) (collectively, the “Parties”) is entered into as of this 13th day of December 2013, with an effective date of July 1, 2014 (the “Effective Date”).

WHEREAS, SCRRA and Amtrak are parties to the Contract No. OP136-10, Metrolink Operator Services, dated March 26, 2010, as amended by Amendment No. 1 (the “Operator Services Contract”); and

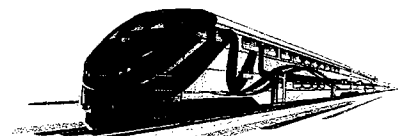
WHEREAS, Amtrak has been providing the operating services described in the Operator Services Contract since June 26, 2010; and

WHEREAS, the Parties intend by this Amendment No. 2 to extend the initial term of the Operator Service Agreement and to modify certain other terms and conditions thereof.

NOW THEREFORE, in view of the mutual promises recited herein and of other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree to amend the Operator Services Contract as follows:

1. Amend Section B.12 by adding a new subsection B.12.c. to read as follows:

Any report, document or information to be provided by Contractor to SCRRA pursuant to this Contract (e.g., as required by the Section B.12 or by Section C.15) may be provided electronically.



2. Amend Section C.1.b to read in its entirety as follows:

The initial term of the Final Agreement shall end on June 30, 2017, which initial term shall be subject to renewal for one additional term of three (3) years as set forth in this paragraph. SCRRA shall notify Contractor of its desire to extend the Final Agreement by no later than twelve (12) months prior to the end of the initial term, i.e., by June 30, 2016. Contractor shall notify SCRRA within sixty (60) days of its receipt of SCRRA's notice whether it will agree to the extension. If Contractor does not agree to the extension, the Final Agreement shall end on June 30, 2017.

3. Amend the first sentence of Section C. 7. by adding the following after "of such changes":

“, recognizing that any changes that require an increase in the number of skilled personnel (e.g., engineers and conductors) may require a year or more for the Contractor to hire, train and qualify individuals to perform that work.”

4. Amend Section D.1.c. (1) and (2) to read as follows:

(1) A Management Fee shall be paid with respect to the Actual Direct costs and G&A that are included in the Approved Budget, as may be amended during a Fiscal Year. For Fiscal Year 2015 (July 1, 2014 to June 30, 2015) the Management Fee shall reflect 6% Profit and 3.75% Overhead. For each subsequent Fiscal Year the Management Fee shall reflect 6% Profit and Overhead that is 0.75% greater than the Overhead in the prior Fiscal Year, e.g., for Fiscal Year 2016 (July 1, 2015 – June 30, 2016) the Management Fee will be 10. 5%, reflecting 6% Profit and 4.5% Overhead).

(2) SCRRA will pay the Management Fee on actual Direct Costs and G&A incurred in providing any Services in addition to those provided for in the Approved Budget.

5. Amend the last two sentences of Section D.1.d. (which section was amended in its entirety by Amendment No. 1), to read as follows:

Prior to the Effective Date, the Contingency Fee has been \$1.5 Million per year. During each Fiscal Year that begins on or after the Effective Date, the Contingency Fee will be reduced by \$100,000 for the first year, \$200,000 for the second year and \$200,000 for the third year. The

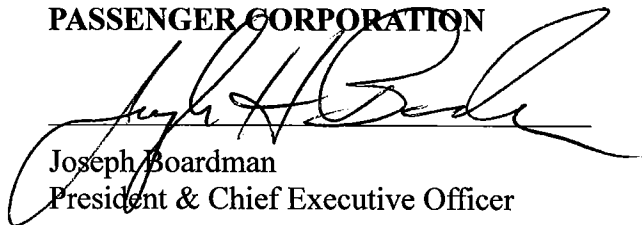
foregoing reductions of Contingency Fee are (i) based on SCRRA's loss experience and the implementation of Positive Train Control. If SCRRA fails to implement Positive Train Control by the beginning of a particular contract year, the Contingency Fee shall remain unchanged for that contract year and the scheduled reduction shall be forfeited. If SCRRA sustains a general liability loss that exceeds \$5 Million (the maximum self-insured retention that is permitted by Section C.20.a), then the Contingency Fee for the fiscal year following the fiscal year in which that event occurs and for each succeeding fiscal year shall be fixed at \$2 Million.

6. Replace Section D14 with the following:

SCRRA will reimburse the Contractor a fixed amount of \$123,760- (plus Contractor's G&A and management fee) per engineer to fill or backfill vacant positions. Training for filling or backfilling of Conductor positions will be accomplished by the Contractor assigning Assistant Conductors to the SCRRA service for a period of approximately 36 weeks, i.e., until the candidate is fully qualified as a Conductor. Employee expenses associated with the Assistant Conductor will be considered Direct Costs and billable to SCRRA as provided for in Section D.1.a of this Contract. In addition, to paying these Direct Costs, SCRRA will reimburse the Contractor a fixed amount of \$25,365 (plus Contractor's G&A and management fee) per Assistant Conductor for the costs associated with the Amtrak Conductor training program. SCRRA will reimburse the Contractor a fixed amount of \$114,967 per qualified Conductor from Amtrak Intercity Rail Passenger service who fills a position in SCRRA Commuter Railroad Operations. Fill or backfill training will be considered a Direct Cost and billable to SCRRA when the SCRRA position is filled. The Contractor will not charge SCRRA for backfill training when the vacancy on SCRRA occurs because an employee working in SCRRA Commuter Railroad Operations bids on and secures a position in Amtrak Intercity Rail Passenger services. These fixed amounts are in effect for Fiscal Year 2013/14 and shall be adjusted each July 1 based on the percentage change in the Association of American Railroads (AAR) Quarterly Index of Chargeout Prices and Wage Rates, Table C, West, "materials, prices, wage rates and supplements combined (excluding fuel)" index in effect for the first quarter of the calendar year compared to the same index in effect for the first quarter of 2013. The first adjustment will be made effective July 1, 2014. SCRRA shall not be required to reimburse the Contractor these fixed amounts if the vacancy is created by an employee who is barred from Metrolink services under Section B.26.c of this Contract.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed as of the date first shown above, and effective as of the Effective Date.

**NATIONAL RAILROAD  
PASSENGER CORPORATION**



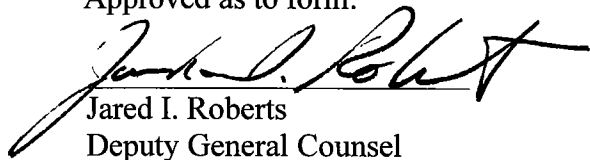
Joseph Boardman  
President & Chief Executive Officer

**SOUTHERN CALIFORNIA  
REGIONAL RAIL AUTHORITY**



Michael P. DePallo  
Chief Executive Officer

Approved as to form:



Jared I. Roberts  
Deputy General Counsel

Approved as to form:



Don O. Del Rio  
General Counsel