HELM-ATLANTIC ASSOCIATES
LIMITED PARTNERSHIP

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

RECORDATION NO. 11444-I FILED
NOV 17 '97 2-15PM

VIA AIR COURIER

November 5, 1997

Mr. Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423-0001

Dear Mr. Williams:

Enclosed are two (2) certified true copies of the Consent Agreement and Lease Amendment No. 4 dated as of July 24, 1997 to the Lease of Railroad Equipment dated as of January 2, 1980, as amended by Amendment Agreement No. 1 dated June 1, 1980, Amendment No. 2 dated August 1, 1980 and Amendment No. 3 dated November 30, 1988 (**"Agreement"**) between the following parties:

"Assignee": Helm-Atlantic Associates Limited Partnership
One Embarcadero Center, Suite 3700
San Francisco, CA 94111

"Consenting Party": The Burlington Northern and Sante Fe Railway Company
1600 Continental Place
777 Main Street
Fort Worth, Texas 76102

See Exhibit A and Exhibit B to the Agreement for a description of documents involved in this transaction.

Please file this Consent Agreement and Lease Amendment No. 4 under Recordation No. 11444-I as a supplementary document to Recordation No. 11444 filed on February 1, 1980. A check covering the twenty-four dollar ($24.00) filing fee is enclosed.

Sincerely,

Eric W. Stoll
Document Administrator

/es
Enclosures (2)

ba001.00

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CERTIFICATION OF TRUE COPY

On November 4, 1997, I, Eric W. Stoll, have examined the original copy of the Consent Agreement and Lease Amendment No. 4 effective as of July 24, 1997 between Helm-Atlantic Associates Limited Partnership and The Burlington Northern and Sante Fe Railway Company, and I hereby certify that I have compared the attached duplicate copy with the original and that it is a complete, true and correct copy of the original in all respects, including the dates, signatures and acknowledgments thereof.

Eric W. Stoll

Eric W. STOLL
Document Administrator

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

On Nov. 4, 1997, before me, Emma S. Ortega, personally appeared Eric W. STOLL, Document Administrator of **HELM-ATLANTIC ASSOCIATES LIMITED PARTNERSHIP**,

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.

EMMA SUSAN ORTEGA
COMM. #1057929
Notary Public — California
SAN FRANCISCO COUNTY
My Comm. Expires JUN 16,1999

Emma Susan Ortega

SIGNATURE OF THE NOTARY

RECORDATION NO. 11444-A FILED

NOV 17 '97 2-15PM

CONSENT AGREEMENT
AND LEASE AMENDMENT NO. 4

THIS CONSENT AGREEMENT AND LEASE AMENDMENT NO. 4 is entered into effective as of July 24, 1997 by and between Helm-Atlantic Associates Limited Partnership (the "Assignee"), a Delaware limited partnership with its offices at One Embarcadero Center, Suite 3700, San Francisco, CA 94111, and The Burlington Northern and Santa Fe Railway Company ("Consenting Party").

W I T N E S S E T H:

WHEREAS, BA Credit Corporation, a Delaware corporation ("Assignor") and Consenting Party are parties to that certain Lease of Railroad Equipment dated as of January 2, 1980, as amended by Amendment Agreement No. 1 dated June 1, 1980, Amendment No. 2 dated August 1, 1980 and Amendment No. 3 dated November 30, 1988 (together, the "Agreement");

WHEREAS, Assignor intends to transfer to Assignee, and Assignee intends to acquire from Assignor, Assignor's interest in the Agreement and all of the Units (as defined in the Agreement) under the Agreement;

WHEREAS, Section 15.1 of the Agreement provides that the consent of Consenting Party is a condition precedent to the above-described transfer; and

WHEREAS, in connection with the proposed transfer described above, Assignor and Assignee have provided to Consenting Party a form of Transfer Agreement (the "Transfer Agreement").

NOW THEREFORE, Consenting Party and Assignee do hereby agree as follows:

1. Subject to paragraph 3, Consenting Party irrevocably consents to the assignment and transfer pursuant to the Transfer Agreement by Assignor to Assignee of all of Assignor's right, title and interest in, to and under the Lease and in and to the Units, and Assignee's assumption of any and all of Assignor's duties and obligations arising under the Lease.

2. Consenting Party acknowledges that the Transfer Agreement in the form attached hereto as Exhibit A is in form and content satisfactory to Consenting Party.

