

**NATIONAL RAILROAD PASSENGER CORPORATION**

**BOARD OF DIRECTORS**

**MINUTES OF MEETING**

**March 22, 2022**

The Board of Directors (Board) of the National Railroad Passenger Corporation (Amtrak or Corporation) held a duly noticed meeting by telephone on Tuesday, March 22, 2022. Board members participating in the meeting were Anthony Coscia (Board Chairman), Jeff Moreland (Board Vice Chairman), Christopher Beall, Yvonne Burke, Tom Carper and Bert DiClemente. Stephen Gardner (President & Chief Executive Officer, non-voting) also participated in the meeting.

Amit Bose (Administrator of the Federal Railroad Administration (FRA) voting delegate for this meeting) and Paul Nissenbaum (FRA Associate Administrator) participated in the meeting.

Eleanor D. Acheson (Executive Vice President, Chief Legal Officer, General Counsel & Corporate Secretary), Tracie Winbigler (Executive Vice President, Chief Financial Officer), Scot Naparstek (Executive Vice President, Service Delivery & Operations), Christian Zacariasson (Executive Vice President, Digital Technology & Innovation), Roger Harris (Executive Vice President, Marketing & Revenue), Dennis Newman (Executive Vice President, Strategy & Planning), Qiana Spain (Executive Vice President, Chief Human Resources Officer), Steven Predmore (Executive Vice President, Chief Safety Officer) and Laura Mason (Executive Vice President, Capital Delivery) participated in the meeting.

Costin Corneanu (Vice President, Financial Planning and Analysis), Nathan MacIvor (Vice President, Treasurer), David Handera (Vice President, Stations, Property & Accessibility), Gretchen Kostura (Senior Director, Major Stations, Planning and Development), Erin Ryan (Senior Director, Financial Planning &

Analysis), Daniel Sporik (Director, Portfolio Management), William Herrmann (Vice President, Managing Deputy General Counsel & Assistant Corporate Secretary), Tom Bloom (Deputy General Counsel), Christopher Flack (Associate General Counsel), Deborah Rochkind (Associate General Counsel) and Whitney Jordan (Associate General Counsel) attended the meeting.

Also joining the meeting was Patricia McHugh Lambert (Member, PK Law).

Mr. Coscia called the meeting to order at 2:00 p.m. and confirmed a quorum. The minutes were recorded by Ms. Acheson and Mr. Herrmann.

#### **WASHINGTON UNION STATION SUBLEASE ACQUISITION**

Mr. Gardner provided a brief overview of the purpose of the meeting, which is to obtain Board approval to acquire certain leasehold interests in Washington Union Station (WUS). He then turned the meeting over to Mr. Newman to discuss the specifics of the request.

Mr. Newman reminded the Board of the complicated organizational structure of WUS and status of the loan structure previously discussed at the January 2022 special Board meeting. He discussed the importance of the asset to the Antrak network and Management's continued desire to acquire the sublease interest to, among other things, obtain control of the space to better service Amtrak customers and all transportation customers.

Mr. Newman described the status of the current negotiations with the lender, including discussion around renegotiation of the existing lease. Mr. Newman discussed the proposed next steps in the negotiation and the valuation mechanics based on the updated independent appraisal.

The Board asked questions of Management and discussed the various issues raised by Mr. Newman's presentation. Following

discussion, upon motion made by Mr. Moreland and seconded by Mr. Carper, the Board voted to adopt the following resolutions:

**WHEREAS**, National Railroad Passenger Corporation (**Corporation** or **Amtrak**) governance requires the approval of the Board of Directors (**Board**) for purchase transactions with over Fifty Million Dollars (\$50,000,000) in contract value; and

**WHEREAS**, The existing leasing structures at Washington Union Station (**WUS**) is complex and composed of several lease and sublease agreements; and

**WHEREAS**, The United States government initially leased WUS in 1972, subleased WUS to Union Station Redevelopment Corporation (**USRC**) in 1985 and later acquired ownership of WUS in 1988; USRC's sublease remained in place; and

**WHEREAS**, USRC subleases a portion of WUS to Union Station Investco LLC (**USI**), successor in interest to Union Station Venture LTD, under a sublease, which has an expiration date of October 30, 2084; and

**WHEREAS**, USI is a special purpose entity wholly owned by Ashkenazy Acquisition Corporation, which in connection with the redevelopment of WUS, borrowed \$330 Million secured by a deed of trust (**Senior Debt**) on the USI sublease interests in WUS (**Sublease Interests**), and had a \$100 Million mezzanine loan, secured by a pledge of the membership interests in Union Station Sole Member LLC which owns 100% of the membership interests of USI (**Junior Debt**); and

**WHEREAS**, Amtrak subleases a portion of WUS from USI for railroad operations; and

**WHEREAS**, Amtrak was previously notified that USI defaulted on the Senior Debt and Junior Debt, and that both the Senior Debt lender and the Junior Debt lender (**Lender**) accelerated their respective loans and filed notice of foreclosure actions, which were cancelled as a result of the Lender acquiring the Senior Debt; and

