

# HELM FINANCIAL CORPORATION

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SURFACE TRANSPORTATION  
BOARD

One Embarcadero Center • San Francisco, CA 94111

FAX 415/398-4816

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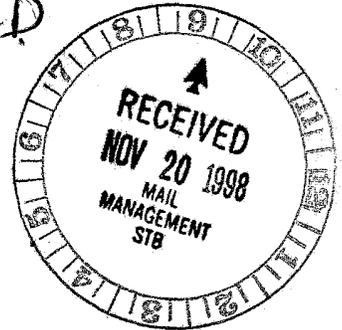
November 9, 1998

Mr. Vernon Williams  
Secretary  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423-0001

RECORDATION NO. 21794-D FILED

NOV 20 '98

10-22AM



Dear Mr. Williams:

Enclosed are two (2) originals of the **Memorandum of Locomotive Lease Agreement** dated as of July 9, 1998 which is intended to evidence **Schedule No.7** dated as of May 1, 1998 to the Master Locomotive Lease Agreement dated as of March 19, 1997 between the following parties:

Lessor: Helm Financial Corporation  
One Embarcadero Center, Suite 3700  
San Francisco, CA 94111

Lessee: Delaware & Hudson Railway Company, Inc.  
Room 235 Windsor Station  
Station Centre Ville  
Montreal, Quebec H3C 3E4

The equipment involved in this transaction is as follows:

Equipment: Seven (7) locomotives as more fully described in Attachment A to the memorandum.

Please file this memorandum as a supplementary document and return one (1) stamped original to my attention. A check covering the filing fee of twenty-six dollars (\$26.00) is enclosed.

Sincerely,

A handwritten signature in cursive script that reads "Alison Drain".

Alison Drain  
Document Administrator

/ad  
Enclosures (2)

NOV 20 '98 10-22AM

MEMORANDUM OF  
LOCOMOTIVE LEASE AGREEMENT

THIS MEMORANDUM OF LOCOMOTIVE LEASE AGREEMENT ("Memorandum of Lease") dated as of July 9, 1998 is intended to evidence Schedule No. 7 dated as of May 1, 1998 ("Schedule 7") to the Master Locomotive Lease Agreement, dated as of March 19, 1997 ("Lease") between HELM FINANCIAL CORPORATION, a California corporation ("Lessor"), and DELAWARE AND HUDSON RAILWAY COMPANY, INC., a Delaware corporation ("Lessee"), for the purpose of satisfying the requirements of recordation with the Surface Transportation Board of the Department of Transportation under Section 49 of U.S.C. 11301. Lessor has the right to lease the locomotives more fully described in Attachment A hereto (the "Units"). Lessee leased from Lessor all the Units at the rentals and upon the terms and conditions provided in the Lease and Schedule 7.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Lease to be executed by their duly authorized representative as of the day and year first above written.

LESSOR

LESSEE

HELM FINANCIAL CORPORATION

DELAWARE AND HUDSON RAILWAY  
COMPANY, INC.

By: 

By: 

Print Name: Richard C. Kirchner

Print Name: P. D. Gilmore

Title: President

Title: President

**ATTACHMENT A**

To the Memorandum of Lease dated July 9, 1998

**Equipment Description:**

Seven (7), four axle, 3,000 horsepower, leader equipped EMD, GP40-2 locomotives.

**Unit Numbers**

HLCX 4201  
HLCX 4203  
HLCX 4290  
HATX 510  
HATX 516  
HATX 517  
HATX 518

STATE OF CALIFORNIA )  
 ) S.S.  
COUNTY OF SAN FRANCISCO )

On September 28, 1998, before me, Emma S. Ortega, personally appeared Richard C. Kirchner, President of **HELM FINANCIAL CORPORATION**,

personally known to me -OR-

proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.



WITNESS my hand and official seal.

Signature: Emma Susan Ortega

(Notarial Seal)

PROVINCE OF QUEBEC )  
 ) S.S.  
CITY OF MONTREAL )

On this 25<sup>th</sup> day of September, 1998, before me Jean-Claude Paré, personally appeared Paul Gilmore, PRESIDENT of **DELAWARE AND HUDSON RAILWAY COMPANY, INC.**,

personally known to me -OR-

proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature: Jean-Claude Paré

(Seal)

Advocate, authorized by law to administer oaths throughout the Province of Quebec.