

HELM FINANCIAL CORPORATION

One Embarcadero Center - San Francisco, CA 94111

415/398-4510

FAX 415/398-4816

July 30, 2001

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



Dear Mr. Williams:

Enclosed are two (2) certified originals of of Schedule No. 19 dated as of July 22, 1998 to the Master Locomotive Lease Agreement dated as of May 1, 1995 between the following parties:

Lessor:	Helm Financial Corporation One Embarcadero Center, Suite 3700 San Francisco, CA 94111
Lessee:	Union Pacific Railroad Company 1416 Dodge Street Omaha, NE 68179

Summary: Schedule No. 19 dated as of July 22, 1998 to the Master Locomotive Lease Agreement dated as of May 1, 1995 between Helm Financial Corporation as Lessor and Union Pacific Railroad Company as Lessee, covering 19 GP38-2 locomotives within the series UP 918-1088 (NI).

Please file this Schedule 19 to the the Master Locomotive Lease Agreement as a supplementary document to Recordation No. 20369 filed on November 19, 1996 and return one (1) stamped original to my attention. The filing fee of \$28.00 is included in our enclosed Check No. 46294 in the amount of \$112.00.

Yours truly,

A handwritten signature in cursive script that reads 'Sharon L. Van Fossan'.

Sharon L. Van Fossan
Supervisor Contract Administration

/svf
Enclosures (2)

RECORDATION NO. 20369-S FILED

AUG 3 '01 10-57 AM

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SURFACE TRANSPORTATION BOARD

RECORDATION NO. 20369-S FILED

CERTIFICATION OF TRUE COPY

AUG 3 '01 10:57 AM

SURFACE TRANSPORTATION BOARD

On June 22, 2001, I Cecilia Mostaghim examined the original copy of the Schedule No. 19 dated as of July 22, 1998 to the Master Locomotive Lease Agreement between Helm Financial Corporation, as Lessor, and Union Pacific Railroad Company, as Lessee, 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 acknowledgements thereof.

Cecilia Mostaghim

Name: Cecilia Mostaghim
Title: Contract Administrator

STATE OF CALIFORNIA

COUNTY OF SAN FRANCISCO

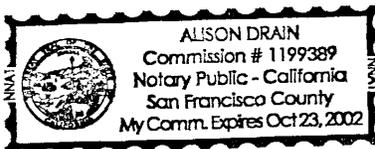
On June 22, 2001, before me, Alison Drain, personally appeared Cecilia Mostaghim, Contract Administrator for HELM FINANCIAL CORPORATION,

X personally known to me -OR-

___ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

Witness my hand and official seal.



Alison Drain
SIGNATURE OF THE NOTARY

SCHEDULE NO. 19

THIS SCHEDULE NO. 19 ("Schedule No. 19") to that Master Locomotive Lease Agreement ("Lease") dated as of May 1, 1995 between HELM FINANCIAL CORPORATION ("Lessor") and UNION PACIFIC RAILROAD COMPANY ("Lessee") is dated as of July 22, 1998.

Lessor and Lessee agree as follows:

1. **Capitalized Terms:** All capitalized terms defined in the Lease shall have the meanings defined therein when used in this Schedule No. 19 except that the term "Unit(s)" as used herein shall only refer to the locomotives described in this Schedule No. 19 unless otherwise indicated.
2. **Units Leased:** Lessor hereby leases to Lessee the locomotives described on Annex A attached hereto ("Unit(s)"), subject to the terms and conditions of the Lease and this Schedule No. 19.
3. **Delivery Point:** The Delivery Point for each Unit shall be the Boise Locomotive Co. repair facility at Hillcrest, ID.
4. **Lease and Rent Commencement Date:** Date Unit is released from the Delivery Point as set forth in Annex A.
5. **Rent:** Effective from the Rent Commencement Date and continuing through and including Lessee shall pay to Lessor Rent in the amount of per Unit per day. Provided Lessee has exercised its "Renewal Option" as set forth in Section 6.B. below, effective and continuing through and including Lessee shall pay to Lessor Rent in the amount of per Unit per day. Rent for each Unit shall continue through and including the date such Unit is either returned to Lessor pursuant to Section 11 of the Lease or the date Lessee pays to Lessor the Purchase Price pursuant to the exercise of a Purchase Option. Rent payments with respect to each Unit shall be made by Lessee on the last day of each month in arrears.
6. **Term; Renewal Option; Purchase Option:**
 - A. **Term of this Lease.** The interim term of this Lease for each accepted Unit shall commence on the Lease Commencement Date for such Unit and shall continue until January 31, 1999. The Fixed Term of this Lease shall commence on February 1, 1999 (the "Effective Date") and shall continue in full force and effect through and including
 - B. **Renewal Option.** If no Event of Default has occurred and is continuing under the Lease or this Schedule No. 19, Lessee shall have the option to extend the Fixed Term of the Lease for all, but not less than all, of the Units through and including , upon the terms and conditions provided herein and in the Lease; provided, however, that Lessee must exercise such Renewal by notifying Lessor in writing on or before
 - C. **Purchase Option.** If no Event of Default has occurred and is continuing under the Lease or this Schedule No. 19, Lessee shall have the option to purchase all, but not less than all, of the Units from Lessor (i) on January 1, for a Purchase Price of per Unit or the fair market value per Unit as mutually agreed, whichever is lower, or (ii) on January 1, for a

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Purchase Price of _____ per Unit or the fair market value per Unit as mutually agreed, whichever is lower; provided, however, that Lessee must exercise such purchase option(s) by notifying Lessor in writing no less than three (3) months prior to the effective date of the respective Purchase Option.

