

**HELM-ATLANTIC ASSOCIATES
LIMITED PARTNERSHIP**

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

VIA AIR COURIER

RECORDATION NO. 18905-R FILED

July 28, 1997

JUL 29 '97 10-37 AM

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

RECEIVED
SURFACE TRANSPORTATION BOARD
JUL 29 10 37 AM '97

Dear Mr. Williams:

On behalf of Helm-Atlantic Associates Limited Partnership, I submit for filing and recording, under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder the following document:

Three (3) fully executed originals of the Partial Termination of Security Agreement dated as of July 17, 1997 ("**Partial Termination**") by NationsBank of Virginia, N.A., a national banking association, for the benefit of Helm-Atlantic Associates Limited Partnership.

In connection with the recording of the Partial Termination, please note the following information:

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

Name and Address of Agent: NationsBank of Virginia, N.A.
1111 East Main Street
4th Floor Pavilion
Richmond, VA 23277-0001

Equipment: Six (6) SD45-2 locomotives as more fully described
in Exhibit A attached hereto.

Previous STB Filing: Security Agreement filed under Recordation No.
18905.

Please file the Partial Termination under the next available recordation number and return two (2) endorsed originals to my attention. A check covering the filing fee of twenty-four dollars (\$24.00) is enclosed.

Sincerely,



Patrick Hapin
Document Administrator

/ph
Enclosures (3)

SURFACE TRANSPORTATION BOARD
WASHINGTON, D. C. 20423-0001

OFFICE OF THE SECRETARY

Patrick Hapin
Documentation Administrator
Helm-Atlantic Associates, Limited Partnership
One Embarcadero Center
San Francisco, CA. 94111

DATE: 7/29/97

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of 49 U.S.C. 11301
and 49 CFR 1177.3 (c), on 7/29/97 at 10:37AM, and
assigned recordation number(s). 18905-R.

Sincerely Yours,


Vernon A. Williams
Secretary

Enclosure(s)

\$ \$24.00 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.
In the event of an error or any questions concerning this fee, you will receive a notification after
the Surface Transportation Board has an opportunity to examine your document.

Signature



RECORDATION NO. 18905-R FILED

JUL 29 '97 10-37 AM

PARTIAL TERMINATION OF SECURITY AGREEMENT

THIS PARTIAL TERMINATION OF SECURITY AGREEMENT ("Partial Termination") is dated as of July 17, 1997, by NATIONSBANK, N.A., a national banking association, as agent ("NationsBank"), for the benefit of HELM-ATLANTIC ASSOCIATES LIMITED PARTNERSHIP, a Delaware limited partnership ("Helm-Atlantic Associates").

1. Recitals. Helm-Atlantic Associates owns the six (6) SD45-2 locomotives bearing the Association of American Railroad reporting marks and numbers as listed on Exhibit A attached hereto (the "Unit(s)"). Helm-Atlantic Associates has granted a blanket security interest in all of its assets now owned or hereafter acquired (the "Collateral"), to NationsBank upon the terms and conditions provided in that certain Security Agreement dated as of July 20, 1994 between Helm-Atlantic Associates and NationsBank (the "Security Agreement") and filed at the Surface Transportation Board of the Department of Transportation ("STB"), formerly known as the Interstate Commerce Commission, under Recordation No. 18905.

Helm-Atlantic Associates intends to sell the Units to a third party and desires that such sale shall be free and clear of any lien or security interest of NationsBank. Pursuant to the terms granted under the Security Agreement, Helm-Atlantic Associates requests NationsBank's consent to such sale of the Units and request NationsBank to terminate its security interest in the Units.

2. Termination of Security Interest. NationsBank hereby consents to the sale of the Units by Helm-Atlantic Associates and NationsBank hereby terminates any and all security interests in the Units granted to it under the Security Agreement which security interest in the Units shall be forever terminated upon the filing of this Partial Termination with the STB, at which time all of NationsBank's right, title and interest in and to the Units shall be null and void.

This Partial Termination shall have no effect on NationsBank's security interest in and lien on any other collateral other than the Units and said security interest in and lien on such other collateral is hereby reaffirmed.

IN WITNESS WHEREOF, pursuant to due authority, NationsBank has executed this Partial Termination of Security Agreement on the date indicated below its signature.

NATIONSBANK, N.A., as Agent

By: E. Thomas Coffin
Title: Senior Vice President
Date: 7/21/97

ph

STATE OF VIRGINIA)
City of Richmond) s.s.
COUNTY OF Richmond)

On this 21 day of July, 1997, before me, personally appeared E. Turner Coggin to me personally know, who being by me duly sworn, says that he/she is a Senior Vice President of NATIONSBANK, N.A., that said instrument was signed on behalf of said association by authority of its Board of Directors; and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said association.

Mary K. Eck
Notary Public

My Commission Expires:

3-31-98

EXHIBIT A

Description of the Units:

Six (6), SD45-2, diesel-electric locomotives equipped with Dynamic Brakes but not HTC Trucks.

Unit Numbers:

HATX 914, 916, 918, 920, 922, 924.