

# HELM

**FINANCIAL CORPORATION**

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

FAX 415/398-4816

VIA AIR COURIER

January 31, 1997

RECORDATION NO. 20539 FILED 1425

FEB 5 1997 -9 45 AM

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 February 21, 1996 between the following parties:

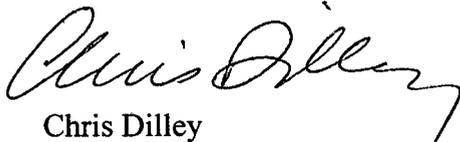
Lessor:	Helm Financial Corporation One Embarcadero Center, Suite 3700 San Francisco, CA 94111
Lessee:	Kiamichi Railroad Company, L.L.C. 303 West Jackson Hugo, OK 74743

The equipment involved in this transaction is as follows:

Equipment: Two (2) EMD, GP38, 2000 horsepower locomotives (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

RECORDATION NO. 20539 FILED 1423  
FEB 9 1997 -9 45 AM

MEMORANDUM OF  
LOCOMOTIVE LEASE AGREEMENT

THIS MEMORANDUM OF LOCOMOTIVE LEASE AGREEMENT (the "Memorandum") is made as of February 21, 1996 and is intended to evidence that certain Locomotive Lease Agreement dated as of February 21, 1996 (the "Lease") between HELM FINANCIAL CORPORATION, a California corporation ("Lessor"), and KIAMICHI RAILROAD COMPANY, L.L.C., a Delaware limited liability 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. 11301. 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. 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

HELM FINANCIAL CORPORATION

KIAMICHI RAILROAD COMPANY, L.L.C.

By:   
Print Name: Richard C. Kirchner

By:   
Print Name: JAMES S. SHAFER

Its: President

Its: PRESIDENT

SCHEDULE A TO THE  
MEMORANDUM OF LEASE

THE UNITS

Equipment Description:

Two (2) EMD, GP38, 2000 horsepower locomotives.

Unit Numbers:

HLCX 3608

HLCX 3615

24

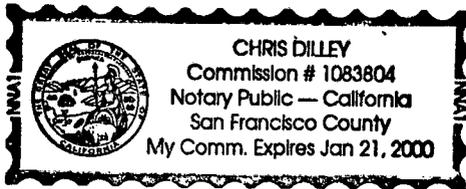
STATE OF CALIFORNIA )  
 ) S.S.  
COUNTY OF SAN FRANCISCO )

On December 2, 1996, before me, Chris Dilley,  
personally appeared Richard C. Kirchner, President of HELM FINANCIAL  
CORPORATION,

X 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.



Chris Dilley  
SIGNATURE OF THE NOTARY

[Notarial Seal]

STATE OF OKLAHOMA )  
 ) S.S.  
COUNTY OF Cherokee )

On November 26, 1996, before me, Stephanie S. Choat,  
personally appeared James S. Shaffer, President of KIAMICHI  
RAILROAD COMPANY, L.L.C.,

✓ 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.



Stephanie S. Choat  
SIGNATURE OF THE NOTARY

[Notarial Seal]

*[Handwritten mark]*