2-035A018

HELM
FINANCIAL CORPORATION

One Embarcadero Center · San Francisco, CA 94111
415/398-4510

February 3, 1992

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

17694
RECORDATION NO _____ FILED 1425

FEB 4 1992 -10 05 AM

INTERSTATE COMMERCE COMMISSION

Dear Ms. Lee:

Enclosed is a Memorandum of Security Agreement dated as of November 14, 1991 between the following parties:

Borrower: Helm Pacific Leasing
c/o Helm Pacific Corporation
One Embarcadero Center, Suite 3500
San Francisco, CA 94111

Secured Party: Bank of California
400 California Street 16th Floor
San Francisco, CA 94104

The equipment involved in this transaction is as follows:

Equipment: 186 Boxcars
See Annex A for Car Numbers

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

Sincerely,

Susan C. Stott

Susan C. Stott
Director of Operations

SCS\tw
Enclosures

Dear Lee

FEB 4 10 00 AM '92
MOTOR OPERATING UNIT

Interstate Commerce Commission

Washington, D.C. 20423

2/4/92

OFFICE OF THE SECRETARY

Susan C. Scott

Director Of Operations

Helm Financial Corporation

One Embarcadero Center

San Francisco,California 94111

Dear Sir:

The enclosed dcoument(s) was recorded pursuant to the provisions of Section 11303 of the Insterstate Commerce Act, 49 U.S.C. 11303, on 2/4/92 at 10:05am , and assigned recordation number(s). 17694

Sincerely yours,

Sidney L. Strickland, Jr.

Sidney L. Strickland, Jr.
Secretary

RECORDATION NO 17694 FILED 1425

FEB 4 1992 10 06 AM

INTERSTATE COMMERCE COMMISSION

MEMORANDUM OF
SECURITY AGREEMENT

THIS MEMORANDUM OF SECURITY AGREEMENT is intended to evidence the Security Agreement, dated as of November 14, 1991 (the "Security Agreement"), between Helm-Pacific Leasing, a Nebraska joint venture ("Borrower") and The Bank of California, N.A., as agent, a national banking association ("Secured Party"), for the purposes of satisfying the requirements of recordation with the Interstate Commerce Commission under Section 49 U.S.C. 11303. Borrower is the owner of one hundred eighty-six (186) boxcars more fully described in Annex A hereto (the "Units"). The Secured Party has a security interest in all the Units and in that certain Lease of Railroad Equipment between Borrower and Kansas City Southern Railway Company dated July 27, 1991 upon the terms and conditions provided in the Security Agreement attached hereto as Annex B.

IN WITNESS WHEREOF, Borrower and Secured Party, each pursuant to due authority, have executed this Memorandum of Security Agreement as of this 31st day of January, 1992.

"Borrower"

HELM-PACIFIC LEASING
By: Helm Pacific Corporation
its Joint Venturer

By: _____
Title: _____

By: Union Pacific Venture Leasing, Inc.
its Joint Venturer

By: _____
Title: _____

"Secured Party"

THE BANK OF CALIFORNIA, N.A.

By: _____
Title: _____

ACKNOWLEDGEMENTS

STATE OF CALIFORNIA)
)§
CITY AND COUNTY OF SAN FRANCISCO)

On this 31ST day of January, 1992, Richard C. Kirchner, to me known (or proved to me on the basis of satisfactory evidence) to be such person and officer of Helm Pacific Corporation, a Joint Venture Partner of Helm Pacific Leasing, who executed the foregoing instrument, and acknowledged that he executed the same as such office as the deed of said corporation, by its authority.

WITNESS my hand and official seal.

OFFICIAL SEAL
KAREN STAUDENMAIER
NOTARY PUBLIC - CALIFORNIA
SAN FRANCISCO COUNTY
My comm. expires JUL 26, 1993

(Seal)

Karen Staudenmaier
Notary Public

Karen Staudenmaier
Name (Typed or Printed)

STATE OF NEBRASKA)
)§
COUNTY OF DOUGLAS)

On this 3 day of February, 1992, D. Chandler Lewis, to me known (or proved to me on the basis of satisfactory evidence) to be such person and officer of ~~Helm Pacific Corporation~~ UNION PACIFIC VENTURE LEASING INC, a Joint Venture Partner of Helm Pacific Leasing, who executed the foregoing instrument, and acknowledged that he executed the same as such office as the deed of said corporation, by its authority.

WITNESS my hand and official seal.

GENERAL NOTARY-State of Nebraska
JOYCE M. VANA
My Comm. Exp. Dec. 27, 1992

(Seal)

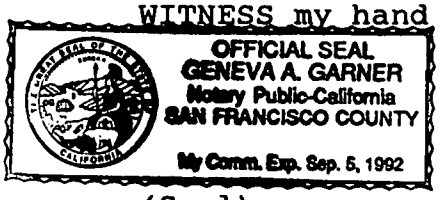
Joyce M. Vana
Notary Public

Joyce M. Vana
Name (Typed or Printed)

STATE OF CALIFORNIA)
)§
CITY AND COUNTY OF SAN FRANCISCO)

On this 31st day of January, 1992, before the undersigned, a Notary Public in and for said State, personally appeared Robert John Vernagallo, (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same in his authorized capacity, and that by his signature on the instrument, the person,or entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.



(Seal)

Geneva A. Garner
Notary Public

Geneva A. Garner
Name (Typed or Printed)

ANNEX A

Equipment Description	No. of Units	Equipment Numbers
60 foot, 100 ton cushioned all steel interior boxcars	186	KCS 758000 - 758185

ANNEX B

SECURITY AGREEMENT

This SECURITY AGREEMENT, dated as of November 14, 1991, is between Helm-Pacific Leasing, a Nebraska joint venture, ("Borrower"), and The Bank of California, N.A. ("Secured Party") as agent for itself and the other Banks which are or may become parties to that certain Revolving Credit and Term Loan Agreement (as the same may be amended, restated or supplemented from time to time, the "Credit Agreement"), dated as of November 14, 1991, among Borrower, The Bank of California, N.A., such other Banks as are or may become parties to the Credit Agreement in accordance with the terms thereof and The Bank of California, N.A. as agent for the Banks. Capitalized terms used herein without definition and which are defined in the Credit Agreement shall have the same meanings herein as therein. All definitions shall be equally applicable to both the singular and plural forms of the defined terms.

§1. Grant of Security Interest. To secure the payment and performance of the Obligations, Borrower hereby assigns, pledges, mortgages and grants to Secured Party a continuing security interest in and Lien on all of the Borrowers right, title and interest in and to the following properties, assets and rights (all of which are hereinafter sometimes, collectively, "Collateral"):

(a) All of the Eligible Equipment On Lease or On Rental described in each Collateral Schedule (defined and referred to in §7) delivered by Borrower to Secured Party in connection with a Borrowing by Borrower pursuant to the Credit Agreement and all Substituted Eligible Equipment substituted therefor as provided in §6 (collectively, "Equipment Collateral");

(b) All Eligible Leases and Master Lease Schedules with reference to the Equipment Collateral and all rental and other agreements covering the Equipment Collateral as set forth on the Collateral Schedule with reference to the Equipment Collateral and all subsequent, new or renewal leases or rental agreements of the Equipment Collateral (collectively, "Lease Collateral");

(c) All rents, fees, lease payments and other monies due or to become due and payable to Borrower from UP with respect to Equipment Collateral On Rental or from any Person under any Lease Collateral and all rights of Borrower thereunder and thereto,

including without limitation, all mileage allowances paid by any railroad or other user for the use of Equipment Collateral;

(d) All warranties, indemnities or other contract or similar rights with respect to the Equipment Collateral including, without limitation, any such rights relating to the reconditioning work performed by UP on any Equipment Collateral;

(e) All rights, if any, to the identifying marks assigned to the Equipment Collateral;

(f) All guaranties, letters of credit and other property in favor of or given or granted Borrower securing or as support for the payment or performance of any Lease Collateral;

(g) All Records; and for purposes hereof "Records" means all Borrower's computer programs, software, hardware, source code and data processing information, and all books, invoices, ledgers and other writings pertaining to, the Equipment Collateral, the Lease Collateral or any other item described herein as "Collateral";

(h) All monies and property of Borrower now or hereafter coming into possession, authority or control of Secured Party or any agent or affiliate of Secured Party in any way, for any purpose (whether for safekeeping, deposit, custody, pledge, transmission, or otherwise); and

(i) All improvements, replacements, attachments, additions, accessories and accessions to, substitutions for and proceeds (whether cash or non-cash proceeds) of all of the properties or interests therein described in the foregoing §§ 1(a) through (h), inclusive, including, without limitation, (i) all payments under insurance payable by reason of any loss, and tort or other claims or awards arising out of any damage to or condemnation or requisition of any of the Equipment Collateral, (ii) any and all rights to damages arising out the termination of any Lease Collateral and (iii) all funds held in the Cash Collateral Account (referred to in §8(a) hereof.)

