

# HELM FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

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RECORDATION NO 21719 FILED

October 13, 1998

OCT 16 '98 10-36 AM



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 Net Lease Agreement** dated as of June 23, 1998, between the following parties:

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

Lessee: The Detroit Salt Company, L.C.  
12841 Sanders Street  
Detroit, MI 48217

The equipment involved in this transaction is as follows:

Equipment: Two hundred fifty (250) railcars as more fully described in Schedule A to the Memorandum.

Please file this memorandum as a primary 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'.

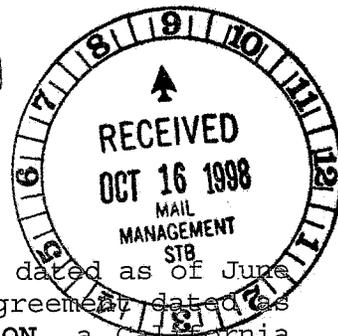
Alison Drain  
Document Administrator

/ad  
Enclosures (2)

OCT 16 '98

10-36 AM

MEMORANDUM OF  
NET LEASE AGREEMENT



THIS MEMORANDUM OF NET LEASE AGREEMENT ("Memorandum") is dated as of June 23, 1998 and is intended to evidence that certain Net Lease Agreement dated as of June 23, 1998 ("Lease") between HELM FINANCIAL CORPORATION, a California corporation ("Lessor"), and THE DETROIT SALT COMPANY, L.C., a Michigan limited liability company ("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.

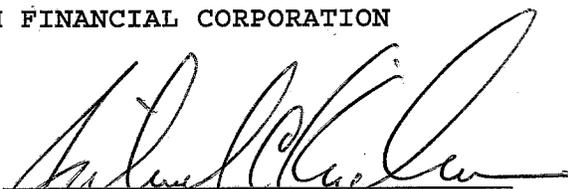
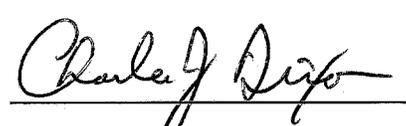
IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed by their duly authorized representative as of the day and year first above written.

LESSOR

LESSEE

HELM FINANCIAL CORPORATION

THE DETROIT SALT COMPANY, L.C.

By: By: 

Print Name: Richard C. Kirchner

Print Name: CHARLES J DIXON

Its: President

Its: VICE PRESIDENT

**SCHEDULE A**

**To the Memorandum of Lease**

**Equipment Description:**

Two hundred fifty (250), 100-ton, roller bearing, 4000 cubic foot, three pocket covered hopper railcars equipped with trough hatches and gravity outlet gates (Pegasus operating rod conversion applied to 199 of the railcars)

