

DONELAN, CLEARY, WOOD & MASER, P. C.

0100314027

ATTORNEYS AND COUNSELORS AT LAW

SUITE 850

1275 K STREET, N. W.

WASHINGTON, D. C. 20005-4078

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18905

RECORDATION NO. _____ FILED 1425

JUL 20 1994 -2 40 PM

INTERSTATE COMMERCE COMMISSION

July 20, 1994

New Recordation No.

LIBRARY
2/14/94

Dear Mr. Strickland:

On behalf of NationsBank of Virginia, N.A., I submit for filing and recording under 49 U.S.C. § 11303(a) and the regulations promulgated thereunder, executed counterparts of a primary document, not previously recorded, entitled Security Agreement ("Agreement"), dated as of July 20, 1994.

The parties to the enclosed Agreement are:

Helm-Atlantic Associates Limited - DEBTOR/MORTGAGOR
Partnership
Suite 3500
One Embarcadero Center
San Francisco, CA 94111

NationsBank of Virginia, N.A. - LENDERS/MORTGAGEES
and Rail Wagons, Inc.
4th Floor Pavilion
1111 East Main Street
Richmond, VA 23277-0001

The said Agreement, among other things, acts to grant a security interest to the Lenders in all equipment now owned or hereafter acquired by the debtor.

The equipment covered by the instant Agreement is identified therein as all equipment now owned or hereafter acquired by the debtor.

A short summary of the Agreement to appear in the ICC Index is as follows:

"Grants security interest in all equipment now owned OR HEREAFTER ACQUIRED by debtor."

Consent signed by: W. H. H. H. H.

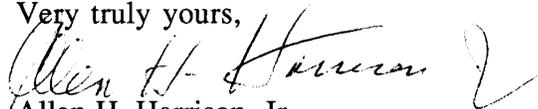
DONELAN, CLEARY, WOOD & MASER, P. C.

Note, please be certain to index each of the two Lenders separately in the mortgagee side of the ICC Index ("white pages").

Enclosed is a check in the amount of eighteen dollars (\$18.00) in payment of the filing fee.

Once the filing has been made, please return to bearer the stamped counterpart(s) of the document not required for filing purposes, together with the fee receipt, the letter from the ICC acknowledging the filing, and the two extra copies of this letter of transmittal.

Very truly yours,



Allen H. Harrison, Jr.

*Attorney for NationsBank of Virginia,
N.A., for the purpose of this filing*

Honorable Sidney L. Strickland, Jr.
Secretary
Interstate Commerce Commission
Washington, D.C. 20423

Enclosures
BY HAND

8308-020

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

JULY 20, 1994

ALLEN H. HARRISON, JR.
DONELAN, CLEARY, WOOD & MASER
1275 K ST., NW, SUITE 850
WASHINGTON DC 20005-4078

Dear MR. HARRISON:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 7/20/94 at 2:45PM, and assigned recordation number(s) 18905

Sincerely yours,

Sidney L. Strickland, Jr.
Secretary

Enclosure(s)

\$ 18.00 The amount indicated at the left has been received in payment of a fee in connection with a document filed on the date shown. This receipt is issued for the amount paid and in no way indicates acknowledgment that the fee paid is correct. This is accepted subject to review of the document which has been assigned the transaction number corresponding to the one stamped on this receipt. In the event of an error or any questions concerning this fee, you will receive a notification after the Commission has had an opportunity to examine you document.

Signature *Sidney L. Strickland, Jr.*

Newspaper

18905

RECORDATION NO. _____ FILED 1425

JUL 20 1994 - 2 45 PM

INTERSTATE COMMERCE COMMISSION

SECURITY AGREEMENT

SECURITY AGREEMENT dated as of July 20, 1994 from HELM- ATLANTIC ASSOCIATES LIMITED PARTNERSHIP, a Delaware limited partnership having its principal place of business at c/o Helm Financial Corporation, One Embarcadero Center, Suite 3500, San Francisco, California 94111 (the "Company"), to NATIONSBANK OF VIRGINIA, N.A., a national banking association ("NationsBank"), in its capacity as agent (the "Agent"), for the benefit of NATIONSBANK and RAIL WAGONS, INC., a Delaware corporation ("Rail Wagons") (Nationsbank and Rail Wagons are together referred to as the "Lenders"). Agent has its principal place of business at 1111 East Main Street, 4th Floor Pavilion, Richmond, Virginia 23277-0001.

