

# HELM FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

FAX 415/398-4816

## VIA AIR COURIER

January 2, 1998

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

RECORDATION NO. 21155 FILED

JAN 5 1998

12-00PM

JAN 5 11 55 AM '98

RECEIVED  
SURFACE TRANSPORTATION  
BOARD

Dear Mr. Williams:

Enclosed are two (2) originals of the Memorandum of Net Lease Agreement made as of May 12, 1997 ("**Memorandum**") between the following parties:

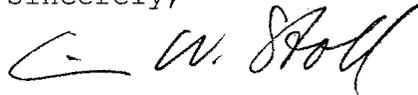
Lessor:	Helm Financial Corporation One Embarcadero Center, Suite 3700 San Francisco, CA 94111
Lessee:	IES Utilities Inc. 200 First Street, S.E. Cedar Rapids, IA 52401

The equipment involved in this transaction is as follows:

Equipment:	Twenty-five (25) railcars as more fully described in <u>Schedule A</u> to the Memorandum.
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Please file this agreement as a primary document. A check covering the filing fee of twenty-four dollars (\$24.00) is enclosed.

Sincerely,



Eric W. Stoll  
Document Administrator

/es  
Enclosures (2)

RECORDATION 21155 FILED

JAN 9 '98 12:00PM

MEMORANDUM OF  
NET LEASE AGREEMENT

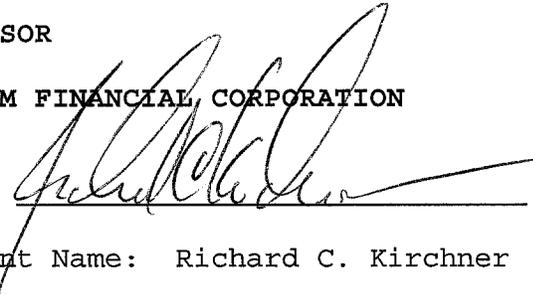
THIS MEMORANDUM OF NET LEASE AGREEMENT ("Memorandum") is made as of May 12, 1997 and is intended to evidence that certain Net Lease Agreement dated as of May 12, 1997 ("Lease") between HELM FINANCIAL CORPORATION, a California corporation ("Lessor"), and IES UTILITIES INC., an Iowa corporation ("Lessee"), 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 rail equipment, more fully described in Schedule A hereto ("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

HELM FINANCIAL CORPORATION

By: 

Print Name: Richard C. Kirchner

Its: President

LESSEE

IES UTILITIES INC.

By: 

Print Name: Philip D. Ward

Its: Vice President, Genca



SCHEDULE A  
TO THE MEMORANDUM OF LEASE

THE UNITS

Equipment Description:

Twenty-five (25), 100-ton, five pocket, 3850 cubic foot, rapid discharge railcars built by Ortner Freight Car in 1978.

Unit Numbers:

HLMX 78001  
HLMX 78017  
HLMX 78018  
HLMX 78022  
HLMX 78030  
HLMX 78036  
HLMX 78037  
HLMX 78045  
HLMX 78051  
HLMX 78061  
HLMX 78082  
HLMX 78090  
HLMX 78102  
HLMX 78116  
HLMX 78137  
HLMX 78144  
HLMX 78145  
HLMX 78170  
HLMX 78171  
HLMX 78180  
HLMX 78189  
HLMX 78190  
HLMX 78197  
HLMX 78208  
HLMX 78222

*DJ*

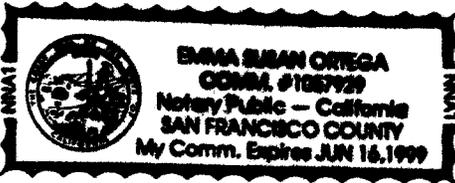
STATE OF CALIFORNIA )  
 ) S.S.  
COUNTY OF SAN FRANCISCO )

On November 24, 1997, 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.



Emma Susan Ortega  
SIGNATURE OF THE NOTARY

[Notarial Seal]

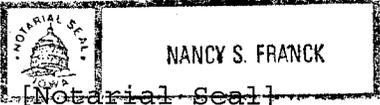
STATE OF IOWA )  
 ) S.S.  
COUNTY OF LINN )

On Nov. 12, 1997, before me, Nancy S. Franck, personally appeared Philip D. Ward, Vice President - Genco of **IES UTILITIES 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.



Nancy S. Franck  
SIGNATURE OF THE NOTARY

[Notarial Seal]

*RF*