

# HELM

**FINANCIAL CORPORATION**

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

FAX 415/398-4816

VIA AIR COURIER

May 15, 1996

20065

Mr. Vernon Williams  
Recordations Unit  
Surface Transportation Board  
Department of Transportation  
12th and Constitution Avenue, N.W.  
Washington, DC 20423

Dear Mr. Williams:

Enclosed are two (2) originals of the Memorandum of Lease of Railroad Equipment dated as of April 1, 1996 between the following parties:

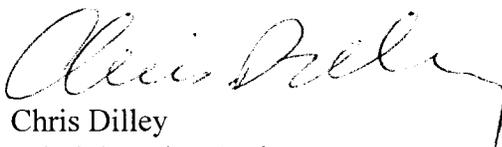
Lessor:	Helm Financial Corporation One Embarcadero Center, Suite 3700 San Francisco, CA 94111
Lessee:	MK Gain, S.A. de C.V. Av.20 De Noviembre No. 1200 San Luis Polosi. SLP Mexico CP 78030

The equipment involved in this transaction is as follows:

Equipment: Eighteen (18) 6-axle locomotives (See Schedule A attached for reporting mark & numbers.)

Please file this agreement as a primary document. The filing fee of \$21.00 is enclosed.

Sincerely,



Chris Dilley  
Administrative Assistant

/cpd  
Enclosure

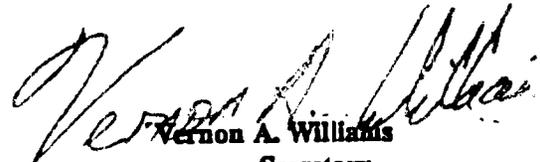
5/16/96

Chris Dilley  
Administrative Assistant  
Helm Financial Corporation  
One Embarcadero Center  
San Francisco, CA., 94111

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 5/16/96 at 3:25PM, and assigned recordation number(s). 20060, 20061, 20062, 20063, 20064 and 20065; 19582-A, 19582-B, 19583-A, 19583-B, 19878-B and 19956-A.

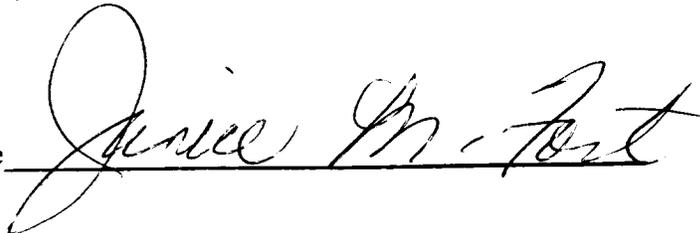
Sincerely yours,

  
Vernon A. Williams  
Secretary

Enclosure(s)

\$ ~~252.00~~ 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 typed 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 your document.

Signature



MEMORANDUM OF  
LOCOMOTIVE LEASE AGREEMENT

THIS MEMORANDUM OF LOCOMOTIVE LEASE AGREEMENT (the "Memorandum") is made as of April 1, 1996 and is intended to evidence that certain Locomotive Lease Agreement dated as of April 1, 1996 (the "Lease") between HELM FINANCIAL CORPORATION, a California corporation ("Lessor"), and MK GAIN, S.A. de C.V., a Mexican 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. 11303. Lessor has the right to lease the locomotives, more fully described in Schedule A hereto (the "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

MK GAIN, S.A. de C.V.

By: 

Print Name: Michael J. Farrell

Its: PRESIDENT

SCHEDULE A TO THE  
MEMORANDUM OF LEASE

THE UNITS

Equipment Description:

Eighteen (18), 6-axle, 3000 horsepower diesel-electric locomotives of the Model and type referenced below.

<u>Unit Number</u>	<u>Model</u>	<u>Serial No.</u>
MKCX 9402	SD40	7912-6
MKCX 9408	SD40	7932-23
MKCX 9409	SD40	7324-13
MKCX 9414	SD40	5773-39
MKCX 9416	SD40	7282-2
MKCX 9417	SD40	7292-8
MKCX 9419	SD40	7172-2
MKCX 9504	SD45	7091-5
MKCX 9506	SD45	7993-46
MKCX 9510	SD45	7246-2
MKCX 9518	SD45	7123-5
MKCX 9521	SD45	5784-11
MKCX 9522	SD45	5784-12
MKCX 9524	SD45	5784-20
MKCX 9525	SD45	5784-21
MKCX 9527	SD45	5788-1
MKCX 9530	SD45	5773-19
MKCX 9535	SD45	5722-10

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

On April 12, 1996, before me, Matthew M. Ogburn personally appeared Richard C. Kirchner, President of HELM FINANCIAL CORPORATION,

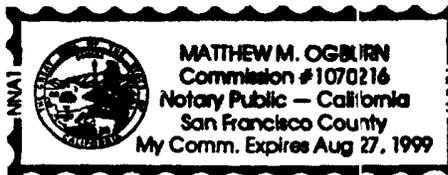
✓ personally known to me -OR-

       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

[Notarial Seal]



STATE OF Pennsylvania )  
 ) S.S.  
COUNTY OF Allegheny )

On April 8th 1996, before me, a notary public personally appeared Michael J. Farrell 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.

Kelly A. McQuoid  
SIGNATURE OF THE NOTARY

[Notarial Seal]