3. Upon the effectiveness of the Transfer Agreement and the transfer of the Lease and the Units to Assignee, the following amendments to the Lease shall immediately become effective:

(a) Notwithstanding anything to the contrary set forth elsewhere in the Lease (including without limitation Sections 10, 11 and 17 thereof), Lessee shall not, under any circumstances, be responsible for maintaining or returning the Units in compliance with any new emissions standards not in effect as of the date hereof (the "New Standards"), including without limitation, the proposed emissions standards described in Exhibit B attached hereto and other emission standards which may become applicable under the interchange rules of the Association of American Railroads or under regulations of the Department of Transportation, the Surface Transportation Board, the Environmental Protection Agency or any other regulatory body.

(b) In the event Consenting Party would be required, directly or indirectly, to incur any costs for work to be done for the purpose of complying with New Standards ("Emission Costs") in order to continue to use any Unit for the remainder of the term as contemplated under the Lease, then Assignee and Consenting Party agree to negotiate in good faith to establish an equitable and commercially reasonable division of such Emission Costs between Assignee and Consenting Party (through, by way of example and not by way of limitation, an increase in rent, an increase in the term of the Lease, a lump sum payment, or other consideration) in light of the remaining term of the Lease, the remaining rents due under the Lease, the useful life of the work related to the Emission Costs, the increase in the value of the Unit which would result from such work, and any other factors which either Assignee or Consenting Party deems relevant. If Assignee and Consenting Party are unable to agree upon an equitable division of such Emission Costs, then the Consenting Party shall return the Unit to Assignee (in the condition required under the Lease, subject to the provisions of Section 3(a) above, or, if such Unit cannot be placed in such condition without incurring Emission Costs, then Consenting Party shall pay the reasonable costs (not including any Emission Costs) of the work necessary to put the Unit in the required return condition), and the Lease shall terminate as to the Unit, provided, however, that the Unit may not be returned and the Lease shall not terminate as to the Unit prior to the date on which the New Standards become effective as to the Unit.

4. Assignee shall send a copy of the Transfer Agreement in the form attached hereto and duly executed by the parties thereto to Consenting Party on the date of the transfer by fax to 847-995-6466 (with a copy to follow by mail or overnight courier).

5. The parties hereto acknowledge that Assignor is a beneficiary of the consent granted herein and may rely upon such consent in assigning the Agreement to the Assignee.

IN WITNESS WHEREOF, Assignee and Consenting Party have caused this Consent Agreement and Lease Amendment No. 4 to be executed as of the date first above written.

HELM-ATLANTIC ASSOCIATES LIMITED PARTNERSHIP

By: HELM ATLANTIC CORPORATION
Its: GENERAL PARTNER

By: _____
David Eckles, President

THE BURLINGTON NORTHERN AND SANTA FE RAILWAY COMPANY

By: _____
Paul J. Weyandt, Assistant Vice President - Finance and Assistant Treasurer

EXHIBIT A

ASSIGNMENT AND ASSUMPTION AGREEMENT entered into as of July ___, 1997 (the "Effective Date"), between **BA CREDIT CORPORATION** ("Assignor"), a Delaware corporation located at 555 California Street, San Francisco, CA 94104, and **HELM-ATLANTIC ASSOCIATES LIMITED PARTNERSHIP** ("Assignee"), a Delaware limited partnership located at One Embarcadero Center, Suite 3700, San Francisco, CA 94111.

RECITAL

Assignor is the successor to Bamerilease, Inc. as Lessor under that certain Lease of Railroad Equipment dated as of January 2, 1980 (the "Lease") between Burlington Northern, Inc. and Bamerilease, Inc. Assignor wishes to assign, transfer, and convey to Assignee, and Assignee wishes to receive and accept, all of Assignor's right, title and interest in and to the Lease and the related documents set forth in Annex 1 (the "Transaction Documents").

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

SECTION 1. Assignment of Interest. Assignor hereby assigns, transfers and conveys to Assignee, as of the Effective Date, all its right, title and interest in and to the Transaction Documents. Assignee hereby accepts and receives all such right, title and interest in and to the Transaction Documents.

SECTION 2. Assumption of Liabilities. Assignor hereby assigns and delegates to Assignee, and Assignee hereby assumes, all of the duties and obligations of Assignor accruing or arising after the Effective Date which are incident to ownership of the Transaction Documents. Assignor and Assignee confirm that as of the Effective Date Assignee shall be deemed a party to those Transaction Documents and related documents to which Assignor is a party and Assignee agrees to be bound by all the terms of, and to undertake all such obligations of, Assignor contained therein arising and relating to the period after the Effective Date.

SECTION 3. Exception. Notwithstanding the foregoing, Assignor shall be entitled to pursue claims accruing or arising incident to its ownership of the Transaction Documents and the Equipment on or before the Effective Date, and all its rights and remedies related to such claims, for (a) payments of indemnity now or hereafter due under the Transaction Documents from any obligor thereunder, and/or (b) insurance payments or proceeds.