**Unit Numbers:**

1	HLMX	96013	49	HLMX	96254	97	HLMX	96462	145	HLMX	96822
2	HLMX	96016	50	HLMX	96261	98	HLMX	96470	146	HLMX	96834
3	HLMX	96027	51	HLMX	96266	99	HLMX	96471	147	HLMX	96846
4	HLMX	96046	52	HLMX	96268	100	HLMX	96472	148	HLMX	96854
5	HLMX	96051	53	HLMX	96271	101	HLMX	96473	149	HLMX	96880
6	HLMX	96054	54	HLMX	96278	102	HLMX	96475	150	HLMX	96897
7	HLMX	96062	55	HLMX	96280	103	HLMX	96484	151	HLMX	96905
8	HLMX	96064	56	HLMX	96283	104	HLMX	96487	152	HLMX	96935
9	HLMX	96065	57	HLMX	96302	105	HLMX	96490	153	HLMX	96937
10	HLMX	96067	58	HLMX	96308	106	HLMX	96492	154	HLMX	96981
11	HLMX	96085	59	HLMX	96310	107	HLMX	96497	155	HLMX	96984
12	HLMX	96100	60	HLMX	96313	108	HLMX	96500	156	HLMX	97010
13	HLMX	96107	61	HLMX	96314	109	HLMX	96502	157	HLMX	97028
14	HLMX	96109	62	HLMX	96315	110	HLMX	96510	158	HLMX	97033
15	HLMX	96117	63	HLMX	96316	111	HLMX	96515	159	HLMX	97036
16	HLMX	96118	64	HLMX	96320	112	HLMX	96518	160	HLMX	97037
17	HLMX	96119	65	HLMX	96321	113	HLMX	96524	161	HLMX	97082
18	HLMX	96120	66	HLMX	96327	114	HLMX	96529	162	HLMX	97119
19	HLMX	96123	67	HLMX	96328	115	HLMX	96535	163	HLMX	97122
20	HLMX	96128	68	HLMX	96330	116	HLMX	96537	164	HLMX	97131
21	HLMX	96129	69	HLMX	96332	117	HLMX	96538	165	HLMX	97140
22	HLMX	96131	70	HLMX	96333	118	HLMX	96541	166	HLMX	97160
23	HLMX	96132	71	HLMX	96348	119	HLMX	96543	167	HLMX	97214
24	HLMX	96139	72	HLMX	96351	120	HLMX	96545	168	HLMX	97226
25	HLMX	96141	73	HLMX	96364	121	HLMX	96548	169	HLMX	97231
26	HLMX	96142	74	HLMX	96366	122	HLMX	96553	170	HLMX	97248
27	HLMX	96152	75	HLMX	96370	123	HLMX	96570	171	HLMX	97259
28	HLMX	96156	76	HLMX	96373	124	HLMX	96578	172	HLMX	97283
29	HLMX	96161	77	HLMX	96375	125	HLMX	96581	173	HLMX	97314
30	HLMX	96166	78	HLMX	96379	126	HLMX	96582	174	HLMX	97315
31	HLMX	96169	79	HLMX	96384	127	HLMX	96590	175	HLMX	97331
32	HLMX	96170	80	HLMX	96389	128	HLMX	96594	176	HLMX	97345
33	HLMX	96179	81	HLMX	96392	129	HLMX	96622	177	HLMX	97357
34	HLMX	96181	82	HLMX	96394	130	HLMX	96633	178	HLMX	97376
35	HLMX	96189	83	HLMX	96395	131	HLMX	96640	179	HLMX	97381
36	HLMX	96190	84	HLMX	96398	132	HLMX	96641	180	HLMX	97397
37	HLMX	96195	85	HLMX	96401	133	HLMX	96676	181	HLMX	97415
38	HLMX	96199	86	HLMX	96406	134	HLMX	96707	182	HLMX	97423
39	HLMX	96207	87	HLMX	96407	135	HLMX	96730	183	HLMX	97438
40	HLMX	96209	88	HLMX	96414	136	HLMX	96745	184	HLMX	97454
41	HLMX	96211	89	HLMX	96426	137	HLMX	96749	185	HLMX	97484
42	HLMX	96212	90	HLMX	96427	138	HLMX	96762	186	HLMX	97485
43	HLMX	96216	91	HLMX	96432	139	HLMX	96765	187	HLMX	97505
44	HLMX	96217	92	HLMX	96447	140	HLMX	96769	188	HLMX	97507
45	HLMX	96229	93	HLMX	96450	141	HLMX	96776	189	HLMX	97532
46	HLMX	96231	94	HLMX	96452	142	HLMX	96780	190	HLMX	97545
47	HLMX	96238	95	HLMX	96459	143	HLMX	96787	191	HLMX	97552
48	HLMX	96244	96	HLMX	96461	144	HLMX	96809	192	HLMX	97555

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SCHEDULE A - Continued

Unit Numbers:

193	HLMX	97562	208	HLMX	97748	223	HLMX	97857	238	HLMX	97937
194	HLMX	97593	209	HLMX	97754	224	HLMX	97865	239	HLMX	97943
195	HLMX	97602	210	HLMX	97760	225	HLMX	97867	240	HLMX	97948
196	HLMX	97612	211	HLMX	97765	226	HLMX	97881	241	HLMX	97949
197	HLMX	97623	212	HLMX	97776	227	HLMX	97884	242	HLMX	97956
198	HLMX	97649	213	HLMX	97777	228	HLMX	97889	243	HLMX	97958
199	HLMX	97675	214	HLMX	97791	229	HLMX	97892	244	HLMX	97960
200	HLMX	97693	215	HLMX	97811	230	HLMX	97899	245	HLMX	97961
201	HLMX	97698	216	HLMX	97818	231	HLMX	97901	246	HLMX	97962
202	HLMX	97709	217	HLMX	97820	232	HLMX	97910	247	HLMX	97979
203	HLMX	97710	218	HLMX	97831	233	HLMX	97912	248	HLMX	97989
204	HLMX	97737	219	HLMX	97838	234	HLMX	97920	249	HLMX	97990
205	HLMX	97738	220	HLMX	97841	235	HLMX	97924	250	HLMX	97991
206	HLMX	97740	221	HLMX	97845	236	HLMX	97928			
207	HLMX	97747	222	HLMX	97854	237	HLMX	97936			

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

On September 14, 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.

Emma Susan Ortega  
SIGNATURE OF THE NOTARY



[Notarial Seal]

STATE OF MICHIGAN )  
 ) S.S.  
COUNTY OF Wayne )

On September 2, 1998, before me, Charles J. Dixon, personally appeared 12841 Sanders St. Detroit, Mi 48217, Corporate office of THE DETROIT SALT COMPANY, L.C.,

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.

Stacy Sword  
SIGNATURE OF THE NOTARY  
STACY SWORD  
Notary Public, Wayne County, MI  
My Commission Expires Aug 3, 2002

[Notarial Seal]