FOR VALUE RECEIVED, the receipt of which is hereby acknowledged, including enabling the Company to obtain credit or other financial accommodations from the Lenders, the Company hereby agrees as follows:

§1. DEFINITIONS. All capitalized terms used herein or in any certificate, report or other document delivered pursuant hereto shall have the meanings assigned to them in the Credit Agreement (as defined in §3). Except as so defined, terms defined in the Uniform Commercial Code as in effect in the Commonwealth of Virginia shall have the meanings set forth therein.

§2. GRANT OF SECURITY INTEREST, ETC. The Company hereby pledges, mortgages, assigns and grants to the Agent, for the benefit of the Lenders, a continuing security interest in and mortgage and lien on, all properties, assets and rights of the Company, wherever located, now owned or hereafter acquired or arising, and any and all additions, substitutions, accessions, proceeds and products thereof, including without limiting the generality of the foregoing, the following properties, assets and rights (all of the same being hereinafter referred to as the "Collateral"):

(a) all railroad cars, locomotives, other rolling stock, trailers, shipping containers, chassis and other equipment used in railroad and other transportation, in which the Company now or at any time has an interest (the "Railroad Equipment"), and all other equipment, fixtures, machinery and tangible personal property of every kind and nature;

(b) all of the right, title and interest of the Company in, to and under each lease, use agreement, service agreement or other agreement by which Railroad Equipment or any other assets of the Company are or shall be leased to others, whether now or hereafter in effect (the "Leases"), including without limitation all right, title and interest of the Company in and to all rents, issues, profits and revenues and other income arising from each Lease and other moneys due and to become due to the Company under each Lease, all proceeds of and all claims for damages arising out of the breach of each Lease, the right of the Company to terminate each Lease and to compel performance of the terms and provisions thereof, and all chattel paper, contracts, instruments and other documents evidencing each Lease or any moneys due or to become due thereunder or related thereto;

- (c) all accounts, contract rights, warranty and indemnity claims, rights to the payment of money, including tax refund claims and policies and contracts of insurance;
- (d) all security and other assigned interests held by the Company in leases or other properties of any other person or entity;
- (e) all goods, inventory, accounts receivable, notes receivable and chattel paper;
- (f) all documents, instruments and general intangibles;
- (g) all patents, trademarks, trade names, copyrights, engineering drawings, service marks, books and records; and
- (h) all real property, and interests in and rights in, on or over real property.

§3. OBLIGATIONS SECURED. The Collateral hereunder constitutes and will constitute continuing security for all the Obligations, now existing or hereafter arising, direct or indirect, absolute or contingent, due or to become due, matured or unmatured, liquidated or unliquidated, arising by contract, operation of law or otherwise arising under the Revolving Credit Agreement of even date herewith (the "Credit Agreement") by and between the Company, the Lenders and the Agent, and under the Notes and the other Loan Documents, in each case as originally executed or as modified, amended, supplemented, extended, renewed or restated.

§4. PRO RATA SECURITY; APPLICATION OF PROCEEDS OF COLLATERAL. All amounts owing with respect to the Obligations shall be secured pro rata by the Collateral without distinction as to whether some Obligations are then due and payable and other Obligations are not then due and payable. Upon any realization on the Collateral by the Agent, whether by receipt of insurance proceeds or upon foreclosure and sale of all or part of the Collateral pursuant to this Agreement or otherwise, the Company and the Agent agree that the proceeds thereof shall be applied (a) first, to the payment of expenses incurred with respect to the maintenance and protection of the Collateral and expenses incurred pursuant to §11 with respect to the sale of or realization on any of the Collateral or the perfection, enforcement or protection of the rights of the Agent (including reasonable attorney's fees and expenses of every kind), and (b) second, to the Obligations. Subject to the foregoing priorities, amounts applied to the payment of the Obligations shall be applied first to interest and fees due with respect to the Obligations and then to the principal amounts of the Obligations pro rata among the Lenders in accordance with Section §2.19 of the Credit Agreement.

