

# HELM FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

FAX 415/398-4816

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## VIA AIR COURIER

January 30, 1996

Ms. Mildred Lee  
Recordations Unit  
Surface Transportation Board  
Department of Transportation  
12th and Constitution Avenue, N.W.  
Washington, DC 20423

11047-H  
FEB 7 1996 2:45 PM

Dear Ms. Lee:

Enclosed are two (2) originals of Assignment of Lease dated August 4, 1995 ("Assignment" between the following parties:

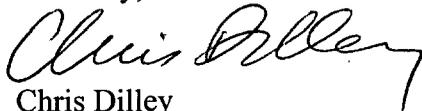
"Helm":	Helm Financial Corporation One Embarcadero Center, Suite 3700 San Francisco, CA 94111
"AP&L":	Arkansas Power & Light Company 425 W. Capitol Avenue Little Rock, AR 72201

The equipment involved in this transaction is as follows:

Equipment: 600 gondola railcars (SFIX 1-593, 7000-7006)

Please file the Assignment as a secondary document to Recordation No. 11047 and return one (1) endorsed original to my attention. The filing fee of \$21.00 is included in the enclosed cheque.

Sincerely,



Chris Dilley  
Administrative Assistant

/cd

Enclosures

INTERSTATE COMMERCE COMMISSION RECEIVED  
FEB 8 2 41 PM '96

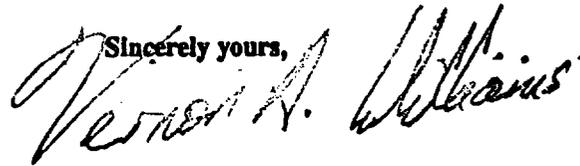
2/7/96

Chris Dilley  
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 2/7/96 at 2:45PM, and assigned recordation number(s). 11047-H, 18905-G, 19431-A, 19922 and 19923.

Sincerely yours,

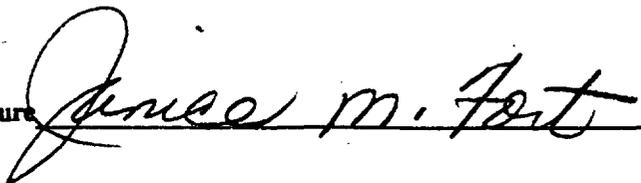


Vernon A. Williams  
Secretary

Enclosure(s)

\$ 105.00 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



REGISTRATION NO. 11047-H

FEB 7 1996 2:45 PM

**ASSIGNMENT OF LEASE**

INTERSTATE COMMERCE COMMISSION

THIS ASSIGNMENT is executed as of the 4<sup>th</sup> day of August, 1995 (the "Effective Date"), by and between Arkansas Power & Light Company, ("AP&L"), an Arkansas corporation whose principal place of business is located at 425 W. Capitol Avenue, Little Rock, Arkansas 72201, and Helm Financial Corporation ("Helm"), a California corporation whose principal place of business is located at One Embarcadero Center, Suite 3500, San Francisco, California 94111.

Whereas System Fuels, Inc., as Lessee, entered into a Lease of Railroad Equipment (the "Lease") dated as of November 2, 1979 with First Security State Bank, as Lessor and as Trustee, concerning the lease of approximately 600 steel gondola railcars (hereinafter, the "Railcars");

Whereas First Security State Bank entered into an Assignment of Lease and Agreement with Metropolitan Life Insurance Company as collateral security for payment and performance of obligations of First Security State Bank to Metropolitan Life Insurance Company;

Whereas the Lease was amended by Amendment to Lease dated August 17, 1988 (the Lease, as amended by the Amendment to Lease, is hereinafter referred to as the "Lease, as amended");

Whereas System Fuels, Inc. subsequently assigned its interest in the Lease, as amended, and the Railcars leased thereunder to AP&L;

Whereas the interests of First Security National Bank & Trust Company of Lexington and Westinghouse Credit Corporation as owners of the Railcars have been

acquired and are now owned by Helm Locomotive Leasing Corporation ("Locomotive"), a California corporation;

Whereas AP&L desires to assign its rights, title, interest, obligations, and liabilities under and to the Lease, as amended, and the Railcars to Helm, and Helm desires to accept the same;

