

HELM FINANCIAL CORPORATION

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Via USPS Priority Mail

July 13, 2005

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

RECORDATION NO. 25033-R FILED

JUL 21 '05

1-22 PM

SURFACE TRANSPORTATION BOARD



RE: PARTIAL TERMINATION OF SECURITY INTEREST ("Partial Termination") dated as of June 30, 2005, and is made by **BANK OF AMERICA, N.A. ("B of A")**, as the Collateral Agent (the "**Collateral Agent**") for the Secured Parties, 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**").

Dear Mr. Williams:

On behalf of Helm, I submit for filing and recording under 49 U.S.C. Section 11303(a) and the regulations promulgated thereunder the following document:

Four (4) fully executed original copies of the above referenced Partial Termination.

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

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

Name and Address for B of A: Bank of America
100 Federal Street
Mail Stop: MA5-100-09-07
Boston, MA 02110

Equipment: Ninety-five (95), rail flatcars in series KCS 9201-9296.

Please record this Partial Termination as a supplement agreement to STB Recordation No. 25033 filed on July 2, 2004 at 9:33 a.m. Helm's check covering the \$33.00 filing fee is enclosed.

Summary: **Partial Termination** dated June 30, 2005 made by **BANK OF AMERICA, N.A.**, as the Collateral Agent for the Secured Parties, for the benefit of **HELM HOLDING CORPORATION**, a California corporation, **HELM FINANCIAL CORPORATION**, a California corporation, and **HELM LOCOMOTIVE LEASING CORPORATION**, a California corporation, for ninety-five (95) rail flatcars in series KCS 9201-9296, to be filed as a supplemental agreement to STB Recordation No. 25033.

Yours truly,

Sharon Van Fossan
CM

Sharon L. Van Fossan
Supervisor Contract Administrator

/cm

Enclosures (4)

JUL 21 '05

1-22 PM

PARTIAL TERMINATION OF
SECURITY INTEREST

SURFACE TRANSPORTATION BOARD

THIS PARTIAL TERMINATION OF SECURITY INTEREST ("Partial Termination") is dated as of June 30, 2005, and is made by BANK OF AMERICA, N.A. ("Bank of America"), as the Collateral Agent (the "Collateral Agent") for the Secured Parties (as defined in the GCIA 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 Railroads reporting mark and number as described in Exhibit A attached hereto (the "Units"). Helm has granted to the Collateral Agent a security interest in substantially all of its assets now owned or hereafter acquired, upon the terms and conditions provided in that certain Memorandum of Guarantee and Collateral and Intercreditor Agreement dated as of July 2, 2004, between Helm and the Collateral Agent (the "Memorandum"), as filed with the Surface Transportation Board of the Department of Transportation ("STB") on July 2, 2004 at 9:33 a.m. under Recordation No. 25033. The Memorandum was executed in connection with that certain Guarantee and Collateral and Intercreditor Agreement (the "GCIA") dated as of July 2, 2004, among Helm, the Collateral Agent, Bank of America, as TLB/RC Agent (as defined therein) and Bank of America, as TLC Agent (as defined therein).

Helm intends to sell the Units to a third party (the "Sale") and desires that such Sale shall be free and clear of any lien or security interest of the Collateral Agent. Accordingly, Helm requests the Collateral Agent to terminate its lien and security interest in the Units.

2. **Representation.** Helm hereby represents and warrants to the Collateral Agent and the other Secured Parties that the Sale and the application of the proceeds thereof comply with the terms of the GCIAs and each of the Credit Agreements (as defined in GCIAs).

3. **Partial Release and Termination.** The Collateral Agent hereby forever releases any and all liens and security interests in the Units granted to it under the Memorandum and the GCIAs, and all such liens and security interests in the Units shall be forever terminated, and shall be null and void, upon the filing of this Partial Termination with the STB. The release of liens and security interests hereunder is made without recourse to, or representation or warranty by, the Collateral Agent.

This Partial Termination shall have no effect on the Collateral Agent's lien and security interest in any Collateral other than the Units, and said lien and security interest in such other Collateral are hereby reaffirmed.

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

BANK OF AMERICA, N.A., as Collateral Agent

By: Victor Garcia

Print Name: Victor Garcia

Its: Managing Director

STATE OF MASSACHUSETTS)
) S.S.
COUNTY OF SUFFOLK)

On JULY 6th, 2005, before me, ELLEN F. HICKEY, personally appeared
VICTOR GARCIA, MANAGING DIRECTOR of BANK OF AMERICA, N.A.

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.