**WHEREAS**, The current USI sublease at WUS has led to serious concerns as to the execution of necessary maintenance, capital improvements and future redevelopment at WUS, as well as accountability for cleanliness, safety, security and operational efficiencies befitting a multimodal transportation center of national significance necessary for intercity rail passenger transportation; and

**WHEREAS**, Management previously presented a business case to the Board outlining Amtrak's initial plan to acquire the Sublease Interests; and

**WHEREAS**, As a result of recent developments, Management has presented a revised business case to the Board outlining Amtrak's revised plan to acquire the Sublease Interests by either (a) entering into a binding agreement with the Lender to acquire the Sublease, with a maximum not to exceed price of \$250 Million, plus up to \$20 Million in District of Columbia recordation, transfer and possessory taxes (collectively, **Taxes**), if applicable (**Lender Negotiated Deal**), (b) participating in a binding foreclosure sale in the event the Lender forecloses on the Senior Debt, in a maximum not to exceed price of \$250 Million, plus up to \$20 Million in Taxes (**Auction**) or (c) (i) making an offer and negotiating a binding transaction with USI to acquire the Sublease Interests, with a not to exceed purchase price of \$250 Million plus up to \$20 Million in Taxes, if applicable (together with the Lender Negotiated Deal, each a **Negotiated Deal**), and if unable to do so, (ii) condemning the Sublease Interests, and depositing with the registry of the federal court just compensation in the amount of \$250 Million (**Condemnation**); and

**WHEREAS**, Based on Management's review of publicly available valuations as well as estimates from Amtrak's consultants as addressed more thoroughly in a memorandum to the Board from Amtrak's General Counsel, Management has advised the Board that, depending on the final valuation of the Sublease Interests determined by the court, the amount that Amtrak may be responsible for paying in Condemnation could exceed \$250 Million; and

**WHEREAS**, Management has advised and the Board has concluded that the acquisition of the Sublease Interests is necessary to ensure the condition and longevity of WUS as a multimodal transportation center and a key asset of Amtrak's core business and provides an opportunity to improve the lease structure of WUS to serve the long-term interests of this essential multimodal station; and

**WHEREAS**, Management has requested pre-programming authority in connection with Amtrak's acquisition of the Sublease Interests, and the Federal Railroad Administration (**FRA**) has approved such request; and

**WHEREAS**, Management has advised and the Board has concluded that the acquisition of the Sublease Interests is necessary for Amtrak's intercity rail passenger transportation service,

is necessary for the accomplishment of Amtrak's mission, and is necessary for the reasons set forth in the business case; and

**WHEREAS**, Management has advised and the Board has concluded that the acquisition of the Sublease Interests would allow Amtrak to directly invest in WUS in a more efficient and effective manner, making improvements with the most benefit for intercity and public transit riders, including enhancement to passenger flow, ticketing and waiting areas, and critical life safety projects; and

**WHEREAS**, Management recommends, and the Board has determined, that it is advisable and in the best interests of the Corporation to pursue the acquisition of the Sublease Interests either by entering into a binding Negotiated Deal, submitting a binding bid at Auction or by Condemnation; and therefore, be it

**RESOLVED**, That the Board has determined that the acquisition of the Sublease Interests is necessary for Amtrak's intercity rail passenger transportation services and is otherwise in the best interests of Amtrak and WUS, and authorizes and approves the acquisition of the Sublease Interests by either entering into a binding Negotiated Deal, submitting a binding bid at Auction, or by Condemnation; and

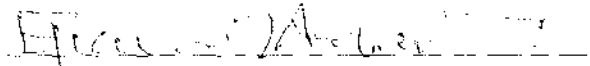
**FURTHER RESOLVED**, That the President and Chief Executive Officer and any Executive Vice President of the Corporation (**Authorized Officers**) are each hereby authorized to take any and all actions consistent with this resolution, including, without limitation making purchase offers, engaging in foreclosure auction bidding, commencing negotiations and executing agreements of purchase and sale, assignments or leases and rents, and documents for condemnation proceedings, and the Sublease Interests, and to make, execute and deliver in the name of and on behalf of the Corporation all instruments, agreements, certifications and all other documents as may be required or contemplated by the foregoing, containing such terms as the above-referenced Authorized Officer(s) deems necessary and advisable in order to effectuate the foregoing proposed transaction; and

**FURTHER RESOLVED**, That any and all lawful actions taken on the Corporation's behalf within the scope of the foregoing be and are hereby ratified, confirmed and approved.

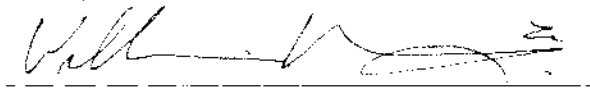
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ADJOURNMENT

There being no further business before the Board, the meeting adjourned at 2:35 p.m.



Eleanor D. Acheson  
Corporate Secretary



William Herrmann  
Assistant Corporate Secretary