§5. OPTION TO PERFORM OBLIGATIONS OF THE COMPANY IN RESPECT OF COLLATERAL. If any default or event of default with respect to any of the Obligations under any of the Loan Documents (an "Event of Default") shall have occurred and be continuing, the Agent may, at its option, discharge taxes, liens or security interests or other encumbrances at any time levied or placed on the Collateral or pay for the maintenance and preservation of the Collateral; and should the Company fail or refuse to make any other payment or perform any other action which the Company is obligated to make, perform, observe, take or do, hereunder or under any other agreement evidencing, or executed and delivered in connection with, any of the Obligations, then the Agent may,

without notice to or demand upon the Company and without releasing the Company from any obligation, covenant or condition hereof, make, perform, observe, take or do the same in such manner and to such extent as the Agent may deem necessary to protect the security of this Agreement. The Company agrees to reimburse the Agent on demand for any payment made, or any expense incurred by the Agent pursuant to the foregoing authorization, and agrees further to pay interest on such payment or expense at the Default Rate from the date of said payment or expenditure to the date of such reimbursement.

§6. FURTHER ASSURANCES; RESTRICTIONS ON TRANSFER. (a) On the date hereof, the Company has delivered to the Agent certain lease directives executed by the Company in blank in the form of Exhibit A (the "Lease Directives"). The Company shall, from time to time at the request of the Agent, execute and deliver to the Agent additional Lease Directives so that the number of Lease Directives held by the Agent shall at all times at least equal the number of Leases then in effect (or, if greater, the number of parties other than the Company to such Leases). The Lease Directives shall be maintained in the custody of the Agent and shall be sent by the Agent to any lessees under the Leases only under the circumstances described in §8(c).

(b) The Company shall, at its sole cost and expense, do, execute, acknowledge and deliver all further acts, supplements, financing statements, security agreements, conveyances, transfers, assurances and other documents necessary or advisable for the perfection and preservation of the lien and security interest created by this Agreement in the Collateral, whether now owned or hereafter acquired. The Company shall cause this Agreement and all supplements hereto, and all financing statements and continuation statements and similar notices required by applicable law, at all times to be kept, recorded and filed at no expense to the Agent in such manner and in such places as may be required by law in order fully to preserve and protect the rights of the Agent hereunder.

(c) Except as permitted by §8.8 of the Credit Agreement, the Company shall not sell or offer to sell or otherwise transfer the Collateral or any interest therein. Except as permitted by §8.5 of the Credit Agreement, the Company shall not pledge or mortgage, or create or suffer to exist a security interest, lien or other encumbrance of any kind on, the Collateral in favor of any Person other than the Agent.

§7. POWER OF ATTORNEY. (a) Appointment. The Company hereby irrevocably constitutes and appoints the Agent and any officer or agent thereof, with full power of substitution, as capable power and authority in the place and stead of the Company and in the name of the Company or in its own name, effective as of the date hereof but exercisable in the Agent's discretion only upon the occurrence of an Event of Default, to take any and all appropriate action and to execute any and all documents and instruments (including without limitation any Lease Directives) which may be necessary or desirable to accomplish the purposes of this Agreement and, without limiting the generality of the foregoing, the Company hereby gives the Agent the power and right, upon the occurrence of an Event of Default, on behalf of the Company, without notice to or assent by the Company, (i) to receive payment of and receipt for any and all moneys, claims and other amounts due at any time in respect of or arising out of any Collateral; (ii) to sign and endorse any documents relating to the Collateral; (iii) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Collateral or any thereof and to enforce any other right in respect of any Collateral; (iv) to defend any suit, action or proceeding brought against the Company with respect to any of

the Collateral; (v) to settle, compromise or adjust any suit, action or proceeding described in clause (iv) above and, in connection therewith, to give such discharges or releases as the Agent may deem appropriate; and (vi) generally to sell, transfer, pledge, make any agreement with respect to or otherwise deal with any of the Collateral as fully and completely as though the Agent were the absolute owner thereof for all purposes, and to do, at the Agent's option, and the Company's expense, at any time or from time to time, all acts and things which the Agent deems reasonably necessary to protect, preserve or realize upon the Collateral and the Agent's security interest therein, in order to effect the intent of the Loan Documents, all as fully and effectively as the Company might do. The Company hereby ratifies all that said attorneys shall lawfully do or cause to be done by virtue hereof. This power of attorney is a power coupled with an interest and shall be irrevocable for the term of this Agreement and thereafter so long as any of the Obligations remain unsatisfied.

(b) No Duty. The powers conferred on the Agent hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon it to exercise any such powers. The Agent shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and neither it nor any of its officers, directors, employees or agents shall be responsible to the Company for any act or failure to act, except for its own or their own gross negligence or willful misconduct.

