OSTER
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RECORDATION NO. 23168-AA FILED

SEP 07 '01 10-03 AM

SURFACE TRANSPORTATION BOARD

September 7, 2001

Mr. Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recording with the Surface Transportation Board is a Partial Termination of Security Agreement dated 8/9/01 between the following parties:

Secured Party: Fleet National Bank
100 Federal Street
Boston, MA 02110

Debtor: Helm Financial Corporation
Helm Holding Corporation
Helm Locomotive Leasing Corporation
One Embarcadero Center
San Francisco, CA 94111

Equipment: 1, GP-18 Locomotive - TM 854

Please record this agreement as a supplemental document to STB Recordation #23168. The filing fee of $28 is enclosed.

Summary: Partial Termination of Security Agreement dated 8/9/01 between Fleet National Bank as Secured Party and the following Debtors: Helm Financial Corporation, Helm Holding Corporation, & Helm Locomotive Leasing Corporation, including locomotive TM 854, as a supplemental document to STB Recordation #23168.

Sincerely,

Mary Ann Oster

Mary Ann Oster
Research Consultant

PARTIAL TERMINATION OF
SECURITY AGREEMENT

THIS PARTIAL TERMINATION OF SECURITY AGREEMENT ("**Partial Termination**") is dated as of August 9, 2001, by **FLEET NATIONAL BANK,** a national banking association ("**Fleet**") as the Agent for the Lenders (as defined in the Credit Agreement described below), for the benefit of **HELM HOLDING CORPORATION,** a California corporation, **HELM FINANCIAL CORPORATION,** a California corporation and **HELM LOCOMOTIVE LEASING CORPORATION,** a California corporation (collectively, "**Helm**").

1. **Recitals**. Helm owns the rail equipment bearing the Association of American Railroad reporting mark and number as described in Exhibit A attached hereto (the "**Unit**"). Helm has granted a blanket security interest in all of its assets now owned or hereafter acquired (the "**Collateral**"), to Fleet upon the terms and conditions provided in that certain Security Agreement dated as of October 18, 2000, between Helm and Fleet (the "**Security Agreement**") as filed with the Surface Transportation Board of the Department of Transportation ("**STB**") on October 18, 2000 at 2:43 P.M. under Recordation No. 23168. The Security Agreement was executed in connection with that certain Revolving Credit and Term Loan Agreement dated as of October 18, 2000, among the Borrowers, Lenders and Agent as defined therein (the "**Credit Agreement**").

Helm intends to sell the Unit to a third party and desires that such sale shall be free and clear of any lien or security interest of Fleet. Helm requests Fleet's consent to such sale of the Unit and requests Fleet to terminate its lien and security interest in the Units.

2. **Consent & Partial Termination**. Fleet hereby consents to the sale of the Unit by Helm. Fleet hereby forever terminates any and all liens and security interests in the Unit granted to it under the Security Agreement. Such liens and security interests in the Unit shall be forever terminated upon the filing of this Partial Termination with the STB, at which time all of Fleet's right, title and interest in and to the Unit shall be null and void.

This Partial Termination shall have no effect on Fleet's lien and security interest in any other Collateral other than the Unit and said lien and security interest in such other Collateral is hereby reaffirmed.

IN WITNESS WHEREOF, pursuant to due authority, Fleet has executed this Partial Termination of Security Agreement as of the date first above written.

FLEET NATIONAL BANK, as Agent

By: _____

Print Name: _____

Its: ROBERT S. ALLEN
GROUP MANAGER

RECORDATION NO. 23168-AA FILED

SEP 07 '01 10-38 AM

SURFACE TRANSPORTATION BOARD

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STATE OF MASSACHUSETTS)
) **S.S.**
COUNTY OF Suffolk)

On August 23, 2001, before me, Caryn Suffredini,

personally appeared Robert S. Allen, Group Manager of
FLEET NATIONAL BANK

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.

SIGNATURE OF THE NOTARY
Commission expires: 11/27/03

[Notarial Seal]

EXHIBIT A

to the
Partial Termination of Security Agreement
dated as of August 9, 2001

The "Unit"

Description of the Units:

One (1), EMD Model GP18, 1800 horsepower, four-axle, diesel-electric locomotive.

Reporting Mark and Number

TM 854