§2. Obligations Secured. The Collateral constitutes and will constitute continuing security for all of the Obligations of Borrower to Secured Party and the Banks, which Obligations include, without limitation, all costs and expenses, including attorneys'

fees, incurred by Secured Party or any Bank in connection with the collection and enforcement hereof, provided that for purposes of this Security Agreement (a) "Obligations" shall also include Borrower's obligations to any one or more Banks arising out of any interest hedging arrangement or agreement (an "Interest Rate Agreement") entered into by Borrower with such Bank or Banks (each an "Interest Rate Party") to satisfy the provisions of §9.14 of the Credit Agreement to the extent and as provided in §9 hereof and (b) the loss or economic exposure of an Interest Rate Party, if any, resulting from a breach by Borrower of the relevant Interest Rate Agreement, as reasonably determined by such Interest Rate Party in accordance with sound financial practices, shall be deemed "principal" for purposes of the application of proceeds pursuant to §3.

§3. Pro Rata Security Application and Proceeds of Collateral. All amounts owing with respect to the Obligations shall be secured by the Collateral pro rata based on the amount of the Obligations owing to the Agent and each Bank without distinction as to whether some Obligations are then due and payable and other Obligations are not then due and payable. Upon any realization upon the Collateral by Secured Party, including receipt of insurance proceeds or payment in lieu thereof pursuant to §6 or upon foreclosure and sale of all or part of the Collateral pursuant to §10, the proceeds thereof shall be applied (a) first, to the payment of reasonable expenses incurred with respect to maintenance and protection of the Collateral pursuant to §8 or as otherwise provided for herein and of expenses incurred pursuant to §14 with respect to the sale of or realization upon any of the Collateral or the perfection, enforcement or protection of the rights of Secured Party (including reasonable attorneys' fees and out-of-pocket expenses of every kind); (b) second, to all amounts of interest, expenses, fees, and other charges outstanding which constitute Obligations in such order as Secured Party shall determine, in its discretion, (c) third, to all amounts of principal outstanding which constitute Obligations and (d) fourth, any surplus shall be paid to Borrower.

§4. Representations and Warranties. Borrower represents and warrants to Secured Party that on the date hereof and on each Borrowing Date:

(a) Borrower's chief executive office and principal place of business is located at 1416 Dodge Street, Omaha, Nebraska 68179.

Borrower has not conducted business under any name other than "Helm-Pacific Leasing" except as disclosed pursuant to §9.2 of the Credit Agreement. Borrower has no other place of business except at One Embarcadero Center, #3500, San Francisco, California 94111 or as disclosed pursuant to §9.2 of the Credit Agreement.

(b) No Event of Default or Default exists.

(c) There is no effective financing statement, security agreement or other instrument similar in effect covering all or any part of the Collateral on file in any recording or filing office except such as may have been filed in favor of Secured Party.

(d) All original executed counterparts of each of the Eligible Leases and Master Lease Schedules constituting Lease Collateral, in possession of Borrower, have been delivered to Secured Party and have been stamped or otherwise marked conspicuously on the first and signature pages of each, with the applicable legend as set forth in Exhibit A to this Security Agreement and all original executed counterparts of the Master Lease, in possession of Borrower, have been stamped or otherwise marked conspicuously on the first page of each and on each Master Lease Schedule constituting Lease Collateral with the applicable legend set forth in Exhibit A to this Security Agreement.

(e) Borrower owns the Collateral free and clear of all Liens except for (i) the security interest created by this Security Agreement in favor of Secured Party and (ii) the interests of the lessees or UP, as the case may be, under the Lease Collateral.

(f) With the proceeds of each Borrowing with respect thereto, Borrower has paid or caused to be paid the full cost of the Equipment Collateral financed by such Borrowing and all rights of any vendors of any of such Equipment Collateral holding a security interest therein to secure Borrower's obligations, if any, for the purchase price thereof have been terminated and released.

(g) Borrower has all necessary authority to encumber and grant a security interest in the Collateral.

(h) Each of the Eligible Leases constituting Lease Collateral is the valid and enforceable obligation of the lessee thereunder, enforceable against such lessee in accordance with its terms,

subject to applicable bankruptcy and similar laws affecting the rights of creditors generally. As of each Borrowing Date, no event of default or termination and no event which with the giving of notice or lapse of time or both would constitute such an event has occurred on the part of any party under any of such Eligible Leases. There does not exist in respect of any such Eligible Lease, any claim, offset, defense or other right on the part of the lessee thereunder to reduce in any manner the rental or other amounts payable under such Eligible Lease.

(i) Each of the Master Lease Schedules constituting Lease Collateral is the valid and enforceable obligation of UP thereunder, enforceable against UP in accordance with its terms, subject to applicable bankruptcy and similar laws affecting the rights of creditors generally. As of each Borrowing Date, no event of default or termination and no event which with the giving of notice or lapse of time or both would constitute such an event has occurred on the part of any party under any of such Master Lease Schedules. There does not exist in respect of any such Master Lease Schedule, any claim, offset, defense or other right on the part of UP thereunder to reduce in any manner the rental or other amounts payable under such Master Lease Schedule.

(j) Each Eligible Lease and Master Lease Schedule constituting Lease Collateral is a "lease" within the meanings of §§1201(3) and 10103(1)(j) of the California Uniform Commercial Code.

§5. Covenants. From the date of this Security Agreement and thereafter until this Security Agreement is terminated pursuant to §18:

(a) Borrower will deliver to Secured Party with each Loan Package (i) an Assignment of Lease in the form of Exhibit B attached hereto ("Assignment of Lease") with respect to each Eligible Lease described in the related Collateral Schedule and a Assignment of Master Lease/Schedule in the form of Exhibit C attached hereto ("Assignment of Master Lease/Schedule") with respect to each item of Equipment Collateral On Rental described in the related Collateral Schedule and (ii) the original chattel paper with respect thereto constituting Lease Collateral duly legended or marked in accordance with § 4(d);

(b) Borrower will also deliver immediately (i) the originals of all instruments and documents constituting Collateral, endorsed and assigned, and (ii) upon Secured Party's request, all proceeds of the Collateral except, prior to an Event of Default, cash proceeds collected in the ordinary course of business;

(c) Borrower will not agree to or effect any reduction, discount, credit, rebate or otherwise reduce the amount owing by any lessee on any Eligible Lease or by UP on any Master Lease Schedule constituting Lease Collateral; or, if to the knowledge of Borrower, any dispute, setoff, claim, counterclaim or defense exists or has been asserted or threatened with respect to any such Eligible Lease or Master Lease Schedule, such fact shall be disclosed promptly by Borrower to Secured Party;

(d) At all times, all Equipment Collateral shall be (i) insured by Borrower while "off-lease", under property insurance policies covering the same perils and risks as are covered by the property insurance policies described in Item #1 of Schedule 9.8 to the Credit Agreement or (ii) when under an Eligible Lease or Master Lease Schedule, either insured or self-insured by the lessee or UP, as the case may be, in accordance with the applicable terms of the Eligible Lease or Master Lease, but in no event shall the amount of such property insurance covering, or self-insurance in lieu thereof payable with respect to, any Railcar constituting Equipment Collateral be less than the replacement cost of such Railcar minus actual depreciation. Borrower shall be the loss payee under all property insurance policies maintained by a lessee or UP, as the case may be, none of which policies may be cancellable except on not less than 30 days prior notice to Secured Party and Borrower shall deliver to Secured Party from time to time schedules setting forth such property insurance and certificates of insurance or other evidence thereof, in each instance at least 30 days prior to the expiration of any then current policy.

