

**HELM-ATLANTIC ASSOCIATES**  
**LIMITED PARTNERSHIP**

One Embarcadero Center • San Francisco, CA 94111  
415/398-4510 FAX 415/398-4816

June 14, 1999

RECORDATION NO. **22230** FILED

JUL 1 '99 3-45 PM

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

Dear Mr. Williams:

Enclosed are two (2) originals of the Memorandum of Locomotive Lease Agreement dated as of May 26, 1999 ("**Memorandum**") between the following parties:

Lessor: Helm -Atlantic Associates Limited Partnership  
c/o Helm Atlantic Corporation  
One Embarcadero Center, Suite 3700  
San Francisco, CA 94111

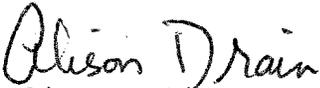
Lessee: Georgia & Florida RailNet, Inc.  
3350 Airport Fwy, # 300  
Bedford, TX 76022

The equipment involved in this transaction is as follows:

Equipment: Seven (7) locomotives as more fully described  
in Schedule A attached hereto.

Please file this memorandum as a primary document. A check covering the filing fee of twenty-six dollars (\$26.00) is enclosed.

Yours truly,

  
Alison Drain  
Document Administrator

/ad  
Enclosures (2)

#4406

MEMORANDUM OF  
LOCOMOTIVE LEASE AGREEMENT

JUL 1 '99

3-45 PM

THIS MEMORANDUM OF LOCOMOTIVE LEASE AGREEMENT ("Memorandum") is dated as of May 26, 1999, and is intended to evidence that certain Locomotive Lease Agreement dated as of May 26, 1999 ("Lease") between HELM-ATLANTIC ASSOCIATES LIMITED PARTNERSHIP, a Delaware limited partnership ("Lessor"), and GEORGIA & FLORIDA RAILNET, 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 Schedule A hereto (the "Units"). Lessee leased from Lessor the Units at the Rent and upon the terms and conditions provided in the Lease.

The Lease and the Units cannot be assigned, subleased or in any way encumbered without the prior written consent of Lessor. Lessee has granted a security interest unto Lessor in and to any and all Payments, as such term is defined in the Lease, including, without limitation, any and all Rent and other Payments pursuant to any sublease of the Units. In the Event of Default, as such term is defined in the Lease, Lessee assigns any and all subleases to Lessor.

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

LESSOR

LESSEE

HELM-ATLANTIC ASSOCIATES  
LIMITED PARTNERSHIP

GEORGIA &amp; FLORIDA RAILNET, INC.

By: Helm Atlantic Associates,  
its General PartnerBy: By: 

Print Name: David R. Eckles

Print Name: Robert F. McKenney

Title: President

Title: CEO

**SCHEDULE A**

**TO THE MEMORANDUM OF LEASE**

**THE UNITS**

**GROUP A UNITS**

**Equipment Description:**

Three (3) GP40-2, 3000 horsepower, four axle, diesel electric locomotives with non-dynamic brakes; built by General Motors, Electro-Motive Division in 1974.

**Unit Numbers**

HATX 500  
HATX 502  
HATX 517

**GROUP B UNITS**

**Equipment Description:**

Two (2) GP-38 locomotives.

**Unit Number**

HLCX 3605  
HLCX 3618

**GROUP C UNITS**

**Equipment Description:**

Two (2) SW-1500 locomotives.

**New Unit Number**

HLCX 1522  
HLCX 1523

**Previous Unit Number**

AN 717  
AN 718

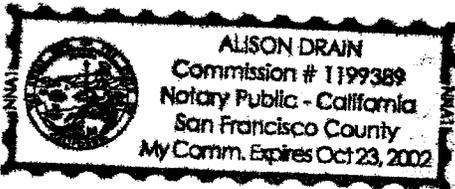
STATE OF CALIFORNIA )  
 ) S.S.  
COUNTY OF SAN FRANCISCO )

On June 10<sup>th</sup>, 1999, before me, Alison Drain, personally appeared David R. Eckles, President of HELM ATLANTIC CORPORATION,

X 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.



Alison Drain  
SIGNATURE OF THE NOTARY

[Notarial Seal]

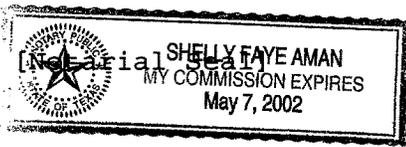
STATE OF Texas )  
 ) S.S.  
COUNTY OF Tarrant )

On June 8, 1999, before me, Shelly Faye Aman, personally appeared Robert F McKenney, Chairman Executive Office GEORGIA & FLORIDA RAILNET, INC.

X 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.



Shelly Faye Aman  
SIGNATURE OF THE NOTARY

*Handwritten initials*