

# HELM FINANCIAL CORPORATION

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

## VIA AIR COURIER

November 14, 1996

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

RECORDATION NO. 20371  
FILED 1023  
NOV 19 1996 10 55 AM

Dear Mr. Williams:

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

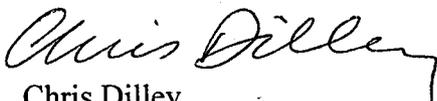
Lessor:	Helm Financial Corporation One Embarcadero Center, Suite 3700 San Francisco, CA 94111
Lessee:	Bangor and Aroostook Railroad Company Northern Maine Junction Rural Route 2, Box 45 Bangor, ME 04401

The equipment involved in this transaction is as follows:

Equipment: Fifteen (15) open top hopper railcars (See Schedule A attached for reporting mark & numbers.)

Please file this agreement as a primary document. The filing fee of \$22.00 is enclosed.

Sincerely,



Chris Dilley  
Administrative Assistant

/cpd  
Enclosure

bar004 00

NOV 19 1996 10 55 AM

MEMORANDUM OF  
NET LEASE AGREEMENT

THIS MEMORANDUM OF NET LEASE AGREEMENT (the "Memorandum") is made as of October 1, 1996 and is intended to evidence that certain Net Lease Agreement dated as of October 1, 1996 (the "Lease") between HELM FINANCIAL CORPORATION, a California corporation ("Lessor"), and BANGOR AND AROOSTOOK RAILWAY COMPANY, a Maine 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 fifteen (15) open top hopper railcars, 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

LESSEE

*CM* HELM FINANCIAL CORPORATION

BANGOR AND AROOSTOOK RAILROAD COMPANY

By: *Richard C. Kirchner*

By: *Benjamin F. Collins*

Print Name: Richard C. Kirchner

Print Name: *Benjamin F. Collins*

Its: President

Its: *Deputy Chief Operating Officer*

*cm*

SCHEDULE A  
TO THE MEMORANDUM OF LEASE

THE UNITS

Equipment Description:

Fifteen (15), 100-ton, roller bearing, 2280 cubic foot, two pocket, 53'1" overall length, open top hopper railcars equipped with Miner control flow ballast gates.

Unit Reporting Mark & Numbers: BAR 950-964

cm

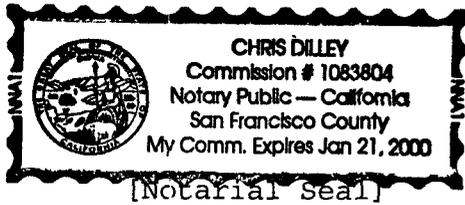
STATE OF CALIFORNIA )  
 ) S.S.  
COUNTY OF SAN FRANCISCO )

On November 14, 1996, before me, Chris Dilley 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.



[Notarial Seal]

Chris Dilley  
SIGNATURE OF THE NOTARY

PROVENCE OF \_\_\_\_\_ )  
 ) S.S.  
CITY OF \_\_\_\_\_ )

On 10-28-96, 1996, before me, DIANNE M. PLUMLEY personally appeared BENJAMIN F. COLLINS, DEPUTY CHIEF OPERATING OFFICER of BANGOR AND AROOSTOOK RAILWAY COMPANY,

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.

Dianne M. Plumley  
SIGNATURE OF THE NOTARY

[Notarial Seal]

DIANNE M. PLUMLEY, NOTARY PUBLIC  
LAPEER COUNTY, MICHIGAN  
COMMISSION EXPIRES 4-15-98  
RESIDING IN WAYNE COUNTY, MICHIGAN

CM