(c) Additional Rights. The Company authorizes the Agent, at any time and from time to time, to execute, in connection with any sale provided for in this Agreement, any indorsements, assignments or other instruments of conveyance or transfer with respect to the Collateral.

§8. REMEDIES. In case any one or more Events of Default shall have occurred and be continuing, and whether or not any acceleration of the maturity of the amounts due in respect of any of the Obligations shall have occurred then, to the fullest extent permitted by applicable law:

(a) Rights under UCC. The Agent shall have, in addition to all other rights and remedies given it by any instrument or other agreement evidencing or executed and delivered in connection with any of the Obligations and otherwise allowed by law, the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any jurisdiction in which the Collateral may be located, and without limiting the generality of the foregoing, the Agent may immediately, without (to the fullest extent permitted by law) demand for performance or advertisement or notice of intention to sell or of time or place of sale or of redemption or other notice or demand whatsoever to the Company (except that the Agent shall give the Company at least 10 days' notice of the time and place of any proposed sale or other disposition), all of which are hereby expressly waived to the fullest extent permitted by law, sell at public or private sale or otherwise realize upon, in the City of Richmond, Virginia, or elsewhere, the whole or from time to time any part of the Collateral in or upon which the Agent shall have a security interest or lien hereunder, or any interest which the Company may have therein, and after deduction from the proceeds of sale or other disposition of the Collateral all expenses (including all reasonable expenses for legal services) as provided in §11, shall apply the residue of such proceeds toward the payment of the Obligations in accordance with §4. The Company shall remain liable for any deficiency remaining unpaid after such application, and any surplus remaining after satisfaction of the Obligations shall be paid to the Company. If notice of any sale or other disposition is required by law to be given, the Company hereby agrees that a notice given to

the Company, at least 10 days before the time of any intended public sale or other disposition of the Collateral is to be made, shall be reasonable notice of such sale or other disposition. The Company also agrees to assemble the Collateral at such place or places as the Agent reasonably designates by written notice. At any such sale or other disposition the Agent may itself, and any other person or entity owed any Obligation may itself, purchase the whole or any part of the Collateral sold, and after such sale such Collateral shall be free from any right of redemption on the part of the Company, which right is hereby waived and released to the fullest extent permitted by law.

(b) Entry and Possession. Furthermore, without limiting the generality of any of the rights and remedies conferred upon the Agent under §8(a), the Agent, to the fullest extent permitted by law, may enter upon the premises of the Company, exclude the Company therefrom and take immediate possession of the Collateral, either personally or by means of a receiver appointed by a court therefor, using all necessary force to do so, and may, at the Agent's option, use, operate, manage and control the Collateral in any lawful manner and may collect and receive all rents, income, revenue, earnings, issues and profits therefrom, and may maintain, repair, renovate, alter or remove the Collateral as the Agent may determine, and any moneys so collected or received by the Agent shall be applied to, or may be accumulated for application to, the Obligations in accordance with §4.

(c) Notification to Lessees. (i) Upon demand by the Agent, the Company shall specifically authorize and direct the lessee under each Lease to make payment of all moneys due and to become due under or arising out of such Lease directly to the Agent (and the Company hereby specifically authorizes the Agent upon such occurrence to send to any or all such lessees a Lease Directive or other notification so directing such payments). Upon such demand the Company, on its behalf, irrevocably authorizes and empowers the Agent to ask, demand, receive and give acquittance for any and all amounts which may be or become due or payable or remain unpaid to the Company by such lessee at any time or times under or arising out of its respective Lease; to endorse any checks, drafts or other orders for the payment of money payable to the Company in payment therefor, and, in the Agent's discretion, to file any claims or take any action or proceedings either in its own name or in the name of the Company or otherwise, which the Agent may deem to be necessary or advisable so long as any of the Obligations remain unsatisfied. ✓

(ii) It is expressly agreed by the Company that, anything herein to the contrary notwithstanding, the Company shall remain liable under each Lease to observe and perform all the conditions and obligations to be observed and performed by it thereunder, all in accordance with and pursuant to the terms and provisions thereof. The Agent shall have no obligation or liability under any Lease by reason of or arising out of this Agreement or the assignment of any Lease to the Agent or the receipt by the Agent of any payment relating to such Lease pursuant hereto, nor shall the Agent be required or obligated in any manner to perform or fulfill any of the obligations of the Company under or pursuant to any Lease, or to make any payment, or to make any inquiry as to the nature or the sufficiency of any performance by any party under such Lease, or to present or file any claim, or to take any action to enforce the observance of any obligations of any party to such Lease.