If Lessee exercises any Purchase Option, Lessee shall pay to Lessor on the effective date of the respective purchase option (the "Closing Date") the Purchase Price for each Unit, as payment in full for such Unit. Lessee shall pay to Lessor the Purchase Price by wire transfer in immediately available funds, without cost to Lessor, pursuant to instructions provided by Lessor to Lessee prior to the Closing Date. Lessor's sale of the Unit to Lessee shall be on an "AS IS," "WHERE IS" basis, without any warranties, express or implied. Upon Lessor's receipt of the Purchase Price for the Unit(s), Lessor shall deliver to Lessee a Bill of Sale for the Unit(s) in the form attached as Annex B to the Lease.

7. **Settlement Value:** For any Casualtied Unit, Lessee shall have the option to either (a) pay to Lessor a Settlement Value payment in the amount per Unit as set forth in the Casualty Schedule attached hereto as Annex B, or (b) replace such Unit with a Substitute Unit in accordance with the terms and provisions of Section 7 of the Lease.

8. **Parts Warranty:** In the event of a failure thereof, Lessor agrees at its own expense to repair or replace those certain locomotive components as set forth in Annex C attached hereto (the "Warranty Item(s)"), provided, however, that Lessee agrees at its own expense to repair or replace any failed Warranty Item(s), including labor charges relating thereto, at any time if Lessee's misuse or abuse, or a derailment or any accident causes such failure. If any Unit is removed from service due to the failure of a Warranty Item for which Lessor has a warranty obligation, Rent will abate on the date Lessor receives Lessee's written notification of such failure ("Notification Date"), and Rent shall be reinstated on the date such repaired Unit is redelivered to Lessee at an interchange point located on Lessee's lines; provided, however, if Lessee fails to deliver the Unit to Lessor's designated interchange location ("**Designated Interchange**") within ten (10) days after the Notification Date, Rent shall be reinstated for such Unit on the eleventh (11th) day after the Notification Date and Lessee shall continue to pay Rent to Lessor for such Unit until the date Lessee delivers such Unit to the Designated Interchange. Notwithstanding anything in this Schedule No. 19 or the Lease, Lessor shall have the right to terminate the Lease of the Unit subject to a Warranty Item failure. In the event Lessor terminates the Lease for the Unit due to a Warranty Item failure, Rent shall cease on the date that such Unit is interchanged off Lessee's railroad. **LESSOR'S LIABILITY HEREUNDER IS EXPRESSLY LIMITED TO THE COST OF REPAIRING OR REPLACING THOSE PARTS IDENTIFIED AS WARRANTY ITEMS. IN NO EVENT SHALL LESSOR BE LIABLE UNDER ANY CIRCUMSTANCES TO LESSEE OR ANY THIRD PARTY FOR ANY INCIDENTAL, SPECIAL, EXEMPLARY, INDIRECT OR CONSEQUENTIAL DAMAGES IN ANY AMOUNT RELATING TO OR CONNECTED WITH THE FAILURE OF A WARRANTY ITEM, INCLUDING, BUT NOT LIMITED TO, TRANSPORTATION CHARGES, LOSS OF USE OR DOWNTIME OF ANY UNIT OR LOST PROFITS.**

CJM

UPRR Lease No. 5001-19

IN WITNESS WHEREOF, each party, pursuant to due corporate authority, has caused this Schedule No. 19 dated as of July 22, 1998 to the Master Locomotive Lease Agreement dated as of May 1, 1995 to be executed by its authorized officer, and the parties each declare that the foregoing is true and correct.

LESSOR

LESSEE

HELM FINANCIAL CORPORATION

UNION PACIFIC RAILROAD COMPANY

By: _____

John F. Dains

Print Name: John F. Dains

Title: President

By: _____

Dave Bejard

Print Name: DAVE BEJARD

Title: SR. MGR. PURCHASING LEASES

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ANNEX A

To Schedule No. 19 dated as of July 22, 1998 to that certain Master Locomotive Lease Agreement dated as of May 1, 1995 between Helm Financial Corporation and Union Pacific Railroad Company.

The Units: Nineteen (19), 2,000 horsepower, GP38-2 locomotives equipped with extended range dynamic brakes. Rebuilt in 1998-1999.

<u>New Reporting</u> <u>Mark & Numbers:</u>	<u>Prior Reporting</u> <u>Mark & Numbers:</u>	<u>Old Reporting</u> <u>Mark & Numbers:</u>	<u>Lease Commencement Date:</u>
1. UP 918	UP 2418	UP 1979	10/20/98
2. UP 919	UP 2419	UP 1995	10/20/98
3. UP 1072	UP 2572	CNW 5505	09/24/98
4. UP 1073	UP 2573	CNW 5511	10/06/98
5. UP 1074	UP 2574	DRGW 3051	10/13/98
6. UP 1075	UP 2575	DRGW 3053	10/24/98
7. UP 1076	UP 2576	SP 3059	01/21/99
8. UP 1077	UP 2577	DRGW 3061	10/24/98
9. UP 1078	UP 2578	DRGW 3066	09/15/98
10. UP 1079	UP 2579	DRGW 3068	12/02/98
11. UP 1080	UP 2580	DRGW 3067	07/22/98
12. UP 1081	UP 2581	DRGW 3078	12/18/98
13. UP 1082	UP 2582	DRGW 3139	09/17/98
14. UP 1083	UP 2583	DRGW 3147	09/23/98
15. UP 1084	UP 2584	DRGW 3148	10/09/98
16. UP 1085	UP 2585	DRGW 3152	08/11/98
17. UP 1086	UP 2586	DRGW 3153	11/09/98
18. UP 1087	UP 2587	UP 673	09/29/98
19. UP 1088	UP 2588	DRGW 3093	12/18/98