

HELM FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

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RECORDATION NO. 25193-A FILED

AUG 29 '05

4-03 PM

SURFACE TRANSPORTATION BOARD

August 26, 2005

Mr. Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, D.C. 20006

RE: Termination of Security Interest dated as of August 9, 2005 by **Helm Financial Corporation**, a California corporation ("**Secured Party**") for the benefit of **Lancaster & Chester Railway Company**, a South Carolina corporation ("**Debtor**")

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:

Two (2) fully-executed originals of the above-referenced Termination of Security Interest.

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

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

Name and Address of Debtor: Lancaster & Chester Railway Company
518 South Main
Lancaster, SC 29721

Equipment: 2 GP38-2 Locomotives
HLCX 3819 and 3821

Please record this Termination of Security Interest as a supplemental agreement to STB Recordation No. **25193** filed on September 20, 2004 at 11:02 AM. The filing fee of \$33.00 is included in our enclosed check.

Summary: Termination of Security Interest dated as of August 9, 2005 by Helm Financial Corporation for the benefit of Lancaster & Chester Railway Company for 2 GP38-2 locomotives; HLCX 3819 and 3821, to be filed as a supplemental agreement. Please file this Termination of Security Interest as a supplemental agreement to STB Recordation No. 25193.

Yours truly,

Sharon L. Van Fossan
Supervisor Contract Administration

/svf
Enclosures (2)

TERMINATION OF SECURITY INTEREST

THIS TERMINATION OF SECURITY INTEREST ("Partial Termination") is dated as of August 9, 2005, and is made by **HELM FINANCIAL CORPORATION**, a California corporation ("**Secured Party**") for the benefit of **LANCASTER & CHESTER RAILWAY COMPANY**, a South Carolina corporation ("**Debtor**").

1. **Recitals.** The Secured Party extended credit to the Debtor subject to the terms and conditions set forth in the Agreement of Purchase and Sales dated as of July 15, 2004 between the Secured Party as the Seller and Debtor as the Buyer and in connection with the sale by Seller to Buyer of the two (2) GP38-2 diesel-electric locomotives bearing the reporting mark and numbers HLCX 3819 and 3821 ("**Units**"). The Debtor has granted to the Secured Party a security interest in the Units upon the terms and conditions provided in that Memorandum of Agreement dated as of July 15, 2004 between the Secured Party and Debtor ("**Memorandum**"), as filed with the Surface Transportation Board of the Department of Transportation ("**STB**") on September 20, 2004 at 11:02 AM under Recordation No. 25193.

2. **Release and Termination.** The Secured Party hereby forever releases any and all liens and security interests in the Units granted to it under the Memorandum 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 Termination with the STB.

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

HELM FINANCIAL CORPORATION, as Secured Party

RECORDATION NO. 25193-19 FILED

AUG 29 '05

4-03 PM

SURFACE TRANSPORTATION BOARD

By: Barbara W. Wilson
Name: Barbara W. Wilson
Title: Senior Vice President and Chief Financial Officer