(e) At all times, Borrower shall keep and maintain the Collateral free and clear of all Liens except (i) the Lien granted Secured Party hereunder and (ii) the interests of the lessees or UP, as the case may be, under the Lease Collateral.

(f) Borrower will pay or cause to be paid when due all taxes, assessments and governmental charges and levies upon the

Collateral, except as otherwise permitted pursuant to the proviso in §9.6 of the Credit Agreement.

(g) Upon request of Secured Party, Borrower will notify each lessee under each Eligible Lease or UP with respect to a Master Lease Schedule, in either case constituting Lease Collateral, to make payments thereon at such place and in such manner as Secured Party shall specify in the event of any Loss Event (as defined in §6) relating to the Equipment Collateral subject to such Eligible Lease or Master Lease Schedule, as the case may be.

(h) Borrower shall not, directly or indirectly, (i) consent to, approve, or otherwise permit any amendment to or modification of any Lease Collateral, (ii) terminate any Lease Collateral, (iii) accept any prepayment of any rents or other sum in lieu thereof, or (iv) waive or consent to any default or breach by the lessee or UP, as the case may be, thereunder.

(i) Borrower shall execute and deliver to Secured Party from time to time at its request all documents and instruments, including without limitation, financing statements and supplemental security agreements, and to take all action as Secured Party may reasonably deem necessary or proper to perfect or otherwise protect the security interest and Lien created hereby.

(j) Promptly after Borrower has knowledge of (i) any default by a lessee or UP in payment or performance under any Lease Collateral, or (ii) the occurrence of a Loss Event with respect to any Equipment Collateral, Borrower will notify Secured Party of such default or occurrence, as the case may be.

(k) Except as permitted under §10.17 of the Credit Agreement, Borrower will not sell, or offer to sell or otherwise transfer the Collateral or any interest therein.

(l) Borrower will furnish to Secured Party such reports relating to the Collateral as Secured Party may from time to time reasonably request.

§6. Loss Event/Substitution. For purposes of this §6, "Ineligible Equipment Collateral" means any Equipment Collateral in respect of which a "Loss Event" has occurred, and "Loss Event" means, with respect to any particular Railcar that constitutes Equipment

Collateral, that such Railcar has been lost, stolen, destroyed, irreparably damaged or is otherwise unserviceable from any cause, has been condemned, confiscated or seized, title thereto or use thereof has been requisitioned for a period of 90 continuous days or that such Railcar is otherwise no longer Eligible Equipment. Ineligible Equipment Collateral may be replaced by Substitute Eligible Equipment as provided in this §6. Within ten (10) days after the date any Equipment Collateral becomes Ineligible Equipment Collateral, Borrower, with the prior consent of Secured Party (which consent shall not be unreasonably withheld), may Substitute Eligible Equipment of equivalent Collateral Value for the Ineligible Equipment Collateral. For purposes hereof, "Substitute Eligible Equipment" means Eligible Equipment On Lease or On Rental, the Eligible Equipment Value(s) and Advanced Rate(s) of which have a Collateral Value equal to or in excess of the Collateral Value of the Ineligible Equipment Collateral for which substituted. "Collateral Value" means the aggregate dollar amount of Eligible Equipment Value multiplied the applicable Advance Rate of the Eligible Equipment in question. Any such substitution shall be made by delivery to Secured Party, within such ten (10) day period, of (a) any Eligible Leases with respect thereto conforming to the requirements of §4(d), (b) an Assignment of Lease or Assignment of Master Lease/Schedule in accordance with the provisions of §5(a), (c) a supplementary security agreement or other instrument required in order to perfect the Secured Party's security interest in such Substitute Eligible Equipment, (d) a Certificate of a Partner setting forth the same information with respect to the Substitute Eligible Equipment as would be provided with respect thereto in a Loan Schedule submitted pursuant to the Credit Agreement and (e) an amended Collateral Schedule conforming to the requirements of §7. If a Loss Event occurs and the affected Ineligible Equipment Collateral is not replaced by Substitute Equipment Collateral as provided in this §6, the proceeds of any insurance covering such Equipment Collateral or any amounts paid in lieu thereof by the lessee thereof or UP, as the case may be, shall be paid to Secured Party in accordance with the loss payable clause in its favor, pursuant to the applicable Assignment of Lease or Assignment of Master Lease/Schedule, without deduction of any kind.

§7. Collateral Schedules. Prior to each Borrowing, a Collateral Schedule shall be prepared by Borrower and delivered to Secured Party setting forth the same information as is described in items

(1), (2), (4), (5) (i) and (iii) of each Loan Schedule. Each Collateral Schedule shall be appended hereto and numbered successively. Upon the substitution of any Substitute Equipment Collateral, an amended Collateral Schedule shall be prepared by Borrower which reflects the substitution of such Substitute Equipment Collateral for the Ineligible Equipment Collateral replaced. All Collateral Schedules are hereby incorporated herein and deemed part hereof. A Loan Schedule, with the consent of Secured Party, may be used as a Collateral Schedule for purposes hereof.

§8. Special Provisions. In connection with the Collateral:

(a) All cash proceeds of the Collateral received by Secured Party pursuant to any provision of this Security Agreement shall be deposited in a special non-interest bearing collateral account (the "Cash Collateral Account") established with Secured Party. The Cash Collateral Account shall be held by Secured Party as Collateral.

(b) At any time after the occurrence of an Event of Default, Secured Party may, in its sole discretion, take possession of any or all proceeds (including cash proceeds held in the Cash Collateral Account), which Secured Party will apply in accordance with §3.

(c) Without having any obligation to do so, Secured Party may perform or pay any obligation which Borrower has agreed to perform or pay under this Security Agreement including, without limitation, the payment or discharge of taxes or Liens levied or placed on or threatened against the Collateral or obtaining and maintaining insurance as provided in §5(d). In so performing or paying, Secured Party shall determine the action to be taken and the amount necessary to discharge such obligations. Borrower shall reimburse Secured Party on demand for any amounts paid by Secured Party pursuant to this §8(c), which amounts shall constitute Obligations secured by the Collateral.

(d) For the purpose of protecting, preserving and enforcing the Collateral and Secured Party's rights under this Security Agreement, Borrower hereby appoints Secured Party, with full power of substitution, as its attorney-in-fact, with full power and authority to do any act which Borrower is obligated to do, or

Secured Party has the right to do, hereunder; to exercise such rights with respect to the Collateral as Borrower might exercise; to peaceably enter Borrower's premises where Records are located; to give notice of Secured Party's security interest in and to collect the Collateral and the proceeds; and to execute and file in Borrower's name any financing statements, supplementary security agreements, amendments and continuation statements necessary or desirable to perfect or continue the perfection of Secured Party's security interests in the Collateral. Borrower hereby ratifies all that Secured Party shall lawfully do or cause to be done by virtue of this appointment.

