

HELM
FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

VIA AIR COURIER

November 25, 1991

Ms. Mildred Lee
Recordations Unit
Interstate Commerce Commission
12th & Constitution Avenue, N.W.
Washington, D.C. 20423

17605
RECORDATION NO. _____ FILED 1423

NOV 26 1991 -2 33 PM
INTERSTATE COMMERCE COMMISSION

Dear Ms. Lee:

Enclosed is a Rail Car Lease Agreement dated as of November 1, 1991 between the following parties:

Lessor: Helm Financial Corporation
One Embarcadero Center 35th Floor
San Francisco, CA 94111

Lessee: Sierra Pacific Power Company
P.O. Box 448
Valmy, NV 89438

The equipment involved in this transaction is as follows:

Equipment: (96) Hopper doors
See Annex A for Car Numbers

Please file this agreement as a primary document. The filing fee of \$16 is enclosed. Thank you.

Sincerely,

Karen Rahnasto
Karen Rahnasto
Fleet Operations Administrator

KR\tw
Enclosures

REGISTRATION NO. 17695
NOV 26 1991 - 2 15 PM
INTERSTATE COMMERCE COMMISSION

RAIL CAR LEASE AGREEMENT

This Rail Car Lease Agreement (the "Lease") dated and effective as of November 1, 1991 is between Helm Financial Corporation (the "Lessor") and Sierra Pacific Power Company (the "Lessee").

1. Scope of Lease. Lessor agrees to provide and Lessee agrees to take and use the units (the "Units") more fully described on Annex A attached hereto.

2. Term. The term of this Lease shall commence on the date above and shall continue for a period of 90 days from the acceptance date for all accepted Units. Upon 15 days notice to Lessor prior to the expiration of the first 90 day term, Lessee may renew the Lease for two (2) additional 30 day terms. Lessee shall pay Rent for each Unit, as described in Paragraph 4 hereof from the date of acceptance until the date of return of each Unit. Lessor acknowledges that some Units may be returned after the end of the Lease term, and Lessee acknowledges that this Lease will continue to apply against such Units until returned.

3. Delivery. Lessor will deliver the Units to Lessee at the CSX Transportation and Union Pacific Railroad Company interchange point at Memphis, Tennessee in AAR interchange condition. Lessee agrees to accept such delivery and shall assume control, quiet enjoyment and possession of each Unit on the date of acceptance. LESSOR MAKES NO WARRANTY EXPRESS OR IMPLIED AS TO ANY MATTER WHATSOEVER INCLUDING THE CONDITION OF THE EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR A PARTICULAR PURPOSE.

4. Rent. Rent for each Unit shall be [REDACTED] per month, payable on the first day of each month, in advance. Rent shall be prorated if a Unit is not accepted by the first day of a calendar month or returned by Lessee on the last day of a calendar month. If a Unit is accepted after the first day of a calendar month, the pro rata payment for that month will be added to, and paid with the following month's rent. The Units shall be "zero rated", i.e., no car hire charges (time or mileage) shall be assessed by Lessor and Lessor shall allow reclaim of all car hire charges received by Lessor during the Lease term.

5. Maintenance. The Units are leased to Lessee on a "full service" basis, i.e., Lessor is responsible for all maintenance and repair to the Units during the term of this Lease in accordance with the AAR Interchange Rules and FRA Railroad Freight Car Safety Standards, except for damage caused by Lessee or its agents during loading or unloading of the Units due to sledge hammers, open flames, vibrators, corrosive substances, overloading, etc.

6. Return of Units. Lessee shall, at its expense, transport the Units to the CSX Transportation and Union Pacific Railroad Company interchange point at Memphis, Tennessee.

7. Destruction; Indemnity. If a Unit is damaged or destroyed beyond reasonable repair, Lessee will make an appropriate payment to Lessor, as provided in AAR Interchange Rule 107. Rent shall terminate as of the date of the appropriate Rule 107 payment. Lessee shall indemnify and hold Lessor harmless against any claim made against Lessor and against any expense, loss or liability (including but not limited to counsel fees and expenses) which the Lessor may incur (unless resulting from Lessor's own negligence) by reason of this Lease, Lessor's ownership of, or arising from the use, operation, condition, delivery, rejection, storage, return of any Unit or any accident, personal injury, death or property damage involving any Unit, until such Unit is returned to the Lessor in accordance with the terms of this Lease. The indemnities in this paragraph shall survive payment or performance of all other obligations under this Lease or the termination of this Lease.

8. Taxes. Lessor is responsible for the payment of all taxes, whether property, use or otherwise, that apply to the Units or are applicable as a result of this Lease (except that Lessee shall pay any such tax which it would otherwise be obligated to pay).

9. Insurance. Lessee shall, at all times while this Agreement is in effect at its own expense, cause to be carried and maintained: (i) all-risk, physical loss or damage insurance with respect to each Unit in a minimum amount equal to the settlement value (as defined in Paragraph 7); and (ii) public liability insurance in a minimum amount of twelve million dollars [REDACTED] per occurrence with respect to third party personal injury and property damage. Lessee shall, at its option be permitted to self-insure on any specified interests, the Lessee hereby warrants to place the Lessor in the same position as if the relating insurance had been effected.

10. Liens. Lessee will not directly or indirectly create, incur, assume or suffer to exist any lien on or with respect to the Units, any Unit or any part thereof, Lessor's title thereto, or any interest therein.