Ellen F. Hickey
SIGNATURE OF THE NOTARY

[Notarial Seal]



ELLEN F. HICKEY
Notary Public
Commonwealth of Massachusetts
My Commission Expires
Sept 12, 2008

EXHIBIT A

To the **PARTIAL TERMINATION OF SECURITY INTEREST** dated as of **June 30, 2005**

Unit Description: Ninety-five (95), 70-ton, 89'4" TOFC/COFC flatcars equipped with two collapsible pedestal hitches designed for 20', 40' or 45' trailers or containers. Units will not accommodate two (2) 45' containers. Built by Thrall in 1978.

	Old Initial	Old Number	New Initial	New Number
1	KCS	9201	n/a	n/a
2	KCS	9202	SKOL	9202
3	KCS	9203	n/a	n/a
4	KCS	9204	SKOL	9204
5	KCS	9205	SKOL	9205
6	KCS	9206	SKOL	9206
7	KCS	9207	n/a	n/a
8	KCS	9208	SKOL	9208
9	KCS	9209	SKOL	9209
10	KCS	9210	SKOL	9210
11	KCS	9211	SKOL	9211
12	KCS	9212	SKOL	9212
13	KCS	9213	SKOL	9213
14	KCS	9214	n/a	n/a
15	KCS	9215	SKOL	9215
16	KCS	9216	SKOL	9216
17	KCS	9217	SKOL	9217
18	KCS	9218	SKOL	9218
19	KCS	9219	SKOL	9219
20	KCS	9220	SKOL	9220
21	KCS	9221	n/a	n/a
22	KCS	9222	SKOL	9222
23	KCS	9224	SKOL	9224
24	KCS	9225	SKOL	9225
25	KCS	9226	SKOL	9226
26	KCS	9227	SKOL	9227
27	KCS	9228	SKOL	9228
28	KCS	9229	SKOL	9229
29	KCS	9230	SKOL	9230
30	KCS	9231	SKOL	9231
31	KCS	9232	SKOL	9232
32	KCS	9233	SKOL	9233
33	KCS	9234	n/a	n/a
34	KCS	9235	SKOL	9235
35	KCS	9236	SKOL	9236
36	KCS	9237	n/a	n/a
37	KCS	9238	SKOL	9238
38	KCS	9239	SKOL	9239
39	KCS	9240	SKOL	9240
40	KCS	9241	SKOL	9241
41	KCS	9242	SKOL	9242
42	KCS	9243	SKOL	9243
43	KCS	9244	SKOL	9244
44	KCS	9245	SKOL	9245
45	KCS	9246	n/a	n/a
46	KCS	9247	SKOL	9247
47	KCS	9248	n/a	n/a
48	KCS	9249	SKOL	9249
49	KCS	9250	SKOL	9250
50	KCS	9251	n/a	n/a

	Old Initial	Old Number	New Initial	New Number
51	KCS	9252	n/a	n/a
52	KCS	9253	n/a	n/a
53	KCS	9254	SKOL	9254
54	KCS	9255	SKOL	9255
55	KCS	9256	SKOL	9256
56	KCS	9257	SKOL	9257
57	KCS	9258	SKOL	9258
58	KCS	9259	SKOL	9259
59	KCS	9260	n/a	n/a
60	KCS	9261	SKOL	9261
61	KCS	9262	SKOL	9262
62	KCS	9263	SKOL	9263
63	KCS	9264	SKOL	9264
64	KCS	9265	SKOL	9265
65	KCS	9266	SKOL	9266
66	KCS	9267	SKOL	9267
67	KCS	9268	n/a	n/a
68	KCS	9269	SKOL	9269
69	KCS	9270	SKOL	9270
70	KCS	9271	SKOL	9271
71	KCS	9272	SKOL	9272
72	KCS	9273	SKOL	9273
73	KCS	9274	SKOL	9274
74	KCS	9275	SKOL	9275
75	KCS	9276	SKOL	9276
76	KCS	9277	SKOL	9277
77	KCS	9278	n/a	n/a
78	KCS	9279	SKOL	9279
79	KCS	9280	SKOL	9280
80	KCS	9281	SKOL	9281
81	KCS	9282	n/a	n/a
82	KCS	9283	n/a	n/a
83	KCS	9284	SKOL	9284
84	KCS	9285	SKOL	9285
85	KCS	9286	SKOL	9286
86	KCS	9287	SKOL	9287
87	KCS	9288	SKOL	9288
88	KCS	9289	SKOL	9289
89	KCS	9290	SKOL	9290
90	KCS	9291	SKOL	9291
91	KCS	9292	n/a	n/a
92	KCS	9293	SKOL	9293
93	KCS	9294	SKOL	9294
94	KCS	9295	SKOL	9295
95	KCS	9296	SKOL	9296