(e) During the continuance of any Event of Default, Secured Party may act as attorney-in-fact for Borrower with full power and authority, (i) in obtaining and maintaining insurance provided for in §5(d)(i), prepare, adjust, execute, deliver and receive payment under insurance claims, and collect and receive payment of and endorse any draft or instrument in payment of loss or returned premiums or any other insurance refund or return and (ii) in obtaining any payments in lieu of insurance due from any lessee or UP, as the case may be, who is a self-insurer under Lease Collateral; and, during the continuance of an Event of Default, any amounts collected or received under any such policies or in lieu thereof shall be applied by Secured Party to Obligations in accordance with the provisions of §3, or at the option of Secured Party, the same may be released to Borrower, but such application or release shall not cure or waive any default hereunder and no amount so released shall be deemed a payment on any Obligation secured hereby.

(f) To further carry out the terms of this Security Agreement, during the continuance of any Event of Default, Secured Party may, as Borrower's attorney-in-fact:

(1) Execute any statements or documents to take possession of, and endorse and collect and receive delivery or payment of, any checks, drafts, notes, acceptances or other instruments and documents constituting the payment of amounts due and to become due or any performance to be rendered with respect to the Collateral;

(2) Sign and endorse any storage or warehouse receipts; drafts, certificates and statements under any commercial or

standby letter of credit, assignments, leases, bills of sale, or any other documents relating to the Collateral, including, without limitation, the Records;

(3) File any claim or take any other action or proceeding in any court of law or equity or as otherwise deemed appropriate by Secured Party for the purpose of collecting any and all monies due or securing any performance to be rendered with respect to the Collateral; and

(4) Commence, prosecute or defend any suits, actions or proceedings or as otherwise deemed appropriate by Secured Party for the purpose of protecting or collecting the Collateral; and in furtherance of this right, Secured Party may apply for the appointment of a receiver or similar official, and, to the fullest extent permitted by law, Borrower hereby waives any right to oppose such appointment.

(g) The powers of attorney created in §§8(d), (e) and (f) are powers coupled with an interest and are irrevocable. The powers conferred on Secured Party hereunder are solely to protect its interests in the Collateral and shall not impose any duty upon Secured Party to exercise such powers. Secured Party shall be accountable only for amounts that it actually receives as a result of the exercise of such powers and in no event shall Secured Party or any of its directors, officers, employees, agents or representatives be responsible to Borrower for any act or failure to act, except for gross negligence or willful misconduct. Secured Party may exercise such powers of attorney without notice to or assent of Borrower, in the name of Borrower, or in Secured Party's own name, from time to time in Secured Party's sole discretion and at Borrower's expense.

(h) Borrower acknowledges Secured Party's right, to the extent permitted by applicable law and in good faith, singly to execute and file financing statements without execution by Borrower.

§9. Interest Rate Parties. Any Interest Rate Party which enters into an Interest Rate Agreement with Borrower shall be entitled to participate in this Security Agreement and, beneficially, in the Collateral. No reference herein to an Interest Rate Party shall be construed to amend or waive any provisions of the Loan Documents

limiting or regulating Borrower's ability to incur additional Indebtedness or grant additional Liens upon its assets. An Interest Rate Party shall so participate under this Security Agreement by executing a supplemental agreement hereto, approved by the Majority Banks and Secured Party, which approvals shall not be unreasonably withheld, in each case accepting the terms of this Security Agreement, as amended and supplemented to the date thereof. Any such Interest Rate Party, to the extent applicable, shall undertake in such Supplemental Agreement, to comply with the provisions of §§13.2 and 13.3 of the Credit Agreement as if it were a "Bank" thereunder.

§10. Remedies. Upon the occurrence and during the continuance of any Event of Default, whether or not the Obligations are due, Secured Party may demand, sue for, collect, or make any settlement or compromise it deems desirable with respect to the Collateral. Regardless of the adequacy of the Collateral or any other security for the Obligations, after the occurrence and during the continuance of an Event of Default, any deposits or other sums credited by or due from Secured Party to Borrower may at any time be applied to or set off against any of the Obligations. The amount of any such setoff shall be applied as provided in §3 hereof. Upon the occurrence and during the continuance of any Event of Default (whether or not any acceleration of the maturity of the amounts due in respect of any of the Obligations shall have occurred), to the fullest extent permitted by applicable law:

(a) Secured Party shall have, in addition to all other rights and remedies given it by any instrument or other agreement evidencing, or executed and delivered in connection with, any of the Obligations and otherwise allowed by law, the rights and remedies of a secured party under the Uniform Commercial Code as enacted in any applicable jurisdiction [and the rights and remedies of a secured party holding a security interest in collateral pursuant to the Interstate Commerce Act of 1887, as amended,] and without limiting the generality of the foregoing, Secured Party may without (to the fullest extent permitted by law) demand of performance or advertisement or notice of intention to sell or of time or place of sale or of redemption or other notice or demand whatsoever, (except that Secured Party shall give to Borrower at least ten days' notice of the time and place of any proposed sale or other disposition), all of which are hereby expressly waived to the fullest extent permitted by law, sell at public or private sale

or otherwise realize upon, in the City of San Francisco, California, or elsewhere, the whole or from time to time any part of the Collateral in or upon which Secured Party shall have a security interest or Lien hereunder, or any interest which Borrower may have therein, and after deducting from the proceeds of sale or other disposition of Collateral all expenses (including all reasonable out-of-pocket expenses for legal services) as provided in §14, shall apply the residue of such proceeds toward the payment of the Obligations in accordance with §3 of this Security Agreement, Borrower remaining liable for any deficiency remaining unpaid after such application and being entitled to any surplus. If notice of any sale or other disposition is required by law to be given to Borrower, Borrower hereby agrees that a notice given as hereinbefore provided shall be reasonable notice of such sale or other disposition. Borrower also agrees to assemble the Collateral at such place or places as Secured Party reasonably designates by notice. At any such sale or other disposition Secured Party may itself, and any other Person owed any Obligation may itself, to the extent permitted by applicable law, purchase the whole or any part of the Collateral sold, free from any right of redemption on the part of Borrower, which right is hereby waived and released to the fullest extent permitted by applicable law.

(b) Furthermore, without limiting the generality of any of the rights and remedies conferred upon Secured Party under §10(a) hereof, Secured Party to the fullest extent permitted by law, may enter upon the premises of Borrower, exclude Borrower therefrom and take immediate possession of the Collateral, either personally or by means of a receiver appointed by a court therefor, and may, at its option, use, operate, manage and control the Collateral in any lawful manner and may collect and receive all rents, income, revenue, earnings, issues and profits therefrom, and may maintain, repair, renovate, alter or remove the Collateral as Secured Party may reasonably determine in its discretion, and any such monies so collected or received by Secured Party shall be applied to, or may be accumulated for application upon, the Obligations in accordance with §3 of this Security Agreement.

(c) Borrower shall, at the request of Secured Party, after Secured Party has notified Borrower that an Event of Default under the Credit Agreement has occurred and is continuing, notify (i) the lessees of all Eligible Leases constituting Lease Collateral of the security interest of Secured Party in any such Eligible Lease and

(ii) UP, with respect to any Equipment Collateral constituting Eligible Equipment On Rental, that payments under such Eligible Leases or of rental, as the case may be, are to be made directly to Secured Party, and Secured Party may itself at any time during the continuance of such Event of Default, without further notice to or demand upon the Borrower, so notify lessees and UP.

Secured Party will give notice to Borrower of any enforcement action take by it pursuant to this §10 promptly after commencing such action. In case Secured Party shall have proceeded to enforce any right under this Security Agreement by foreclosure, sale, entry or otherwise, and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely, then in each and every such case Borrower, Secured Party and the Banks shall be restored to their former positions and rights hereunder with respect to the Collateral subject to the security interest and Lien created under this Security Agreement.

§11. Marshalling. Secured Party shall not be required to marshal any present or future security for (including, without limitation this Security Agreement and the Collateral subject to the security interest created hereby), or guaranties of, the Obligations or any of them, or to resort to such security or guaranties in any particular order; and all of its rights hereunder and in respect of such securities and guaranties shall be cumulative and in addition to all other rights, however existing or arising. To the extent that it lawfully may waive such right, Borrower hereby agrees that it will not invoke any law relating to the marshalling of collateral which might cause delay in or impede the enforcement of Secured Party's rights under this Security Agreement or under any instrument evidencing any of the Obligations or under which any of the Obligations is outstanding or by which any of the Obligations is secured or guaranteed, and to the extent that it lawfully may waive such benefits, Borrower hereby irrevocably waives the benefits of all such laws.