(d) Lessee's Quiet Enjoyment. Notwithstanding the foregoing, the Agent recognizes the right of the lessee under each Lease to the quiet enjoyment of the Railroad Equipment that is subject to such Lease so long as such lessee is not in default under its Lease, and the

Agent agrees that in pursuing its remedies under this §8, it shall not interfere with such quiet enjoyment so long as no such Lease default exists.

§9. COMPANY'S OBLIGATIONS NOT AFFECTED. The obligations of the Company under this Agreement shall remain in full force and effect without regard to, and shall not be impaired by, (a) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or the like of the Company, to the extent permitted by law, (b) any exercise or non-exercise, or any waiver, by the Agent of any right, remedy, power or privilege under or in respect of any of the Obligations or any security therefor (including this Agreement), (c) any amendment to or modification of this Agreement or any instrument evidencing any of the Obligations or pursuant to which any of them were issued, (d) any amendment to or modification of any instrument or agreement (other than this Agreement) securing any of the Obligations, or (e) the taking of additional security for or any guaranty of any of the Obligations or the release or discharge or termination of any security or guaranty for any of the Obligations; in each case, whether or not the Company shall have notice or knowledge of any of the foregoing.

§10. NO WAIVER. No failure on the part of the Agent to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by the Agent of any right, remedy or power hereunder preclude any other or future exercise of any other right, remedy or power. Each and every right, remedy and power hereby granted to the Agent or allowed it by law or other agreement, including, without limitation, the Credit Agreement and other Loan Documents, shall be cumulative and not exclusive of any other, and may be exercised by the Agent from time to time.

§11. EXPENSES. The Company agrees to pay, on demand, all reasonable costs and expenses (including reasonable attorneys' fees and expenses for legal services of every kind) of the Agent incidental to the sale of, or realization upon, any of the Collateral or in any way relating to the perfection, enforcement or protection of the rights of the Agent hereunder; and the Agent may at any time apply to the payment of all such costs and expenses all monies of the Company or other proceeds arising from the possession or disposition of all or any portion of the Collateral.

§12. MARSHALLING. The Agent shall not be required to marshal any present or future security for (including but not limited to this Agreement and the Collateral pledged hereunder) or guaranties of, the Obligations or any of them, or to resort to such security or guaranties in any particular order; and all of its rights hereunder and in respect of such securities and guaranties shall be cumulative and in addition to all other rights, however existing or arising. To the extent that it lawfully may, the Company hereby agrees that it shall not invoke any law relating to the marshalling of collateral which might cause the delay in or impede the enforcement of the Agent's rights under this Agreement or under any other instrument evidencing any of the Obligations or under which any of the Obligations is outstanding or by which any of the Obligations is secured or guaranteed, and to the extent that it lawfully may, the Company hereby irrevocably waives the benefits of all such laws.

§13. CONSENTS, AMENDMENTS, WAIVERS, ETC. Any term of this Agreement may be amended, and the performance or observance by the Company of any term of this Agreement may be waived (either generally or in a particular instance and

either retroactively or prospectively) only by a written instrument signed by the Company and the Agent.

§14. GOVERNING LAW. Except as otherwise required by the laws of any jurisdiction in which any Collateral is located, this Agreement shall be deemed to be executed as a sealed instrument, governed by and construed in accordance with the laws of the Commonwealth of Virginia.

§15. PARTIES IN INTEREST. All terms of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto, including without limitation any future holder of the Note and any Participant in or holder of any of the Obligations, whether by amendment to the Credit Agreement or otherwise, provided that the Company may not assign or transfer its rights hereunder without the prior written consent of the Agent.

§16. TERMINATION. Upon payment in full of the Obligations in accordance with their terms, this Agreement shall terminate and the Company shall be entitled to the return, at the Company's expense, of such Collateral in the possession or control of the Agent as has not theretofore been disposed of pursuant to the provisions hereof.

