

HELM FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111

415/398-4510 *Primary* FAX 415/398-4816

October 13, 1998

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

RECORDATION NO. 21720 FILED

OCT 16 '98 10-36 AM

RECORDATION NO. 21720-A FILED

OCT 16 '98 10-36 AM



Dear Mr. Williams:

Enclosed are three (3) originals each of the Memorandum of Master Lease Agreement dated as of August 1, 1997; the Memorandum of Schedule to Master Lease Agreement dated as of August 1, 1997 which is intended to evidence Schedule No. 1 and the Memorandum of Schedule to Master Lease Agreement dated as of August 20, 1998 which is intended to evidence Schedule No. 3 between the following parties:

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

Lessee: The Burlington Northern and
Santa Fe Railway Company
2650 Lou Menk Drive
Fort Worth, TX 76161-0061

The equipment involved in this transaction is as follows:

- Schedule No.1** Forty-two (42) locomotives as more fully described in Annex A to the memorandum.
- Schedule No.3** Eleven (11) locomotives as more fully described in Annex A to the memorandum.

Please file the Memorandum of Master Lease Agreement as the primary document and the Memorandum of Schedule No. 1 and the Memorandum of Schedule No. 3 as subsequent documents and return two (2) stamped originals each to my attention. A check covering the filing fee of seventy-eight dollars (\$78.00) is enclosed.

Sincerely,

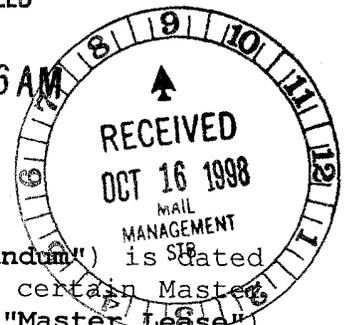
Alison Drain

Alison Drain
Document Administrator

/ad
Enclosures (9)

OCT 16 '98

10-36 AM



MEMORANDUM OF
MASTER LEASE AGREEMENT

THIS MEMORANDUM OF MASTER LEASE AGREEMENT ("Memorandum") is dated as of August 1, 1997 and is intended to evidence that certain Master Locomotive Lease Agreement dated as of August 1, 1997 ("Master Lease") between HELM FINANCIAL CORPORATION, a California corporation ("Lessor"), and THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY, a Delaware corporation ("Lessee"), for the purpose of satisfying the requirements of recordation with the Surface Transportation Board of the Department of Transportation ("STB") under Section 49 of U.S.C. 11301. Lessee has the right to lease the rail equipment, more fully described in any Schedule which the parties subsequently record with the STB under the Master Lease, upon the terms and conditions provided in the Master Lease and such Schedule.

The Master Lease, any Schedule thereunder and the rail equipment leased hereby and thereby cannot be assigned, subleased (other than to a Class I railroad or for a term of thirty (30) days or less) or in any way encumbered without the prior written consent of Lessor. In the Event of Default, as such term is defined in the Master 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 FINANCIAL CORPORATION

THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY

By: [Signature]

By: [Signature]

Print Name: Richard C. Kirchner

Print Name: Harry Baldaani

Its: President

Its: Dia Loco Planning & Leasing

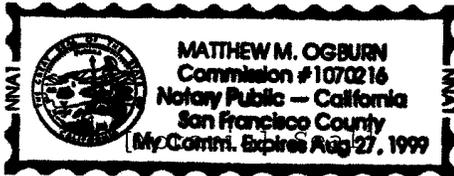
am

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

On September 18, 1998, before me, Matthew M. Ogburn,
personally appeared Richard C. Kirchner, President of HELM FINANCIAL
CORPORATION,

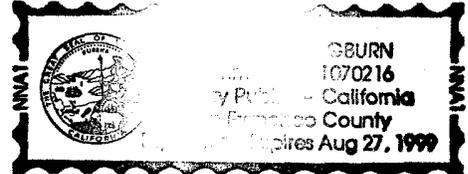
personally known to me -OR-

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.

Matthew M. Ogburn
SIGNATURE OF THE NOTARY

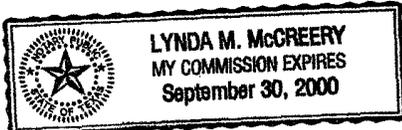


STATE OF Texas)
) S.S.
COUNTY OF Tarrant)

On Sept. 16, 1998, before me, Lynda M. McCreery,
personally appeared Harry K. Balducci, Dir. Loco Png & Leasing
of THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY

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.

Lynda M. McCreery
SIGNATURE OF THE NOTARY

[Notarial Seal]

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