§12. Borrower's Obligations Not Affected. Subject to the provisions of §17 hereof, to the extent permitted by applicable law, the obligations of Borrower under this Security Agreement shall remain in full force and effect without regard to, and shall not be impaired by, (a) any bankruptcy, insolvency, reorganization, arrangement, readjustment, composition, liquidation or the like of Borrower; (b) any exercise or nonexercise, or any waiver, by

Secured Party of any right, remedy, power or privilege under or in respect of any of the Obligations or any security therefor (including this Security Agreement); (c) any amendment to or modification of this Security Agreement, any other Loan Document or any instrument evidencing any of the Obligations or pursuant to which any of them were issued; (d) any amendment to or modification of any instrument or agreement (other than this Security Agreement) securing any of the Obligations; or (e) the taking of additional security for or any guaranty of any of the Obligations or the release or discharge or termination of any security or guaranty for any of the Obligations; and whether or not Borrower shall have notice or knowledge of any of the foregoing.

§13. No Waiver. No failure on the part of Secured Party to exercise, and no delay in exercising, any right, remedy or power hereunder shall operate as a waiver thereof, nor shall any single or partial exercise by Secured Party of any right, remedy or power hereunder preclude any other or future exercise of any other right, remedy or power. Each and every right, remedy and power hereby granted to Secured Party or allowed to it by law or other agreement, including, without limitation, the Credit Agreement, the Notes or any other Security Document, shall be cumulative and not exclusive of any other, and, subject to the provisions of this Security Agreement, may be exercised by Secured Party from time to time.

§14. Expenses. Borrower agrees to pay, on demand, all reasonable out-of-pocket costs and expenses (including reasonable attorneys' fees and expenses for legal services of every kind) of Secured Party incidental to the sale of, or realization upon, any of the Collateral or in any way relating to the perfection, enforcement or protection of the rights of Secured Party hereunder, provided that if Borrower prevails on the merits in any legal action brought by Secured Party related to the foregoing, Borrower shall not be required to pay such costs and expenses of Secured Party in such legal action; and Secured Party may at any time apply to the payment of all such costs and expenses all monies of Borrower or other proceeds arising from its possession or disposition of all or any portion of the Collateral pursuant to this Security Agreement.

§15. Consents, Amendments, Waivers, Etc. Any term of this Security Agreement may be amended, and the performance or observance by

Borrower of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only in accordance with the provisions of [§23] of the Credit Agreement.

§16. Governing Law. Except as otherwise required by the laws of any jurisdiction in which any Collateral is located or by applicable law of the United States of America, this Agreement and the parties' rights and obligations hereunder shall be governed by and construed in accordance with the laws of the State of California.

§17. Parties in Interest. All terms of this Security Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective successors and assigns of the parties hereto; provided that Borrower may not assign or transfer its rights hereunder without the prior consent of the Banks and the Agent may assign or transfer its rights hereunder only in accordance with §17 of the Credit Agreement.

§18. Termination. Upon payment in full of the Loans and all other amounts then due and payable under the Loan Documents in accordance with their terms and termination of all Commitments, this Agreement shall terminate and Borrower shall be entitled to the return, at Borrower's expense, of such Collateral in the possession or control of Secured Party as has not theretofore been disposed of pursuant to the provisions hereof. The Agent will take such actions as Borrower may reasonably request in order to terminate of record the security interests and Liens created hereby.

§19. Notices. Except as otherwise expressly provided herein, all notices, consents, waivers, approvals shall be in writing. Notices and other communications made or required to be given pursuant to this Security Agreement shall be made in accordance with the provisions of §20 of the Credit Agreement.

§20. Entire Agreement. This Security Agreement is intended by Borrower and Secured Party as the final expression of Borrower's obligations to Secured Party in connection with the Collateral and

supersedes all prior understandings or agreements concerning the subject matter hereof.

IN WITNESS WHEREOF, the parties hereto have caused this Security Agreement to be duly executed as an instrument under seal by their authorized representatives as of the date first written above.

THE BANK OF CALIFORNIA, N.A.,
as agent

By:_____
Name: Robert John Vernagallo
Title: Vice President

HELM-PACIFIC LEASING

By: Helm Pacific Corporation

By:_____
Name:_____
Title:_____

By: Union Pacific Venture Leasing, Inc.

By:_____
Name:_____
Title:_____

Its Joint Venture Partners

ACKNOWLEDGMENTS

STATE OF CALIFORNIA)
)ss.
CITY AND COUNTY OF SAN FRANCISCO)

On this _____ day of _____, 1991, _____, to me known (or proved to me on the basis of satisfactory evidence) to be such person and officer of Helm Pacific Corporation, a Joint Venture Partner of Helm Pacific Leasing, who executed the foregoing instrument, and acknowledged that he executed the same as such officer as the deed of said corporation, by its authority.

WITNESS my hand and official seal.

_____
Notary Public

(SEAL)

_____
Name (Typed or Printed)

STATE OF NEBRASKA)
)ss.
COUNTY OF DOUGLAS)

On this _____ day of _____, 1991, _____, to me known (or proved to me on the basis of satisfactory evidence) to be such person and officer of Union Pacific Venture Leasing, Inc., a Joint Venture Partner of Helm-Pacific Leasing, who executed the foregoing instrument, and acknowledged that he executed the same as such officer as the deed of said corporation, by its authority.

WITNESS my hand and official seal.

_____
Notary Public

(SEAL)

_____
Name (Typed or Printed)

STATE OF CALIFORNIA)
) ss.
CITY AND COUNTY OF SAN FRANCISCO)

On this _____ day of _____, 19__, before the undersigned, a Notary Public in and for said State, personally appeared Robert John Vernagallo, personally known to me (or proved to me on the basis of satisfactory evidence) to be the person whose name is subscribed to the within instrument, and acknowledged that he executed the same in his authorized capacity, and that by his signature on the instrument, the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

_____
Notary Public

(SEAL)

_____
Name (Typed or Printed)

EXHIBIT "A"

(1) Legend on Eligible Lease:

THIS LEASE CONSTITUTES CHATTEL PAPER WHICH (A) IS NOT NEGOTIABLE, (B) IS SUBJECT TO A SECURITY INTEREST GRANTED IN FAVOR OF THE BANK OF CALIFORNIA, N.A., AGENT, AS SECURED PARTY, BY HELM PACIFIC LEASING, AS DEBTOR, AND (C) MAY NOT BE (NOR ANY INTEREST HEREIN) SOLD, ASSIGNED, USED AS COLLATERAL, OR TRANSFERRED.

(2) Legend on Master Lease Schedule:

THIS SCHEDULE NO. _____ AND THE MASTER LEASE AGREEMENT TO WHICH A COPY HEREOF IS ATTACHED AND IN WHICH IT IS INCORPORATED (WHICH SCHEDULE AND MASTER LEASE TO THE EXTENT APPLICABLE THERETO CONSTITUTE CHATTEL PAPER) (a) IS NOT NEGOTIABLE, (b) ARE SUBJECT TO A SECURITY INTEREST GRANTED IN FAVOR OF THE BANK OF CALIFORNIA, N.A., AGENT, AS SECURED PARTY, BY HELM-PACIFIC LEASING, AS DEBTOR, AND (c) MAY NOT BE (NOR ANY INTEREST HEREIN) SOLD, ASSIGNED, USED AS COLLATERAL, OR TRANSFERRED.