Whereas the Lease, as amended, requires the prior written consent of First Security State Bank, or its successor, and Metropolitan Life Insurance Company to this assignment;

Whereas Helm has represented to AP&L that Locomotive is a separate legal entity from Helm and that all necessary consents to the assignment herein have been obtained;

Now, therefore, AP&L and Helm agree as follows:

1. Effective on the Effective Date, AP&L assigns to Helm and Helm accepts the assignment from AP&L of all of AP&L's right, title, interest, obligations, and liabilities in, to, and under the Lease, as amended, and any and all Railcars leased under the Lease, as amended. Helm acknowledges that there are presently 587 Railcars leased under the Lease, as amended.

2. Helm shall indemnify, defend, and save AP&L harmless from and against any and all claims, demands, losses, damages, and liabilities, of whatever kind, nature, and character whatsoever that accrue (a) subsequent to Delivery (as defined in Paragraph 5(e)), in the event that such claim, demand, loss, damage, or liability relates to or arises in connection with operation or maintenance of one or more individual Railcars, or (b) subsequent to or on the Effective Date, in the event that such claim, demand, loss, damage, or liability otherwise arises out of or in any way relates to this assignment or the

Lease, as amended. AP&L shall indemnify, defend, and save Helm harmless from and against any and all claims, demands, losses, damages, and liabilities, of whatever kind, nature, and character whatsoever that accrue (a) prior to Delivery, in the event that such claim, demand, loss, damage, or liability relates to or arises in connection with operation or maintenance of one or more individual Railcars, or (b) before the Effective Date, in the event that such claim, demand, loss, damage, or liability otherwise arises out of or in any way relates to this assignment or the Lease, as amended. The indemnity granted in this paragraph shall include without limitation claims, demands, losses, damages, and liabilities arising from indemnity obligations contained in the Lease, as amended. The parties agree that they will not indemnify each other against each other's negligence.

3. Helm represents and warrants:

- a. That Locomotive and Helm are separate legal entities, and this assignment does not terminate the Lease, as amended;
- b. That First Security Bank of Utah, N.A. has provided written consent to the assignment contained herein; and
- c. That Metropolitan Life Insurance Company has provided written consent to the assignment contained herein.

4. At its own expense, Helm shall cause this Assignment of Lease to be filed where required by law.

5. AP&L will deliver the Railcars to Helm and Helm shall inspect the Railcars as follows:

- a. AP&L will deliver the Railcars to Helm in multiple lots on multiple days in a storage yard chosen by AP&L located in Chanute, Kansas, with freight prepaid to Coffeerville, Kansas.
- b. The Railcars will be delivered in a condition that meets the standards contained in the Association of American Railroads Interchange Rules ("AAR Rules") and the Federal Railroad Administration Regulations ("FRA Standards"). The AAR Rules and the FRA Standards are collectively referred to herein as the "Standards."
- c. When AP&L considers that a lot of Railcars is ready for delivery, it will so notify Helm by facsimile transmission to (415) 398-4816. Helm will then be allowed fourteen (14) working days within which to conduct, together with AP&L, a joint inspection of the Railcars described in the facsimile transmission notice. All Railcars that meet the Standards will be accepted by Helm at the conclusion of the inspection. Any Railcar that does not meet the Standards will be repaired to the Standards by AP&L at its expense, and upon the completion of such repairs shall be accepted by Helm. Should Helm not conduct an inspection of any Railcar within fourteen (14) working days of the facsimile transmission notice described above, Helm will be deemed to have waived its right to conduct an inspection, such Railcar will be deemed to meet the Standards, and Helm will be deemed to have accepted such Railcar.
- d. The preceding paragraph does not apply to Railcars inspected by Helm prior to the Effective Date. All Railcars inspected by Helm and AP&L

prior to the Effective Date and determined to meet the Standards will be deemed accepted by Helm on the Effective Date. Any Railcar inspected by Helm prior to the Effective Date and determined not to meet the Standards will be deemed accepted by Helm on the latter of the Effective Date or the date of completion of repairs needed to bring such Railcar to the Standards.

