

NATIONAL RAILROAD PASSENGER CORPORATION
BOARD OF DIRECTORS
MINUTES OF MEETING
SEPTEMBER 25, 2020

The Board of Directors (Board) of the National Railroad Passenger Corporation (Amtrak or Corporation) held a duly noticed meeting on Friday, September 25, 2020. Board members participating in the meeting were Anthony Coscia (Board Chairman), Bill Flynn (President, non-voting), Jeff Moreland (Board Vice Chairman), Thomas Carper, Albert DiClemente and Yvonne Burke.

Joel Szabat (DOT Assistant Secretary and Secretary of Transportation voting delegate for this meeting), Paul Nissenbaum (FRA Associate Administrator) and Peter Cipriano (Senior Policy Advisor to the Secretary of Transportation) participated in the meeting.

Mr. Coscia chaired the meeting. A quorum was confirmed, and Mr. Coscia called the meeting to order in executive session at 11:00 a.m.

Inspector General's Report

Mr. Kevin Winters (Inspector General) and Mary Kendall (Deputy Inspector General) were invited to join the Executive Session. Mr. Winters reported to the Board on confidential Inspector General matters.

The Executive Session concluded at 12:00 p.m. and Chairman Coscia adjourned the meeting until 12:30 p.m.

REGULAR SESSION

Stephen Gardner (Senior Executive Vice President, Chief Operating and Commercial Officer), Eleanor D. Acheson (Executive Vice President, Chief Legal Officer, General Counsel & Corporate Secretary), Tracie Winbigler (Executive Vice President, Chief Financial Officer), Steve Predmore (Executive Vice President, Chief Safety Officer), Scot Naparstek (Executive Vice President, Chief Operating Officer), DJ Stadtler (Executive Vice President, Senior Advisor), Christian Zacariassen

(Executive Vice President, Chief Information Officer), Roger Harris (Executive Vice President, Marketing & Revenue), Dennis Newman (Executive Vice President, Strategy & Asset Planning) and Qiana Spain (Executive Vice President, Chief Human Resources Officer), participated in the meeting.

Gory Williams (Vice President, Chief Engineer), Bruno Maestri (Vice President, Government Affairs & Corporate Communications), Caroline Decker (Vice President, NEC Service Line), Dave Handera (Vice President, Stations Properties and Accessibility), Larry Biess (Assistant Vice President, Deputy Chief Mechanical Officer Acela 2021), George Hull (Assistant Vice President, Deputy Chief Mechanical Officer, Engineering Standards & Planning), Allison Simon (Senior Director, NEC Service Line), Jim Blair (Senior Director, Host Railroads), William Herrmann (Vice President, Managing Deputy General Counsel & Assistant Corporate Secretary) and Whitney Jordan (Associate General Counsel) also attended the meeting.

The minutes were recorded by Ms. Acheson and Mr. Herrmann. The meeting was reconvened by Mr. Coscia in regular session at 12:30 p.m.

FY 2021 SAFETY AND SECURITY STRATEGY

Mr. Predmore reported on Amtrak safety performance and security performance. Mr. Predmore began by noting some of the challenges and efforts to improve Amtrak's safety performance in FY 2021 and reported that Amtrak is going to be 100% compliant with PTC standards and requirements by the end of 2020. Mr. Predmore also summarized security performance and how metrics were impacted by the drop in ridership. He also described plans for addressing homelessness and the recent OIG report and recommendations regarding the Amtrak Police Department. Mr. Predmore also discussed the recent reorganization and the synergy of bringing Safety and Security together under the Safety & Security department.

The Directors discussed the issues raised by the briefing and Mr. Predmore answered the Directors' questions. Mr. Predmore then summarized

the updated Safety Strategy for FY 2021. Following discussion, upon motion made by Mr. Coscia and seconded by Mr. Carper, the Board voted to adopt the following resolutions:

WHEREAS, Amtrak policy requires the Board of Directors to approve any proposed action or other matter having an extraordinary or material impact on the Company's statutory mission and strategic goals; and

WHEREAS, On March 22, 2018, the Board of Directors approved a resolution related to the immediate implementation of an industry leading Safety Management Systems (SMS); and

WHEREAS, Management has developed a Safety Strategy to fulfill the resolution and to continuously improve its Safety program and provided annual updates to the Board of Directors; and

WHEREAS, The Safety and Security Committee has reviewed Management's proposed Safety Strategy for FY 2021; and

WHEREAS, The Board of Directors has reviewed Management's proposed Safety Strategy for FY 2021; therefore, be it

RESOLVED, That the Board of Directors approves Management's proposed FY 2021 Safety Strategy; and

FURTHER RESOLVED, That the Board of Directors directs the President & CEO and the Executive Vice President Chief Safety Officer to take any and all actions necessary to prioritize and execute all aspects of the FY 2021 Safety Strategy with the full cooperation of all other members of the Executive Leadership Team.