SECTION 4. Miscellaneous. Each party to this agreement shall execute and deliver such instruments, documents and other written information and take such other actions as the other parties may reasonably require in order to carry out the intent of this Agreement. This Agreement and all the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Agreement may be executed in one or more counterparts, all of which taken together shall constitute one instrument.

This Agreement shall be construed in accordance with the laws of California without regard to its conflict of laws doctrine.

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Assignment and Assumption Agreement.

ASSIGNOR:

BA CREDIT CORPORATION

By: _____

Title: _____

ASSIGNEE:

HELM-ATLANTIC ASSOCIATES LIMITED PARTNERSHIP

By Helm-Atlantic Corporation
Its General Partner

By: _____

Title: _____

ANNEX I
TO
ASSIGNMENT AND ASSUMPTION AGREEMENT

TRANSACTION DOCUMENTS

PARTICIPATION AGREEMENT dated as of January 2, 1980 among:	
Burlington Northern, Inc.	LESSEE
Mercantile-Safe Deposit	AGENT
Bamerilease, Inc.	VENDEE
Bank of America NT&SA	GUARANTOR
Metropolitan Life Insurance Company	INVESTOR
The Prudential Insurance Company of America	INVESTOR
LEASE OF RAILROAD EQUIPMENT dated as of January 2, 1980 between:	
Burlington Northern, Inc.	LESSEE
Bamerilease, Inc.	LESSOR
Filed for Recordation with the Interstate Commerce Commission on February 1, 1980 and assigned Recordation No. 11444-B	
CONDITIONAL SALE AGREEMENT dated as of January 2, 1980 between:	
Bamerilease, Inc.	VENDEE
General Motors Corporation (Electro-Motive Division)	
Filed for recordation with the Interstate Commerce Commission on February 1, 1980 and assigned Recordation No. 11444.	
ASSIGNMENT OF LEASE & AGREEMENT dated as of January 2, 1980 between:	
Bamerilease, Inc.	LESSOR
Mercantile-Safe Deposit & Trust Company	VENDOR
Filed for recordation with the Interstate Commerce Commission on February 1, 1980 and assigned Recordation No. 11444-C.	
AGREEMENT & ASSIGNMENT dated as of January 2, 1980 between:	
General Motors Corporation (Electro-Motive Division)	AGENT
Mercantile-Safe Deposit & Trust Company	
Filed for recordation with the Interstate Commerce Commission on February 1, 1980 and assigned Recordation No. 11444-A.	

AMENDMENT AGREEMENT No. 1 dated as of June 1, 1980 among:

Burlington Northern, Inc.	LESSEE
Mercantile-Safe Deposit & Trust Company	AGENT
Bamerilease, Inc.	VENDEE
General Motors Corporation (Electro-Motive Division)	BUILDER

Filed for recordation with the Interstate Commerce Commission on June 19, 1980 and assigned Recordation No. 11444-D.

AMENDMENT AGREEMENT No. 2 dated as of August 1, 1980 among:

Burlington Northern, Inc.	LESSEE
Mercantile-Safe Deposit & Trust Company	AGENT
Bamerilease, Inc.	VENDEE
General Motors Corporation (Electro-Motive Division)	BUILDER

Filed for recordation with the Interstate Commerce Commission on August 20, 1980 and assigned Recordation No. 11444-E.

SUPPLEMENT TO PARTICIPATION AGREEMENT dated as of August 1, 1980 among:

Burlington Northern, Inc.	LESSEE
Mercantile-Safe Deposit Company	AGENT
Bamerilease, Inc.	VENDEE
Bank of America NT & SA	GUARANTOR
Metropolitan Life Insurance Company	INVESTOR
The Prudential Insurance Company of America	INVESTOR

AMENDMENT AGREEMENT No. 3 dated as of November 30, 1988 among:

Burlington Northern, Railroad Company	LESSEE
Mercantile-Safe Deposit & Trust Company	AGENT
Bamerilease, Inc.	VENDEE

Filed for recordation with the Interstate Commerce Commission on January 19, 1989 and assigned Recordation No. 11444-F.

ASSIGNMENT & ASSUMPTION AGREEMENT dated as of December 27, 1994 between:

BA Leasing & Capital Corporation	ASSIGNOR
BA Credit Corporation	ASSIGNEE

Filed for Recordation with the Interstate Commerce Commission on January 3, 1995 and assigned Recordation No. 11444-G.

