

HELM FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

FAX 415/398-4816

VIA AIR COURIER

July 10, 1995

Ms. Mildred Lee
Recordations Unit
Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, DC 20423

RECORDATION NO. 16168-*JLL*
JUL 12 1995 2:35 PM
INTERSTATE COMMERCE COMMISSION

RE: Security Agreement dated as of January 15, 1992 ("Security Agreement")
between Helm Financial Corporation ("Helm") and The First National Bank
of Boston ("Agent")

Dear Ms. Lee:

On behalf of Helm Financial Corporation, I submit for filing and recording,
under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder
the following document:

Three (3) fully executed originals of the Partial Termination of
Security Agreement dated April 27, 1995 ("Partial Termination") by The
First National Bank of Boston, a national banking association, for the
benefit of Helm Financial Corporation.

In connection with the recording of the Partial Termination, please note the
following information:

Name and Address of Helm: Helm Financial Corporation
One Embarcadero Center, Suite 3500
San Francisco, CA 94111

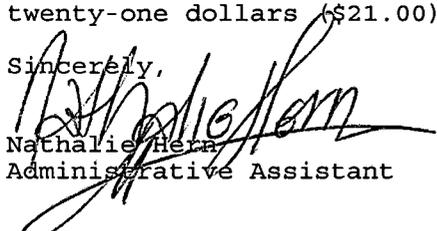
Name and Address of Agent: The First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Equipment: One (1) SW1500 locomotive (See Exhibit A for reporting mark and
number)

Previous ICC Filing: Security Agreement filed on January 24, 1992 at 10:10
am under Recordation No. 16168-BB

Please file the Partial Termination under the next available recordation
number and return endorsed originals to my attention. The filing fee of
twenty-one dollars (\$21.00) is included in the enclosed check.

Sincerely,


Nathalie Hernandez
Administrative Assistant

nh
Enclosures (3)

16168-8888

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PARTIAL TERMINATION OF SECURITY INTEREST

THIS PARTIAL TERMINATION OF SECURITY INTEREST ("Termination") is effective as of April 27, 1995 by THE FIRST NATIONAL BANK OF BOSTON, a national banking association (the "Agent"), as agent for itself and for Bank of America Illinois, an Illinois banking corporation formerly known as Continental Bank, N.A. and Union Bank, a California chartered bank (collectively, the "Banks") under an Amended and Restated Credit Agreement dated as of October 15, 1994 (the "Credit Agreement"), for the benefit of HELM FINANCIAL CORPORATION, a California corporation ("Helm").

1. Recitals. Helm owns one (1) 1500 HP SW1500 locomotive bearing Association of American Railroad Designation Number as listed on Exhibit A attached hereto and incorporated herein by reference (the "Unit"). Helm has granted a blanket security interest in all of its assets now owned or hereafter acquired (the "Collateral"), to the Agent, for the benefit of the Banks, upon the terms and conditions provided in that certain Security Agreement, dated as of January 17, 1989, between Helm and the Agent and filed at the Interstate Commerce Commission ("ICC") under Recordation No. 16168 filed and recorded on January 18, 1989 at 10:55 a.m., as amended by that certain First Amendment of Security Agreement dated January 15, 1992, between Helm and the Banks and filed at the ICC under Recordation No. 16168-BB filed and recorded on January 24, 1992 at 10:10 A.M. (the "Security Agreement").

Helm has sold or is planning to sell the Unit to a third party as permitted by the Security Agreement and the Credit Agreement and desires to do so free and clear of any lien or security interest of the Agent. Pursuant to the terms of the Security Agreement and the Credit Agreement, the Agent, on behalf of the Banks, and Helm desire to terminate the Banks' security interest in the Unit.

2. Termination of Security Interest. The Banks' security interest in the Unit shall be and is hereby terminated upon the filing of this Termination with the ICC and all of the Banks' right, title and interest in and to the Unit shall and has become null and void.

This Release shall have no effect on the Banks' security interest in and lien on any Collateral (as such term is defined in the Credit Agreement) other than the Unit and said security interest in and lien on such other Collateral is hereby reaffirmed.

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IN WITNESS THEREOF, the Agent, pursuant to due authority, has executed this Termination as of the date indicated below its signature.

THE FIRST NATIONAL BANK OF BOSTON,
as Agent

By: 

Title: VP

Date: 6/22/95



EXHIBIT A

Description of Equipment:

One (1) 1500 HP Sw1500 locomotive built by General Motors (Electro Motive Division) in 1972

Unit Number:

SP 2664