11. Default. Lessor must provide Lessee with notice and opportunity to correct any alleged default other than a default, in payment of rent, before an event of default may be declared by Lessor. Twenty (20) days notice shall be given prior to any such declaration. If the alleged default is not corrected to Lessor's reasonable satisfaction within the aforementioned time period, Lessor may declare an event of default. In that event, Lessee shall return the Units to an interchange of the Chicago & Illinois Midland Railway, at Lessee's expense or any other mutually agreed interchange point on Lessee's lines and Lessor shall attempt to

lease the Units to other parties and otherwise attempt to mitigate its damages. Lessor shall be entitled in addition to pursue any remedy it may have at law or in equity to recover the full amount of its damages from Lessee resulting from Lessee's default including all costs, expenses and reasonable attorneys' fees.

The following events shall be deemed to be "events of default":

(a) The failure of Lessee to pay rent when due and the continuance of said failure for ten (10) days after the due date.

(b) The unauthorized assignment or transfer by Lessee of this Lease or of possession of the Units, or any part thereof.

(c) The failure of the Lessee to observe or perform any of the covenants, conditions or agreements contained herein.

(d) Any bankruptcy proceedings shall be commenced by or against Lessee.

(e) Any material representation made by the Lessee to Lessor shall prove to be false or materially incorrect on the date it was made, including commodity to be loaded or method of loading.

12. Quiet Enjoyment. So long as an event of default has not occurred against it, Lessee shall be entitled to the quiet enjoyment, use and possession of the Units.

13. Notices. All notices shall be in writing and given by certified or registered mail or overnight express carrier at the addresses shown below:

Lessor: President
Helm Financial Corporation
One Embarcadero Center, Suite 3500
San Francisco, CA 94111

Lessee: Charles Stempeck
Sierra Pacific Power Company
P.O. Box 448
Valmy, NV 89438

14. Assignment. Lessee may not assign this Lease or sublease the Units without the prior written consent of Lessor. Lessor may assign this Lease without the consent of Lessee but Lessee shall not be required to make any payments to any person other than Lessor unless Lessor has so advised Lessee in writing.

15. Law Governing. This Lease shall be governed by the law of the State of California.

16. Entire Understanding. This Lease represents the entire understanding of the parties, may only be modified by their mutual written consent and has been executed by their duly authorized officials.

HELM FINANCIAL CORPORATION

SIERRA PACIFIC POWER COMPANY

By:
Title: President

By:
Title: Vice President Electric Operations

ATTEST

ATTEST

By: _____
Title: _____

By:
Title: Assistant Secretary

STATE OF CALIFORNIA)
) S
COUNTY OF SAN FRANCISCO)

On this 19th day of November, 1990, before me personally appeared Richard C. Kirchner, to me personally known, who, being by me duly sworn, says that he is President of HELM FINANCIAL CORPORATION that said instrument was signed and sealed on behalf of said corporation and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Karen Staudenmaier
Notary Public

My Commission Expires: July 26, 1993

[Notarial Seal]



STATE OF NEVADA)
) S
COUNTY OF WASHOE)

On this 4th day of NOVEMBER, 1990, before me personally appeared GERALD CANNING, to me personally known, who, being by me duly sworn, says that he is VICE PRESIDENT of SIERRA PACIFIC POWER COMPANY, that said instrument was signed and sealed on behalf of said corporation by authority of its President and Directors and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Patricia Ann Assuras
Notary Public

My Commission Expires: 1-6-93

[Notarial Seal]



ANNEX A

to

Rail Car Lease Agreement

Dated as of November 1, 1991

Equipment Description

Ninety-six (96) 4,000 cubic foot, 106-ton capacity, roller bearing, five-pocket, aluminum rapid discharge coal hopper railcars with electro pneumatically controlled hopper doors. Built by Bethlehem Steel in 1990.

Equipment Numbers

OUCX 91001	OUCX 91033	OUCX 91065
OUCX 91002	OUCX 91034	OUCX 91066
OUCX 91003	OUCX 91035	OUCX 91067
OUCX 91004	OUCX 91036	OUCX 91068
OUCX 91005	OUCX 91037	OUCX 91069
OUCX 91006	OUCX 91038	OUCX 91070
OUCX 91007	OUCX 91039	OUCX 91071
OUCX 91008	OUCX 91040	OUCX 91072
OUCX 91009	OUCX 91041	OUCX 91073
OUCX 91010	OUCX 91042	OUCX 91074
OUCX 91011	OUCX 91043	OUCX 91075
OUCX 91012	OUCX 91044	OUCX 91076
OUCX 91013	OUCX 91045	OUCX 91077
OUCX 91014	OUCX 91046	OUCX 91078
OUCX 91015	OUCX 91047	OUCX 91079
OUCX 91016	OUCX 91048	OUCX 91080
OUCX 91017	OUCX 91049	OUCX 91082
OUCX 91018	OUCX 91050	OUCX 91083
OUCX 91019	OUCX 91051	OUCX 91084
OUCX 91020	OUCX 91052	OUCX 91086
OUCX 91021	OUCX 91053	OUCX 91087
OUCX 91022	OUCX 91054	OUCX 91088
OUCX 91023	OUCX 91055	OUCX 91089
OUCX 91024	OUCX 91056	OUCX 91090
OUCX 91025	OUCX 91057	OUCX 91091
OUCX 91026	OUCX 91058	OUCX 91092
OUCX 91027	OUCX 91059	OUCX 91093
OUCX 91028	OUCX 91060	OUCX 91094
OUCX 91029	OUCX 91061	OUCX 91095
OUCX 91030	OUCX 91062	OUCX 91096
OUCX 91031	OUCX 91063	OUCX 91098
OUCX 91032	OUCX 91064	OUCX 91099