COMPLETE TERMINATION AND RELEASE
OF SECURITY INTERESTS OF LIEN dated
June 25, 1997 by:
The Bank of New York, successor to
Mercantile-Safe Deposit & Trust Company
Filed for recordation with the Surface
Transportation Board on June 27, 1997 and
assigned Recordation No. 11444-H.

EXHIBIT B

United States Environmental Protection Agency
Air and Radiation
EPA 420-F-97-007
February 1997
Office of Mobile Sources

EPA

Environmental Fact Sheet

Proposed Emission Standards For Locomotives

The Environmental Protection Agency (EPA) is proposing emission standards for oxides of nitrogen (NOx), hydrocarbons (HC), carbon monoxide (CO), particulate matter (PM) and smoke for newly manufactured and remanufactured diesel-powered locomotives and locomotive engines, which have previously been unregulated. The proposed standards will achieve approximately a two-third reduction in NOx emissions. This would be equivalent to removing over thirty million passenger cars from the road. HC and PM emissions will be reduced by 50 percent.

Overview of Rulemaking

This rulemaking is being proposed to achieve emissions reductions that will be needed by states to comply with the National Ambient Air Quality Standards (NAAQS) for ozone and PM. The proposed rule is expected to be finalized by the end of 1997 and take effect in 2000. Current unregulated locomotives are estimated to contribute almost 5 percent of the total nationwide emissions of NOx, which is more than 10 percent of the nationwide mobile source NOx emissions. This makes locomotives one of the largest remaining unregulated sources of NOx emissions. Ultimately, when fully phased-in, EPA expects the new standards will achieve approximately a two-third reduction in NOx emissions. Standards are also being proposed that would ultimately reduce locomotive HC and PM emissions in half. The regulations that are being proposed would affect railroads, locomotive manufacturers and locomotive remanufacturers.

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Health and Environmental Concerns

Emissions from diesel-powered locomotives, such as NOx, HC, and PM, contribute to air pollution in both urban and rural areas, and have significant health and environmental effects. NOx is a major component of smog and acid rain. NOx emissions combine with HC in the atmosphere to form ground-level ozone, the primary constituent of smog. Ozone is a highly reactive pollutant that damages lung tissue, causes congestion, and reduces vital lung capacity, in addition to damaging vegetation. Acid rain damages buildings and crops, and degrades lakes and streams. NOx also contributes to the formation of secondary PM. PM causes headaches, eye and nasal irritation, chest pain, and lung inflammation. Environmental impacts of PM include reduced visibility and deterioration of buildings.

What are the Main Components of the Proposed Rule?

Since locomotive emissions have not been regulated before, it was necessary for EPA to create a comprehensive program, including not only emission standards, but also test procedures and a full compliance program. In general terms, the overall program is similar to previously established programs for heavy-duty highway engines and other nonroad engines. One unique feature included for locomotives, however, is the regulation of the engine remanufacturing process, including the remanufacture of locomotives originally manufactured prior to the effective date of this rulemaking. Regulation of the remanufacturing process is critical because locomotives are generally remanufactured 5 to 10 times during their total service lives (typically 40 years or more). Standards that only applied to locomotives originally manufactured after the effective date of the rule would not achieve significant emissions reductions in the near term, as those locomotives slowly replaced the existing fleet.

Emission Standards

Three separate sets of emission standards are proposed, with applicability of the standards dependent on the date a locomotive is first manufactured. The first set of standards (Tier 0) are proposed to apply to locomotives and locomotive engines originally manufactured from 1973 through 1999, any time they are remanufactured in calendar year 2000 or later. The second set of standards (Tier I) apply to locomotives and locomotive engines originally manufactured from 2000 through 2004. These locomotives and locomotive engines would be required to meet the Tier I standards at the time of original manufacture and at each subsequent remanufacture. The final set of standards (Tier II) are proposed to apply to locomotives and locomotive engines originally manufactured in 2005 and later. Tier II locomotives and locomo-

tive engines would be required to meet the applicable standards at the time of original manufacture and at each subsequent remanufacture. Electric locomotives, historic steam-powered locomotives, and locomotives originally manufactured before 1973 do not contribute significantly to the emissions problem, and thus, are not included in this rulemaking.

Production Line Testing

EPA is proposing a production line testing (PLT) program that would require manufacturers and, in some cases, remanufacturers of locomotives to perform production line testing of newly manufactured and remanufactured locomotives as they leave the point where the manufacture or remanufacture is completed. The PLT program for freshly manufactured units would be based on actual testing, while the PLT program for remanufactured units would be based on an audit of the remanufacture kit's installation, with EPA having the ability to require testing if in-use data indicates a possible problem with production.