(3) Legend on Master Lease and Master Lease Schedule attached thereto:

SCHEDULE NO. _____ TO THIS MASTER LEASE, AND THIS MASTER LEASE TO THE EXTENT APPLICABLE THERETO, CONSTITUTE CHATTEL PAPER WHICH (A) IS NOT NEGOTIABLE, (B) IS SUBJECT TO A SECURITY INTEREST GRANTED IN FAVOR OF THE BANK OF CALIFORNIA, N.A., AGENT, AS SECURED PARTY, BY HELM-PACIFIC LEASING, AS DEBTOR, AND (C) MAY NOT BE (NOR ANY INTEREST HEREIN) SOLD, ASSIGNED, USED AS COLLATERAL, OR TRANSFERRED.

EXHIBIT B
to Security Agreement

ASSIGNMENT OF LEASE

This ASSIGNMENT OF LEASE ("Assignment") is made as of this [ ], 199[ ] by Helm-Pacific Leasing, a Nebraska joint venture ("Borrower") to The Bank of California, N.A., as Agent ("Agent") and its successors.

WHEREAS, pursuant to that certain [Lease of Railroad Equipment] dated as of [ ] ("Lease"), between Borrower, as "Lessor," and _____, as "Lessee" ("Lessee"), Borrower leased to Lessee the Units of railroad rolling stock described on Schedule 1 hereto, together with all accessories, equipment, parts and appurtenances appertaining or attached thereto at any time, and all additions, improvements and accessions to any and all thereof, including, without limitation, any and all substitutions, renewals or replacements of any of the foregoing (collectively, the "Leased Equipment" and, individually, a "Unit"); and

WHEREAS, pursuant to that certain Security Agreement dated as of November 14, 1991, between Borrower and Agent (the "Security Agreement"), Borrower granted to Agent, for the benefit of Agent and the Banks therein referred to (the "Banks"), a lien and security interest in the Lease, all rents, fees and other payments due and payable to Borrower thereunder, and every other agreement relating to the Leased Equipment or any Unit and the proceeds thereof;

NOW, THEREFORE, for and in consideration of the foregoing and other good and valuable consideration, Borrower does hereby and agrees as follows:

§1. Assignment. Borrower hereby assigns and transfers to Agent:

(a) All of Borrower's right, title and interest in and to the Lease and lease and/or rental agreements or arrangements relating to the Leased Equipment, whether now or hereafter existing, between Borrower, as lessor, and Lessee or any other parties, as lessees;

(b) (i) All Rent (as therein defined), other lease payments, additional rents and all other amounts due and payable to Borrower arising from and/or pursuant to the Lease, (ii) all claims for damages arising out of the breach of the Lease, (iii) the right, if any, to terminate the Lease, to perform thereunder and to compel performance of the terms thereof, (iv) the right to take possession of the Leased Equipment, (v) the right to give waivers and to enter into any amendments relating to the Lease or any provision thereof, (vi) the right to take such action upon the occurrence of an Event of Default (as therein defined) under the Lease, including, without limitation, the commencement, conduct and consummation of legal, administrative or other proceedings, as shall be permitted by the Lease or by law, and (vii) all other rights, claims, causes of action, if any, which Borrower may have against Lessee including, without limitation, the right to exercise any options or remedies under such Lease; and

(c) All other proceeds (including, without limitation, insurance and indemnity payments) due from Lessee pursuant to the Lease, whether the result of a Casualty Occurrence (as therein defined) to the Leased Equipment or otherwise.

§2. Representations, Warranties and Covenants of Borrower. Borrower represents, warrants and covenants:

(a) That the Leased Equipment is described and properly identified by serial, running or other identifying mark and number on Schedule 1 hereto and hereby made a part hereof.

(b) That the original executed counterpart of the Lease delivered to Agent by Borrower is the only original executed counterpart (other than the one delivered to Lessee) and that Borrower does not have possession of or control over any other duplicate executed counterpart of the Lease.

(c) That, as of the date hereof, (i) Borrower is not in default under any of the provisions of the Lease and (ii) Lessee is not in default under any material provision of the Lease.

§3. Borrower's Agreements with Respect to the Lease. Borrower hereby agrees that:

(a) Borrower shall faithfully abide by, perform and discharge each and every obligation, covenant, condition, duty and agreement which the Lease provides are to be performed by Borrower.

(b) Borrower shall use its best efforts to cause Lessee to faithfully abide by, perform and discharge each and every material obligation, covenant, condition, duty and agreement which the Lease provides are to be performed, observed and complied with by Lessee and, if Lessee is in default under the Lease or in breach thereof, Borrower shall, at Agent's request, take appropriate action against Lessee to cause Lessee to cure or remedy such default or breach.

(c) Borrower shall not enter into any modification or amendment to the Lease, nor waive any default or breach by Lessee under the Lease, nor grant any waiver or consent to any such default or waiver, nor terminate the Lease, without, in each case, the prior written consent of Agent, nor renew or extend the Lease without thereafter delivering the original of such renewal or extension to Agent.

(d) Borrower shall not accept any prepayment of any Rent or any other payment in lieu thereof, without the prior written consent of Agent.

(e) Borrower shall cause Lessee (i) to name Agent as an additional insured on any liability insurance policies and as a loss-payee on any property insurance policies required to be maintained by Lessee under the Lease and to provide Certificates of Insurance evidencing such insurance or, at Agent's request, a certified copy of each such policy; and, (ii) if Lessor is a self-insurer not required to maintain any such insurance policies under the Lease, to acknowledge and agree, by written acknowledgement satisfactory to the Agent, that the indemnity and other provisions of the Lease with respect to liabilities to third parties and loss or damage to Leased Equipment, also extend to Agent and the Banks (and any assignees thereof), as if specifically named therein as indemnified parties, and to their interests in the Leased Equipment, including, but not limited to, the right to any payment as a result of a "Casualty Occurrence" as defined in Paragraph 8(b) of the Lease.

(f) Unless Lessee has indemnified Borrower with respect thereto under the Lease and has appeared in and is then defending any action or proceedings arising under, growing out of or in any manner connected with the obligations, covenants, conditions or Liabilities of Borrower under the Lease, Borrower, at Borrower's sole cost and expense, will do so.

(g) Without the prior written consent of Agent, Borrower shall not commence or compromise any action, suit, proceeding or case or file any application or make any motion affecting the Lease in any bankruptcy proceeding other than a proceeding in which Borrower is the debtor.

§4. Remedies. Upon the occurrence and during the continuance of any Event of Default (as referred to and defined in the Security Agreement), Agent may do any one or more of the following acts (but shall be under no obligation to do so) regarding the Lease:

(a) direct the Lessee and/or any other person to pay all Rents and other amounts thereafter becoming due under the Lease to Agent, cash any checks and negotiate any other instrument or compromise any claim, in each case, if desirable, in the name of Borrower;

(b) act in accordance with the rights, powers and interest assigned and granted to Agent pursuant to §1(b);

(c) perform or discharge any obligation or duty of Borrower under the Lease to such extent as Agent may deem necessary or advisable to protect the security provided hereunder;

(d) exercise all the rights and remedies in foreclosure and otherwise granted to secured parties under the provisions of applicable laws;

(e) demand, collect, and retain all, Rent, earnings, car hire and other sums due and to become due to Borrower in respect of the Leased Equipment from Lessee or any party whomsoever, accounting only for the net earnings arising from such use, if any, after charging against any receipts from the use of the same and from any subsequent sale thereof all costs and expenses of and damages or losses by reason of, such use or sale; or

(f) assign its rights and interests in the Lease, without Borrower's consent, to any successor or assignee of Agent or to any other third party;

In the event that Agent exercises any of its rights under this Assignment, all payments or proceeds received by Agent resulting from such exercise shall be applied in accordance with the applicable provisions of the Security Agreement.

§5. Appointment of Agent as Attorney-in-Fact. Borrower hereby irrevocably constitutes and appoints Agent as Borrower's attorney-in-fact, to demand, receive and enforce, Borrower's rights with respect to the Lease and to give appropriate receipts, releases and satisfaction in connection therewith for, or on behalf of, and in the name of, Borrower or, at the option of Agent, in the name of Agent itself, with the same force and effect as Borrower could do if this Assignment had not been made.