§17. NOTICES. Except as otherwise specified herein, all notices and other communications made or required to be given pursuant to this Agreement shall be in writing and shall be delivered by hand, sent by overnight express courier service or mailed by first-class mail, postage prepaid, addressed as follows:

If to the Agent: NationsBank of Virginia, N.A.
1111 East Main Street, 4th Floor Pavilion
Richmond, Virginia 23277-0001
Attention: Christopher L. Corish
Fax: (804) 788-3669

NationsBank of North Carolina, N.A.
101 Tryon Street
One Nationsbank Plaza
Charlotte, North Carolina 28255
Attention: Angela H. Berry
Fax: (704) 386-9923

With a copy to: Rail Wagons, Inc.
c/o CSX Transportation, Inc.
500 Water Street SCJ220
Jacksonville, Florida 32202
Attention: Albert B. Aftoora
Fax: (904) 359-1109

and a copy to: Mark Hoffman, Esq.
CSX Transportation, Inc.
Law Department

500 Water Street SCJ150
Jacksonville, Florida 32202
FAX: (904) 359-7518

and a copy to: Day, Berry & Howard
260 Franklin Street
Boston, Massachusetts 02110-3179
Attention: William A. Hunter, Esq.
FAX: (617) 439-4745

If to the Company: Helm Atlantic Association Limited Partnership
c/o Helm Financial Corporation
One Embarcadero Center, Suite 3500
San Francisco, California 94111
Attention: Joseph F. McKenney, Assistant
Vice President
FAX: (415) 398-4816

With a copy to: Manwell & Milton
101 California Street
Suite 3750
San Francisco, California 94111
Attention: Edmund R. Manwell, Esq.
Fax: (415) 362-1010

Any notice so addressed and mailed by registered or certified mail shall be deemed to have been given when mailed.

SauAgf

IN WITNESS WHEREOF, the Company has caused this Agreement to be duly executed as an instrument under seal by its authorized representative as of the date first written above.

HELM-ATLANTIC ASSOCIATES
LIMITED PARTNERSHIP

BY: HELM ATLANTIC CORPORATION,
its General Partner

By: [Signature]
Name: Richard C. Kirchner
Title: Chairman

STATE OF)
COUNTY OF)

On this 19th day of July, 1994, before me personally appeared Richard C. Kirchner, to me personally known, who, being by me duly sworn, says that he is Chairman of Helm-Atlantic Corporation, the general partner of Helm-Atlantic Associates Limited Partnership, that one of the seals affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed on behalf of said corporation on this day by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

[Signature]
Notary Public

[Notarial Seal]

My Commission Expires

June 9, 1995

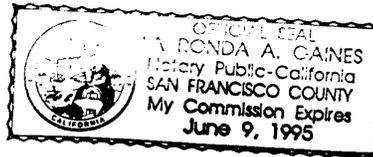


Exhibit A

NOTICE TO LESSEE

HELM-ATLANTIC ASSOCIATES LIMITED PARTNERSHIP, as lessor under the lease agreement (the "Lease") dated _____, 19__ between Helm-Atlantic Associates Limited Partnership and _____ (the "Lessee"), hereby notifies Lessee of the assignment to Nationsbank of Virginia, N.A., as agent for itself and one or more other lenders, of said Lease and the rentals and/or other amounts payable thereunder, or the portion thereof related to the railway equipment listed on the schedule attached hereto.

You are hereby directed to pay to NATIONSBANK OF VIRGINIA, N.A., 1111 East Main Street, 4th Floor Pavilion, Richmond, Virginia 23277-0001, or as it may direct, all rentals and other sums now or hereafter payable to us under said Lease.

HELM-ATLANTIC ASSOCIATES
LIMITED PARTNERSHIP

By: HELM ATLANTIC CORPORATION,
its General Partner

Date: _____

By: _____
Name:
Title:

DBH066
/usr3/id62/work/HELM/Sec.Ag.D
July 19, 1994; 3:47pm

DISTRICT OF COLUMBIA) SS.:

CERTIFICATE OF TRUE COPY

I, Allen H. Harrison, Jr., a member of the Bars of the District of Columbia and the Commonwealth of Virginia, do hereby certify that I have compared the attached copy of the document entitled "SECURITY AGREEMENT" dated July 20, 1994 by and among Helm-Atlantic Associates Limited Partnership, NationsBank of Virginia, N.A. and Rail Wagons, Inc., with an executed original counterpart thereof and find the said attached copy to be in all respects a true, correct and complete copy of the aforesaid executed original counterpart.

IN WITNESS WHEREOF, the undersigned has hereto affixed his signature this 20th day of July, 1994.



Subscribed and sworn to before me
this 20th day of July, 1994

DiANE G HAWSDORN
Notary Public, D.C.

My Commission expires: 9.30.96