In-Use Emissions Testing

A critical element in the success of the proposed locomotive program is ensuring that manufacturers and remanufacturers produce locomotives that continue to meet emission standards beyond certification and production stages, during actual operation and use. EPA is proposing to adopt an in-use compliance program with two distinct components. The first program would require the manufacturers and remanufacturers to test representative locomotives from all engine families using the full Federal Test Procedure (FTP). This testing would occur at about 75 percent of useful life. Actual repair in the event of a determination of noncompliance or recall action, however, would apply to all locomotives of that family, regardless of whether the locomotives have exceeded their useful lives. Second, EPA is proposing to require that Class I railroads annually test 10 percent of their locomotives which have met or exceeded their useful lives using a modified version of the FTP.

Emission Averaging Provisions

EPA is proposing averaging, banking and trading (ABT) provisions to allow manufacturers and remanufacturers the flexibility to meet overall emissions goals at the lowest cost, while allowing EPA to set emissions standards at levels more stringent than they would be if each and every engine family had to comply with the standards. ABT is also designed to encourage early introduction of cleaner engines, which would secure emissions benefits earlier than would otherwise be the case.

Preemption of State Programs

EPA is proposing regulations that would codify and clarify Clean Air Act preemption of certain state and local requirements relating to the control of emissions from new locomotives and new locomotive engines. This preemption was included in the Clean Air Act because of the inherent interstate

nature of the railroad industry. Moreover, EPA believes that a strong federal program that addresses manufacturing, remanufacturing and in-use compliance is the best way to achieve the necessary emissions reductions.

How Does the Proposed Rule Provide Flexibility to Industry?

- The proposed rule codifies the Clean Air Act's preemption of state and local emission requirements, which is intended to prevent inappropriate burdens on interstate commerce.

- The flexibility provided by ABT lowers the costs to manufacturers and makes it easier to meet the technological challenges posed by the new standards.

- EPA is also proposing to exempt the smallest railroads from compliance with the Tier 0 standards, with some restrictions.

How Much Will the Proposed Rule Cost?

Lifetime cost components consist of initial equipment costs; remanufacturing costs; fuel economy costs; and certification, production line and in-use testing costs. EPA estimates that the lifetime cost per locomotive will be approximately $80,000 for the Tier 0 standards, $118,000 for the Tier I standards and $86,000 to $266,000 for the Tier II standards (the estimated cost for Tier II locomotives drops from $226,000 to $86,000 after manufacturers recover their research and development costs). The average annual cost of this program is estimated to be $76 million per year. This would be about 0.2 percent of the total freight revenue for railroads in 1995. The average cost-effectiveness of the proposed standards is expected to be about $170 per ton of NOx and PM.

What Are the Environmental Benefits?

The primary focus of this rulemaking is on reducing NOx and PM emissions, although there are also reductions in HC and CO. NOx emissions from locomotives will be reduced almost 60 percent by 2040, compared to 1990 baseline levels. This would be about 600,000 tons per year. Most of these reductions will come early in the program (e.g., 39 percent reduction by 2010), due to the standards that apply to pre-2000 locomotives when they

are remanufactured. In addition to the NOx benefits of the proposed rule, the proposal will provide some PM benefits through the Tier II standards. A PM reduction of 42 percent is expected by 2040, compared to 1994 baseline levels. This reduction is over 10,000 tons per year, and amounts to over one percent of national PM emissions from mobile sources.

What Opportunities Exist for Public Participation?

EPA desires full public participation in arriving at final rulemaking decisions. EPA solicits comments on all aspects of the proposal from all interested parties. Wherever applicable, full supporting data and detailed analyses should also be submitted to allow EPA to make maximum use of the comments. Commenters are especially encouraged to provide specific suggestions for changes to any aspects of the proposal that they believe need to be modified or improved. A public hearing will also be held approximately 30 days after publication of the proposed rule in the *Federal Register*.

For instructions on submitting written comments, please see the *Federal Register* notice. It is available from the EPA Air and Radiation Docket by calling 202-260-7548; please refer to Docket No. A-94-31. In addition, the proposed rule is available electronically via the EPA Internet server via the dial-up modem on the Technology Transfer Network (TTN), an electronic bulletin board system (BBS).

World Wide Web:http//www.epa.gov/OMSWWW

TTN BBS: 919-541-5384 (1200-1440 bps, no parity, 8 data bits, 1 stop bit); voice helpline 919-541-5384.

For More Information

For further information on the proposed rule, please write to:

U.S. Environmental Protection Agency
Engine Programs and Compliance Division
2565 Plymouth Road
Ann Arbor, MI 48105

or call: (313)668-4333