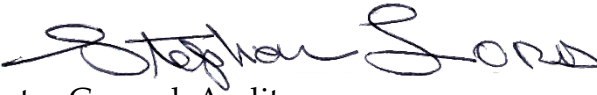




Memorandum

To: Gerald Sokol, Jr.
Executive Vice President and Chief Financial Officer

From: Stephen Lord 
Assistant Inspector General, Audits

Date: November 8, 2016

Subject: Engagement Memo – Audit of the Potential Effect of Drug and Alcohol Use on Company Operations (Project 004-2017)

We are initiating an audit of the company's efforts to minimize the risks associated with employees' drug and alcohol use, especially for those in safety-sensitive positions. Our audit objective is to assess the effectiveness of the company's efforts to deter, detect and control the use of illegal and prescription drugs and alcohol by employees in safety-sensitive positions.

During the audit, we plan to interview company officials, analyze documents and data, and evaluate the company's management controls and oversight of these activities. We will also analyze employees' medical and prescription drug claims and the company's drugs and alcohol test results during calendar years 2014 through 2016 to help identify trends and the potential effect of employees' use of drugs and alcohol on the company's operations. We will minimize disruptions to the company by coordinating meetings with staff in advance.

Our interactions with the company will be consistent with P/I 2.1.3, which sets forth the relationship between our office and the company. In particular, section 7.0 of the policy discusses coordination between company officials and our office of audits. To view this policy, see <http://wiki.corp.nrpc/display/APIM20/2.0+Inspector+General>

We request that your office arrange an entrance conference with the appropriate company officials at the earliest possible date. We will keep you advised of the status of our work and any material changes in our objective, should they occur.

David Grossman will be the audit manager for this engagement and will report to Vijay Chheda, Senior Director. If you have any questions, please contact me at 202-906-4600 or Stephen.Lord@amtrakoig.gov, Jason Venner at 202-906-4405 or Jason.Venner@amtrakoig.gov, or Vijay Chheda at 202-906-4661 or Vijay.Chheda@amtrakoig.gov.

Thank you for your cooperation.

cc: DJ Stadtler, Jr., Executive Vice President/Chief Operations Officer
Alex B. Melnkovic, Executive Vice President/Chief Human Capital Officer
Michael Logue, Vice President/Chief Safety Officer
Dave Roberts, Senior Vice President, Total Rewards and Wellness
William Herrmann, Vice President/Managing Deputy General Counsel
Matthew Gagnon, Senior Director, Amtrak Controls
Melantha Paige, Senior Amtrak Controls Consultant