§6. Assignment as Security. This Assignment is made for security purposes only. Accordingly, Agent shall have no rights to exercise its rights under this Assignment (whether as Borrower's attorney-in-fact or in any other manner permitted by law), in the absence of an Event of Default as provided in §10 of the Security Agreement. The foregoing shall not however be deemed or construed to affect in any way Agent's rights under §4(d) hereunder.

§7. Law Governing. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of California without regard to conflicts of laws rules; provided, however, that Agent shall be entitled to all rights conferred by the filing, recording or deposit hereof in the appropriate office(s) pursuant to 49 U.S.C. 11303 or in such other offices as may be appropriate in the jurisdiction(s) in which the Leased Equipment is operated.

§8. Modifications. No variation or modification of this Assignment and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized representatives of Borrower and Agent.

§9. Sections Headings. All section headings are inserted for convenience only and shall not affect any construction or interpretation of this Assignment.

§10. Successors and Assigns. This Assignment shall be binding upon Borrower and its successors and inure to the benefit of Agent and the Banks and their respective successors and assigns.

IN WITNESS WHEREOF, the undersigned has caused this Assignment to be executed as of the day and year first set forth above.

HELM-PACIFIC LEASING,
a Nebraska joint venture

By: Helm Pacific Corporation

By: _____
Name: _____
Title: _____

By: Union Pacific Venture Leasing, Inc.

By: _____
Name: _____
Title: _____

Its Joint Venture Partners

CONSENT

The undersigned Lessee described in the foregoing Assignment of Lease ("Assignment") by Helm-Pacific Leasing, a Nebraska joint venture ("Assignor") to The Bank of California, N.A., as Agent ("Assignee") hereby (i) acknowledges, consents and agrees to provisions of the Assignment and to the assignments thereunder; and (ii) in connection with the Assignment, the Lessee hereby acknowledges, covenants and agrees to and with Assignee as follows:

(1) For purposes of the Lease, Assignee and each of the Banks is hereby and will be recognized as the "assignee" of Lessor and will be afforded all of the benefits, rights and powers granted to such assignee thereunder, including, without limitation, that each of Assignee and the Banks shall be deemed an indemnitee under the indemnity provisions of Paragraph 9(e) of the Lease.

(2) Any settlement value payment payable pursuant to Paragraph 8(b) of the Lease as a result of a "Casualty Occurrence" shall be paid to the Agent, without any further responsibility for its application.

(3) Whenever Lessee notifies Assignor, pursuant to the Lease, Lessee shall provide a duplicate copy of such notice in the same manner in which notices are required to be given under the Lease to Assignee at Assignee's address, to wit:

The Bank of California, N.A., as Agent
400 California St., 16th Floor
San Francisco, CA 94104
Attention: Robert John Vernagallo, Vice President

(4) Lessee hereby acknowledges, for purposes of Paragraph 15 of the Lease, receipt from Assignor of the Assignment and confirms that the rights of Lessor under Paragraphs 7, 10 and 13 of the Lease inure to the benefit of Assignee.

(5) Upon written notice from Assignee that Assignee is entitled to exercise its rights and powers under the Assignment, and Assignee has elected to have all Rents and all other sums due Assignor under Lease paid to Assignee, Lessee shall thereafter pay to Assignee all such Rents thereafter accruing under the Lease and other sums due Assignor thereunder, without abatement, deduction or reduction of any kind for any cause whatsoever, whether by way of set-off, counter-claim, defense or otherwise. Such payments shall continue until the first to occur of (a) written notice from Assignee that Assignee is to pay Rents thereafter to Assignor or (b) written notice to Lessee that the security interest of Assignee in the Lease has been foreclosed and identifying the purchaser thereof, who shall thereupon succeed to the interest of Assignor under the Lease, after which time all Rent and all other sums due from Lessee thereafter shall be payable to such purchaser.

(6) Nothing contained herein shall be deemed to be or construed to be an agreement by Assignee to perform any covenant of the Assignor under the Lease unless and/or until it obtains

ownership of the Leased Equipment and succeeds to the rights of Assignor under the Lease.

This Consent is executed this ___ day of _____ 1991:

_____

By:_____
Title:_____

EXHIBIT C
to Security Agreement

ASSIGNMENT OF MASTER LEASE/SCHEDULE

This ASSIGNMENT OF MASTER LEASE/SCHEDULE ("Assignment") is made as of this November 14, 1991 by Helm-Pacific Leasing, a Nebraska joint venture ("Borrower") to The Bank of California, N.A., as Agent ("Agent") and its successors.

WHEREAS, Borrower, as "Lessor," and Union Pacific Railroad Company, as "Lessee" ("Lessee") are parties to that certain Master Lease Agreement dated and effective as of May 1, 1990 (the "Master Lease");

WHEREAS, pursuant to the Master Lease, Borrower has leased to Lessee certain units (therein and herein, "Units") of railroad rolling stock described on Schedule No. 1 thereto (therein and herein, the "Schedule"); and

WHEREAS, pursuant to that certain Security Agreement dated as of November 14, 1991, between Borrower and Agent (the "Security Agreement"), Borrower granted to Agent, for the benefit of Agent and the Banks therein referred to (the "Banks"), a lien and security interest in the Master Lease and the Schedule, as incorporated therein in accordance with the terms thereof (together, the "Master Lease/Schedule"), in all rents, fees and other payments due and payable to Borrower thereunder, in every other agreement relating to each Unit and the proceeds thereof;

NOW, THEREFORE, for and in consideration of the foregoing and other good and valuable consideration, Borrower does hereby and agrees as follows:

§1. Assignment. Borrower hereby assigns and transfers to Agent:

(a) All of Borrower's right, title and interest in and to the Master Lease/Schedule and lease and/or rental agreements or arrangements relating to the Units, whether now or hereafter existing, between Borrower, as lessor, and Lessee or any other parties, as lessees;

(b) (i) All rent, other lease payments, additional rents and all other amounts due and payable to Borrower arising from and/or pursuant to the Master Lease/Schedule, (ii) all claims for damages arising out of the breach of the Master Lease/Schedule, (iii) the right, if any, to terminate the Master Lease/Schedule, to perform thereunder and to compel performance of the terms thereof, (iv) the right to take possession of the Units, (v) the right to give waivers and to enter into any amendments relating to the Master Lease/Schedule or any provision thereof, (vi) the right to take such action upon the occurrence of an "event of default" (as therein defined) under the Master Lease/Schedule, including, without limitation, the commencement, conduct and consummation of legal, administrative or other proceedings, as shall be permitted by the Master Lease or by law, and (vii) all other rights, claims, causes of action, if any, which Borrower may have against Lessee including, without limitation, the right to exercise any options or remedies under such Master Lease/Schedule; and

(c) All other proceeds (including, without limitation, Casualty Value Payments (as therein defined)), insurance and indemnity payments and payments in lieu of insurance due from Lessee pursuant to the Master Lease/Schedule, whether the result of damage to or destruction of any Units or otherwise.

§2. Representations, Warranties and Covenants of Borrower. Borrower represents, warrants and covenants:

(a) That the Units are described and are properly identified by serial, running or other identifying mark and number on Schedule 1 hereto and hereby made a part hereof.

(b) That the Master Lease has been legended in accordance with §4(d) of the Security Agreement.

(c) That the original executed counterpart of the Schedule delivered to Agent by Borrower is the only original executed counterpart thereof (other than the one delivered to Lessee) and that Borrower does not have possession of or control over any other duplicate executed counterpart of the Schedule.

(d) That neither Lessee nor Borrower is, as of the date hereof, in default under any of the provisions of the Master Lease/Schedule.

