

HELM FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

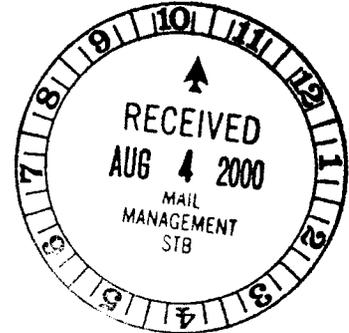
FAX 415/398-4816

August 3, 2000

RECORDATION NO. 23040 FILED

AUG 4 '00 3-37 PM

TS
SURFACE TRANSPORTATION BOARD



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

Dear Mr. Williams:

Enclosed are two (2) originals of the **Memorandum of Locomotive Lease Agreement** dated as of June 12, 2000 between the following parties:

Lessor: Helm Financial Corporation
One Embarcadero Center, Suite 3700
San Francisco, CA 94111

Lessee: Wisconsin & Southern Railroad, Co.
5300 North 33rd Street
Milwaukee, WI 53209-9229

A short summary of the document to appear in the index follows:

Memorandum of Locomotive Lease Agreement between Helm Financial Corporation as Lessor and Wisconsin & Southern Railroad, Co. as Lessee, covering three (3) locomotives with the Reporting Marks and Numbers HLCX 7173 & 7204 and MKCX 9032.

Please file this memorandum as a primary document and return one (1) stamped original to my attention. A check covering the filing fee of twenty-six dollars (\$26.00) is enclosed.

Yours truly,

Alison Drain
Alison Drain
Document Administrator

/ad
Enclosures (2)

AUG 4 '00 3-37 PM

MEMORANDUM OF
LOCOMOTIVE LEASE AGREEMENT

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF LOCOMOTIVE LEASE AGREEMENT ("Memorandum") is dated as of June 12, 2000 and is intended to evidence that certain Locomotive Lease Agreement dated as of June 12, 2000 ("Lease") between HELM FINANCIAL CORPORATION, a California corporation ("Lessor"), and WISCONSIN & SOUTHERN RAILROAD, CO., a Wisconsin corporation ("Lessee"), for the purpose of satisfying the requirements of recordation with the Surface Transportation Board of the Department of Transportation under Section 49 of U.S.C. 11301. Lessor has the right to lease the locomotives, more fully described in Schedule A hereto (the "Units"). Lessee leased from Lessor the Units at the Rent and upon the terms and conditions provided in the Lease.

The Lease and the Units cannot be assigned, subleased or in any way encumbered without the prior written consent of Lessor. Lessee has granted a security interest unto Lessor in and to any and all Payments, as such term is defined in the Lease, including, without limitation, any and all Rent and other Payments pursuant to any sublease of the Units. In the Event of Default, as such term is defined in the Lease, Lessee assigns any and all subleases to Lessor.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum to be executed by their duly authorized representative as of the day and year first above written.

LESSOR

LESSEE

HELM FINANCIAL CORPORATION

WISCONSIN & SOUTHERN RAILROAD, CO.

BY: [Signature]
Print Name: Richard C. Kirchner
Title: President

BY: [Signature]
Print Name: Timothy J. Karp
Title: Controller

CW

SCHEDULE A
TO THE
MEMORANDUM OF LEASE

THE UNITS

Equipment Description: Three (3), 3,000 horsepower, six-axle, EMD Model SD40-2 diesel-electric locomotives.

Reporting
Mark & Number:

HLCX 7173

HLCX 7204

MKCX 9032

CMI

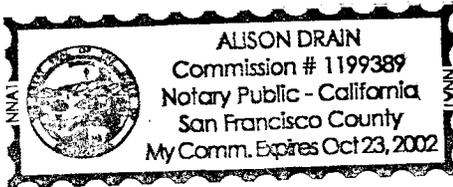
STATE OF CALIFORNIA)
) S.S.
COUNTY OF SAN FRANCISCO)

On June 21st, 2000, before me, Alison Drain, personally appeared Richard C. Kirchner, President of HELM FINANCIAL CORPORATION,

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

[Notarial Seal]

STATE OF Wisconsin,
COUNTY OF Milwaukee, S.S.

On June 13, 2000, before me, Barbara J. Larson, personally appeared Timothy J. Karp, Controller of WISCONSIN & SOUTHERN RAILROAD, CO.,

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.

Barbara J. Larson
SIGNATURE OF THE NOTARY

[Notarial Seal]

CM