(5-1-0) Mr. Szabat abstained.

Mr. Predmore then summarized the updated Security Strategy for FY 2021. Following discussion, upon motion made by Mr. Coscia and seconded by Mr. Carper, the Board voted to adopt the following resolutions:

WHEREAS, Amtrak policy requires the Board of Directors to approve any proposed action or other matter having an extraordinary or material impact on the Company's statutory mission and strategic goals; and

WHEREAS, On September 2019, the Board of Directors approved a resolution related to the immediate implementation of a Security Strategy; and

WHEREAS, Management has developed a Security Strategy to fulfill the resolution and to continuously improve its Safety and Security program and provided annual updates to the Board of Directors; and

WHEREAS, The Safety and Security Committee has reviewed Management's proposed Security Strategy for FY 2021; and

WHEREAS, The Board of Directors has reviewed Management's proposed Security Strategy for FY 2021; therefore, be it

RESOLVED, That the Board of Directors approves Management's proposed FY 2021 Security Strategy; and

FURTHER RESOLVED, That the Board of Directors directs the President & CEO and the Executive Vice President Chief Safety Officer to take any and all actions necessary to prioritize and execute all aspects of the FY 2021 Security Strategy with the full cooperation of all other members of the Executive Leadership Team.

(5-1-0) Mr. Szabat abstained.

FY 2021 ANNUAL OPERATING AND CAPITAL BUDGETS

Ms. Winbigler reported on the FY 2021 Annual Operating Plan and adjustments made since the plan was previewed at the September 3, 2020 special meeting of the Board. Ms. Winbigler indicated that Management will return to the Board in November with the financial performance results and any proposed changes that may be recommended to the Annual Operating Plan. Mr. Flynn also discussed the Revolver Agreement that Finance is working to finalize, and Ms. Winbigler reviewed the cash scenarios outlined in the annual operating plan materials.

The Directors discussed the issues raised by the briefing and Mr. Flynn, Mr. Gardner, Ms. Winbigler and Mr. Harris answered the Directors' questions. Following discussion, upon motion made by Mr. Morland and seconded by Mr. Coscia, the Board voted to adopt the following resolutions:

WHEREAS, National Railroad Passenger Corporation ("**Amtrak**" or "**Corporation**") policy requires the Board of Directors ("**Board**") to annually approve the Annual Operating Plan ("**AOP**") after receiving recommendation from the Audit & Finance Committee of the Board ("**AFC**"); and

WHEREAS, Amtrak policy adopted March 12, 2018, requires the Board to approve any capital project where Life of Project ("**LOP**") costs will exceed [REDACTED] after receiving recommendation from the AFC; and

WHEREAS, the AFC has reviewed the proposed FY 2021 AOP, including the proposed FY 2021 capital spend of [REDACTED] (the "**FY 2021 Capital Spend Plan**") which is predicated on Amtrak's receipt of approximately [REDACTED] of federal funding (the "**Necessary AOP Funding Amount**") and has recommended the Board approve the FY 2021 AOP, including the FY 2021 Capital Spend Plan, provided, that, (i) unless and until Amtrak receives the Necessary AOP Funding Amount, Management may alter, delay and/or defer appropriate levels of the FY 2021 Capital Spend Plan to ensure cash levels are appropriately maintained and (ii) upon confirmation of a federally funding level materially different from the Necessary AOP Funding Amount, Management shall return to the Board with a revised AOP (the "**AOP Approval Conditions**"); and

WHEREAS, the AFC has reviewed the scope and financials related to the following capital projects in the FY 2021 AOP with estimated LOP costs that exceed [REDACTED] (collectively, the [REDACTED]

[REDACTED]:



; and

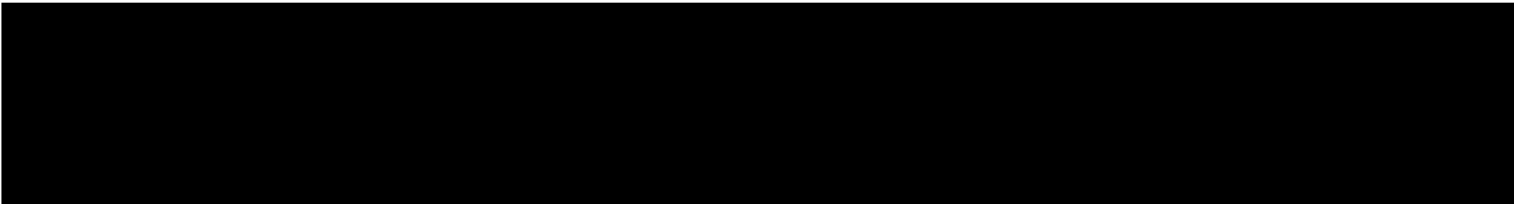
WHEREAS, the AFC has been informed that the Potential Over [REDACTED] Capital Projects are still in preliminary and/or pre-construction phases and the estimated LOP costs for such projects may change as each of the projects progress; and

WHEREAS, the AFC recommends that the Board approve the FY 2021 AOP costs related to the Potential Over [REDACTED] Capital Projects, provided, that, Management (i) provide the AFC quarterly updates on the capital spend related to the Potential Over [REDACTED] Capital Projects and (ii) obtain AFC

approval for any commitment to spend additional costs related to the respective Potential Over [REDACTED] Capital Project above the approved FY 2021 AOP amount set forth above that exceed [REDACTED] (the

[REDACTED]; and

WHEREAS, the AFC has reviewed the scope and financials related to the following Gateway Program capital project in the FY 2021 AOP with estimated LOP costs that exceed [REDACTED] (collectively, the "*Gateway Program Capital Project*");



, and

WHEREAS, the AFC has been informed that the Gateway Program Capital Project is still in preliminary and/or pre-construction phases and the estimated LOP costs for such project may change as the project progresses; and

WHEREAS, the AFC recommends that the Board approve the FY 2021 AOP and LOP costs related to the Gateway Program Capital Project, provided, that, (x) Management (i) provides the AFC quarterly updates on the capital spend related to the Gateway Program Capital Project and (ii) obtains AFC approval for any commitment to spend additional costs related to the Gateway Program Capital Project above the approved FY 2021 AOP amount set forth above that exceeds [REDACTED] and (y) Congress appropriates and Amtrak receives at least [REDACTED] in federal funding to Amtrak in the amounts budgeted by Amtrak in the current AOP, and, for the avoidance of doubt, Management will return to the Board for additional approval of the Gateway Program Capital Project if Amtrak receives federal funding less than [REDACTED] [REDACTED]; and

WHEREAS, the Board has reviewed the foregoing recommendations and deems it to be in the best interests of the Corporation to approve the (i) FY 2021 AOP, including the FY 2021 Capital Spend Plan, subject to the AOP Approval Conditions, (ii) FY 2021 AOP costs related to the Potential Over [REDACTED] Capital Projects, subject to the Potential Over [REDACTED] Capital Projects Approval Condition and (iii) the Gateway Program Capital Project, subject to the Gateway Program Capital Project Conditions; therefore, be it

RESOLVED, that the Board approves the (i) FY 2021 AOP, including the FY 2021 Capital Spend Plan, subject to the AOP Approval Conditions, (ii) FY 2021 AOP costs related to the Potential Over [REDACTED] Capital Projects, subject to the Potential Over [REDACTED] Capital Projects Approval Condition

and (iii) the Gateway Program Capital Project, subject to the Gateway Program Capital Project Conditions.

(5-1-0) (Mr. Szabat abstains)

ENGINEERING AND MECHANICAL PLAN REVIEW

Mr. Naparstek, Mr. Williams and Mr. Hull discussed Engineering and Mechanical capital plans. Mr. Williams described the successes in FY 2020 including improved safety metrics after the tragic death that occurred at the beginning of the year. Mr. Williams reported that, in FY 2021, Engineering will continue to evolve its project delivery and work closely with Finance and IT to support execution of the capital plans.

Mr. Hull reported that the Mechanical department had made very good progress on safety with the exception of the fatality in Chicago. Mr. Hull then summarized FY 2020 financial results which included a significant reduction in overtime and a 133 reduction in headcount through the Voluntary Separation Incentive Plan.

The Directors discussed the issues raised by the briefing and Mr. Naparstek, Mr. Williams and Mr. Hull answered the Directors' questions.

HOST RAILROAD STRATEGY

Mr. Newman introduced Mr. Blair who heads the Host Railroad department. Mr. Blair discussed ongoing negotiations with various host railroads and noted that Amtrak has seen improved on-time performance (OTP) during the pandemic due largely to a reduction in freight traffic overall although Mr. Blair reported that it is worth noting this appears to be spotty or regional. Mr. Blair also reported that with fewer passenger operations there are fewer interactions with passenger trains and associated delays resulting in over half of the routes now exceeding 80% OTP. Mr. Blair described legislative options Amtrak continues to pursue and noted that the Rail Passenger Fairness Act passed by the House last year has likely had a positive impact on OTP. Mr. Blair also reported on ongoing discussions to reestablish the Gulf Coast service.

