

# HELM FINANCIAL CORPORATION

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

July 9, 2002

RECORDATION NO. 23168 FILED

FAX 415/398-4816



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

JUL 11 '02 2-55 PM  
SURFACE TRANSPORTATION BOARD

RE: Partial Termination of Security Agreement dated as of January 10, 2002 ("**Partial Termination**"), by Fleet National Bank ("**Fleet**"), as the Agent for the Lenders, as defined in the Credit Agreement, for the benefit of Helm Holding Corporation, Helm Financial Corporation and Helm Locomotive Leasing Corporation (collectively, "**Helm**")

Dear Mr. Williams:

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 above-referenced Partial Termination.

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

*Borrower*  
*Security*

Name and Address of Helm: Helm Financial Corporation  
One Embarcadero Center, Suite 3700  
San Francisco, CA 94111

Name and Address of Fleet: Fleet National Bank  
Transportation Division  
100 Federal Street  
Boston, MA 02110

Equipment: 243 Boxcars  
ATW 40000-40188 (Not Inclusive)  
BCIT 850100-850199 (Inclusive)

Please record this Partial Termination as a supplemental agreement to STB Recordation No. 23168 filed on October 18, 2000 at 2:43 PM. The filing fee of \$30.00 is included in our enclosed Check No. 1138 in the amount of \$270.00.

**Summary:** Partial Termination of Security Agreement dated as of January 10, 2002, by Fleet National Bank, a national banking association ("**Fleet**") as the Agent for the Lenders, as defined in the Credit Agreement, for the benefit of Helm Holding Corporation, a California corporation, Helm Financial Corporation, at California corporation and Helm Locomotive Leasing Corporation, a California corporation (collectively, "**Helm**"), for 243 boxcars, ATW 40000-40188 (Not Inclusive) and BCIT 850100-850199 (Inclusive), to be filed as a supplemental agreement to STB Recordation No. 23168.

Yours truly,

*Sharon L. Van Fossan*  
Sharon L. Van Fossan  
Supervisor Contract Administration

\svf  
Enclosures (3)

**PARTIAL TERMINATION OF  
SECURITY AGREEMENT**

**THIS PARTIAL TERMINATION OF SECURITY AGREEMENT ("Partial Termination")** is dated as of January 10, 2002, 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: David J. Doucette  
                  VICE PRESIDENT  
Its: \_\_\_\_\_

RECORDATION NO. 23168-PP FILED

JAN 11 '02 2-55 PM

SURFACE TRANSPORTATION BOARD

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

On June 20, 2002, before me, Caryn Suffredini,  
personally appeared David Doucette, Vice President 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.

*C. Suffredini*

SIGNATURE OF THE NOTARY

Commission expires: 11/27/03

[Notarial Seal]

EXHIBIT A

To the Partial Termination of Security Agreement  
dated as of January 10, 2002

The "Units"

Equipment Description:

One hundred forty-three (143), 100-ton, roller bearing 50' Plate C, 5,219 cubic foot, rigid underframe, XP boxcars equipped with single sliding doors vents and 50K nailable steel floors suitable for the transport of wood pulp; built by Pullman Standard in 1969 and rebuilt in 2000.

<u>Mark and Number</u>											
1	ATW	40000	37	ATW	40046	73	ATW	40097	109	ATW	40145
2	ATW	40002	38	ATW	40047	74	ATW	40099	110	ATW	40146
3	ATW	40003	39	ATW	40048	75	ATW	40100	111	ATW	40147
4	ATW	40004	40	ATW	40049	76	ATW	40101	112	ATW	40148
5	ATW	40005	41	ATW	40050	77	ATW	40103	113	ATW	40149
6	ATW	40006	42	ATW	40051	78	ATW	40106	114	ATW	40151
7	ATW	40007	43	ATW	40052	79	ATW	40108	115	ATW	40153
8	ATW	40008	44	ATW	40053	80	ATW	40109	116	ATW	40155
9	ATW	40009	45	ATW	40054	81	ATW	40110	117	ATW	40156
10	ATW	40010	46	ATW	40055	82	ATW	40111	118	ATW	40157
11	ATW	40011	47	ATW	40056	83	ATW	40112	119	ATW	40159
12	ATW	40014	48	ATW	40058	84	ATW	40113	120	ATW	40160
13	ATW	40015	49	ATW	40059	85	ATW	40114	121	ATW	40161
14	ATW	40016	50	ATW	40060	86	ATW	40116	122	ATW	40162
15	ATW	40018	51	ATW	40063	87	ATW	40117	123	ATW	40163
16	ATW	40019	52	ATW	40064	88	ATW	40118	124	ATW	40165
17	ATW	40020	53	ATW	40065	89	ATW	40120	125	ATW	40166
18	ATW	40023	54	ATW	40066	90	ATW	40121	126	ATW	40167
19	ATW	40024	55	ATW	40067	91	ATW	40124	127	ATW	40168
20	ATW	40027	56	ATW	40069	92	ATW	40125	128	ATW	40169
21	ATW	40028	57	ATW	40071	93	ATW	40126	129	ATW	40170
22	ATW	40029	58	ATW	40072	94	ATW	40127	130	ATW	40172
23	ATW	40030	59	ATW	40073	95	ATW	40128	131	ATW	40173
24	ATW	40031	60	ATW	40075	96	ATW	40129	132	ATW	40174
25	ATW	40032	61	ATW	40077	97	ATW	40130	133	ATW	40177
26	ATW	40033	62	ATW	40079	98	ATW	40131	134	ATW	40178
27	ATW	40034	63	ATW	40081	99	ATW	40132	135	ATW	40179
28	ATW	40037	64	ATW	40082	100	ATW	40133	136	ATW	40180
29	ATW	40038	65	ATW	40083	101	ATW	40134	137	ATW	40181
30	ATW	40039	66	ATW	40086	102	ATW	40135	138	ATW	40183
31	ATW	40040	67	ATW	40088	103	ATW	40136	139	ATW	40184
32	ATW	40041	68	ATW	40089	104	ATW	40138	140	ATW	40185
33	ATW	40042	69	ATW	40090	105	ATW	40139	141	ATW	40186
34	ATW	40043	70	ATW	40093	106	ATW	40141	142	ATW	40187
35	ATW	40044	71	ATW	40094	107	ATW	40142	143	ATW	40188
36	ATW	40045	72	ATW	40095	108	ATW	40143			

Equipment Description:

One hundred (100), 100-ton, roller bearing 50' Plate C, 5,219 cubic foot, rigid underframe, XL boxcars equipped with single sliding doors and 50K nailable steel floors suitable for the transport of wood pulp; built by Pullman Standard in 1969 and rebuilt in 2000. Fifty-eight (58) of the Units are equipped with vents.

Mark and Numbers

BCIT 850100 - 850199