- e. Helm's acceptance of a Railcar, whether by execution of this assignment, by voluntary act, or by waiver, constitutes "Delivery" of that Railcar, as that term is used herein.
  - f. After Delivery but before Helm's movement of any Railcar, Helm will change the Railcar's reporting marks and AEI tags to remove references to System Fuels, Inc. and/or AP&L.
6. Under the Lease, as amended, rentals are next due and payable on January 1, 1996. On that date, AP&L shall pay the Lessor the following:
- a. One-third of the total rental payment then due; plus
  - b. For each Railcar not made available for Helm's inspection on or before August 31, 1995, an amount equal to the Daily Rate, as defined below, multiplied by the number of days that elapses between August 31, 1995 and the day that is four (4) working days after AP&L provides Helm with the facsimile transmission notice described in Paragraph 5(c) above; plus
  - c. For each Railcar not made available for inspection by Helm on or before August 31, 1995 and that upon inspection is determined to require repair to meet the Standards, an amount equal to the Daily Rate, as defined below,

multiplied by the number of days that elapses between the day that is four (4) working days after AP&L provides Helm with the facsimile transmission notice described in Paragraph 5(c) above and the day that the repairs needed to bring such Railcar to the Standards are completed and accepted by Helm.

Helm shall pay the balance of the total rental payment due on January 1, 1996 and all rental payments due thereafter. "Daily Rental" as used herein means an amount equal to the total rental payable under the Lease, as amended, on January 1, 1996, divided by 108,008.

7. Helm shall not be paid any compensation regarding nor shall Helm receive reimbursement of any of its expenses incurred in connection with this assignment from AP&L or any of its affiliates.

Thus done and signed in the presence of the undersigned witnesses, as of the day and date first mentioned above.

WITNESSES:

Iris L. Stanfield

Jayce Latell Dubese

Maureen M. O'Brien

Ann H. Wells

ARKANSAS POWER & LIGHT COMPANY  
BY: ENTERGY SERVICES, INC.

By Roy A. Giangrosso  
Roy A. Giangrosso  
Director, Coal Supply

HELM FINANCIAL CORPORATION

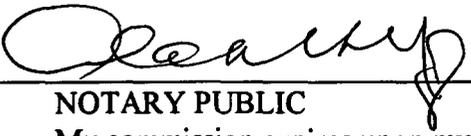
BY: Richard C. Kirchner mmo  
Richard C. Kirchner  
President

STATE OF LOUISIANA

PARISH OF ORLEANS

On this 4<sup>th</sup> day of August, 1995, before me, Alan H. Katz, a Notary Public duly commissioned in and for the Parish of Orleans, State of Louisiana, personally came and appeared Roy A. Giangrosso, to me personally known, who, being by me sworn, deposed and said that he is the Director of Coal Supply of Entergy Services, Inc., that Entergy Services, Inc. is the duly authorized special agent of Arkansas Power & Light Company with regard to the foregoing instrument, that said instrument was signed by him on behalf of Arkansas Power & Light Company, in its own right, and Entergy Services, Inc., as special agent of Arkansas Power & Light Company, by authority of their boards of directors, and he acknowledged that the foregoing instrument has been executed as the free act and deed of Arkansas Power & Light Company.

Witness my hand and official seal.

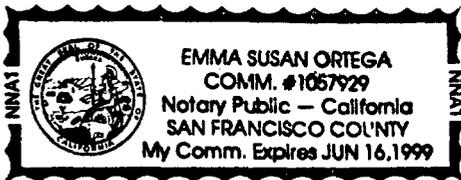
  
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NOTARY PUBLIC  
My commission expires upon my death.

STATE OF CALIFORNIA

COUNTY OF SAN FRANCISCO

On this 14<sup>th</sup> day of August, 1995, before me, Emma S. Ortega, a Notary Public duly commissioned and qualified in and for the County of San Francisco, State of California, personally came and appeared Richard C. Kirchner, to me personally known, who, being by me sworn, deposed and said that he is the President of Helm Financial Corporation, that the foregoing instrument was signed by him on behalf of said corporation by authority of its board of directors, and that he acknowledged that the foregoing instrument has been executed as the free act and deed of said corporation.

Witness my hand and official seal.



  
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NOTARY PUBLIC  
My commission expires: Jun. 16, 1999