Mr. Newman updated the Board on ongoing efforts to publish a final set of standards and metrics with the FRA. The Directors discussed the issues raised by the briefing and Mr. Newman and Mr. Blair answered the Directors' questions.

INTERCITY TRAINSET ACQUISITION UPDATE

Mr. Stadtler briefed the Board on discussions with the states regarding the pending procurement as well as the schedule for selecting a vendor and bringing that decision to the Board for final approval. Mr. Stadtler reported that further information would be provided to the Board in October when Management will seek authority to negotiate. Mr. Stadtler reported that final papers will be submitted to FRA and the Board in January and Management will be seeking the Board's approval at the January 2021 Board meeting.

The Directors discussed the issues raised by the briefing and Mr. Stadtler answered the Directors' questions.

ACELA 21 AND MOYNIHAN

Ms. Decker opened the presentation with a brief summary of the status of the program noting that their current expectation for beginning revenue service has been revised to mid to late September 2021. Ms. Decker also noted that a wi-fi vendor had been selected for the new fleet and that Amtrak was waiting for a letter from FRA regarding Access Gate Security to allow for speeds over 120 MPH so Amtrak could advance elevated speed testing.

Mr. Biess described the testing activities for prototype 1 at Pueblo, Colorado test facility noting these tests are expected to conclude in February. Prototype 2 continues to be tested on the NEC and has required some repair work. Some activities impacting the schedule include a request for testing at speed that is pending at FRA and that Amtrak has still not received COVID-19 related schedule impacts from Alstom. Mr. Biess also reported that because Amtrak will either be

installing new wheels on prototype 2 or new wheel profiles, there will be a delay in revenue service testing by up to 90 days.

Mr. Williams reported on engineering work being done and that the work is on schedule and doing well. Ms. Decker described the risks associated with delays but noted that the decrease in demand is somewhat helpful given the pre-COVID-19 delivery schedule. She noted that while the May delivery date could shift to July, that adjustment will work well with the currently anticipated demand.

Mr. Handera briefed the Board on the Moynihan project and reported that the new substantial completion date had moved from December 5th to December 31st. The team is working with New York State to organize a formal opening date.

The Directors discussed the issues raised by the briefing and the Amtrak representatives answered the Directors' questions.

EXECUTIVE SESSION

Having completed the regular order portion of the meeting agenda, Mr. Coscia called the meeting to order to in Executive Session at 3:00 p.m. Ms. Acheson and Mr. Herrmann also attended the meeting.

SHORT TERM INCENTIVE PLAN

Mr. Flynn led a discussion about the approval of Amtrak's short-term incentive plan and the goals recommended by Management for FY 2021. Following discussion, upon motion made by Mr. Moreland and seconded by Mr. Coscia, the Board voted to adopt the following resolutions:

WHEREAS, The Board of Directors has authorized Management to create a Short-Term Incentive Plan that rewards management employees for achieving annual financial, organizational, strategic and individual performance goals; and

WHEREAS, Management has recommended that the Short -Term Incentive goals for FY 2021 consist of financial, customer service and Amtrak Caused Delay Minutes metrics as described in the Executive Summary; and

WHEREAS, The Board has considered the proposed goals and agrees that the identified goals are appropriate short-term performance measures for Amtrak consistent with the FY 2021 Annual Operating Plan (AOP) proposed by Management and should be adopted as set forth in the Executive Summary for the FY 2021 Short Term Incentive Plan;

WHEREAS, Management may propose for Board consideration subsequent amendments to the Plan base on significant changes to the AOP that may occur during the Fiscal Year; therefore, be it

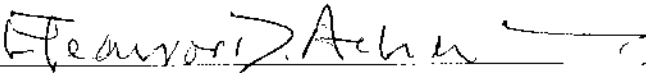
RESOLVED, That the Board authorizes the President and CEO to adopt the FY 2021 Short-Term Incentive goal as described in the Executive Summary; and

FURTHER RESOLVED, That the Board will review the Short-Term Incentive Plan design within six months and consider any amendments that may be necessary due to changed circumstances.

(6-0)

ADJOURNMENT

There being no further business before the Board, the meeting adjourned at 3:30 p.m.



Eleanor D. Acheson
Corporate Secretary



William Herrmann
Assistant Corporate Secretary