§3. Borrower's Agreements with Respect to the Master Lease/Schedule. Borrower hereby agrees that:

(a) Borrower shall faithfully abide by, perform and discharge each and every obligation, covenant, condition, duty and agreement which the Master Lease/Schedule provides are to be performed by Borrower.

(b) Borrower shall cause Lessee to faithfully abide by, perform and discharge each and every obligation, covenant, condition, duty and agreement which the Master Lease/Schedule provides are to be performed by Lessee.

(c) Borrower shall not enter into any modification or amendment to the Master Lease or the Schedule, nor waive any default or breach by Lessee under the Master Lease or the Schedule, nor grant any waiver or consent to any such default or waiver, nor terminate the Master Lease/Schedule, without, in each case, the prior written consent of Agent, nor renew or extend the Master Lease/Schedule without thereafter delivering the original of such renewal or extension to Agent.

(d) Borrower shall not accept any prepayment of any rent or any other payment in lieu thereof, without the prior written consent of Agent.

(e) Borrower shall cause Lessee to acknowledge and agree, by written acknowledgement satisfactory to Agent, that the indemnity and other provisions of the Master Lease with respect to the liabilities to third parties and loss or damage to Units, also extend to Agent and the Banks, as if specifically named therein, and to their interests in the Units.

(f) At Borrower's sole cost and expense, Borrower will appear in and defend any action or proceedings arising under, growing out of or in any manner connected with the obligations, covenants, conditions or liabilities of Borrower under the Master Lease/Schedule.

(g) Without the prior written consent of Agent, Borrower shall not commence or compromise any action, suit, proceeding or case or file any application or make any motion affecting the

Master Lease or the Schedule in any bankruptcy proceeding other than a proceeding in which Borrower is the debtor.

§4. Remedies. Upon the occurrence and during the continuance of any Event of Default (as referred to and defined in the Security Agreement), Agent may do any one or more of the following acts (but shall be under no obligation to do so) regarding the Master Lease/Schedule:

(a) direct the Lessee and/or any other person to pay all rents and other amounts thereafter becoming due under the Master Lease/Schedule to Agent, cash any checks and negotiate any other instrument or compromise any claim, in each case, if desirable, in the name of Borrower;

(b) act in accordance with the rights, powers and interest assigned and granted to Agent pursuant to §1(b);

(c) perform or discharge any obligation or duty of Borrower under the Master Lease/Schedule to such extent as Agent may deem necessary or advisable to protect the security provided hereunder;

(d) exercise all the rights and remedies in foreclosure and otherwise granted to secured parties under the provisions of applicable laws;

(e) demand, collect and retain all rent, earnings, car hire and other sums due and to become due to Borrower in respect of the Units from Lessee or any party whomsoever, accounting only for the net earnings arising from such use, if any, after charging against any receipts from the use of the same and from any subsequent sale thereof all costs and expenses of and damages or losses by reason of, such use or sale; or

(f) assign its rights and interests in the Master Lease/Schedule, without Borrower's consent, to any successor or assignee of Agent or to any other third party;

In the event that Agent exercises any of its rights under this Assignment, all payments or proceeds received by Agent resulting from such exercise shall be applied in accordance with the applicable provisions of the Security Agreement.

§5. Appointment of Agent as Attorney-in-Fact. Borrower hereby irrevocably constitutes and appoints Agent as Borrower's attorney-in-fact, to demand, receive and enforce, Borrower's rights with respect to the Master Lease/Schedule and to give appropriate receipts, releases and satisfaction in connection therewith for, or on behalf of, and in the name of, Borrower or, at the option of Agent, in the name of Agent itself, with the same force and effect as Borrower could do if this Assignment had not been made.

§6. Assignment as Security. This Assignment is made for security purposes only. Accordingly, Agent shall have no rights to exercise its rights under this Assignment (whether as Borrower's attorney-in-fact or in any other manner permitted by law), in the absence of an Event of Default as provided in §10 of the Security Agreement. The foregoing shall not however be deemed or construed to affect in any way Agent's rights under §4(d) hereunder.

§7. Law Governing. The terms of this Assignment and all rights and obligations hereunder shall be governed by the laws of California without regard to conflicts of laws rules; provided, however, that Agent shall be entitled to all rights conferred by the filing, recording or deposit hereof in the appropriate office(s) pursuant to 49 U.S.C. 11303 or in such other offices as may be appropriate in the jurisdiction(s) in which the Units are operated.

§8. Modifications. No variation or modification of this Assignment and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized representatives of Borrower and Agent.

§9. Sections Headings. All section headings are inserted for convenience only and shall not affect any construction or interpretation of this Assignment.

§10. Successors and Assigns. This Assignment shall be binding upon Borrower and its successors and inure to the benefit of Agent and the Banks and their respective successors and assigns.

IN WITNESS WHEREOF, the undersigned has caused this Assignment to be executed as of the day and year first set forth above.

HELM-PACIFIC LEASING,
a Nebraska joint venture

By: Helm Pacific Corporation

By: _____
Name: _____
Title: _____

By: Union Pacific Venture Leasing, Inc.

By: _____
Name: _____
Title: _____

Its Joint Venture Partners

CONSENT

The undersigned, Union Pacific Railroad Company, Lessee described in the foregoing Assignment of Master Lease/Schedule ("Assignment") by Helm-Pacific Leasing, a Nebraska joint venture ("Assignor") to The Bank of California, N.A., as Agent ("Assignee") hereby (i) acknowledges, consents and agrees to provisions of the Assignment and to the assignments thereunder; and (ii) in connection with the Assignment, Lessee hereby acknowledges, covenants and agrees to and with Assignee as follows:

(1) For purposes of the Master Lease/Schedule, Assignee is hereby recognized as the assignee of Assignor and will be afforded all of the benefits, rights and powers granted to Assignor thereunder, including, without limitation, the right to be indemnified under the indemnity provisions of Paragraph 8 of the Master Lease.

(2) Whenever Lessee notifies Assignor, pursuant to the Master Lease, Lessee shall provide a duplicate copy of such notice in the same manner in which notices are required to be given under the Master Lease to Assignee at Assignee's address, to wit:

The Bank of California, N.A., as Agent
400 California St., 16th Floor
San Francisco, CA 94104
Attention: Robert John Vernagallo,
Vice President

(3) Lessee hereby acknowledges, for purposes of Paragraph 16 of the Master Lease, receipt from Assignor of the Assignment. Lessee further acknowledges and agrees that (a) the Agent and the Banks (including any assignees thereof) shall be indemnified to the same extent as Lessor under paragraphs 8 of the Master Lease, as if specifically named therein as indemnified parties and (b) any Casualty Value Payment due Lessor pursuant to the first sentence of such Paragraph 8 shall be paid to the Agent, without any further responsibility for its application.

(4) Upon written notice from Assignee that Assignee is entitled to exercise its rights and powers under the Assignment, and Assignee has elected to have all payments and all other sums due Assignor under the Master Lease/Schedule paid to Assignee, Lessee shall thereafter pay to Assignee all rents thereafter accruing under the Master Lease/Schedule and other sums due Assignor thereunder, without abatement, deduction or reduction of any kind for any cause whatsoever, whether by way of set-off, counter-claim, defense or otherwise. Such payments shall continue until the first to occur of (a) written notice from Assignee that Assignee is to pay rents thereafter to Assignor or (b) written notice to Lessee that the security interest of Assignee in the Master Lease/Schedule has been foreclosed and identifying the purchaser thereof, who shall thereupon succeed to the interest of Assignor under the Master Lease/Schedule, after which time all rent and all other sums due from Lessee thereunder shall be payable to such purchaser.

(5) Nothing contained herein shall be deemed to be or construed to be an agreement by Assignee to perform any covenant of Assignor under the Master Lease/Schedule unless and or until it

obtains ownership of the Units and succeeds to the rights of Assignor under the Master Lease/Schedule.

This Consent is executed this 14th day of November 1991:

Union Pacific Railroad Company

By:_____
Name:_____
Title:_____