

ALVORD AND ALVORD  
ATTORNEYS AT LAW  
1050 SEVENTEENTH STREET, N.W.  
SUITE 301  
WASHINGTON, D.C.  
20036  
—  
(202) 393-2266  
FAX (202) 393-2156  
E-MAIL [alvordlaw@aol.com](mailto:alvordlaw@aol.com)

ELIAS C. ALVORD (1942)  
ELLSWORTH C. ALVORD (1964)

OF COUNSEL  
URBAN A. LESTER

September 25, 2002

Mr. Vernon A. Williams  
Secretary  
Surface Transportation Board  
Washington, D.C. 20423

RECORDATION NO. 23168-W FILED

SEP 26 '02 5-00 PM

SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are four (4) copies of a Partial Termination of Security Agreement, dated as of September 9, 2002, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Security Agreement which was previously filed with the Board under Recordation Number 23168.

The names and addresses of the parties to the enclosed document are:

Secured Party: Fleet Capital Corporation  
Transportation Division  
100 Federal Street  
Boston, MA 02110

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

Mr. Vernon A. Williams  
September 25, 2002  
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A description of the railroad equipment covered by the enclosed document is:

Twenty-seven (27) SD 40-2 locomotives CSXT (formerly SCL) 8040 – 8066  
Seven (7) C30-7 locomotives CSXT (formerly SCL) 7025 - 7031

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

Partial Termination of Security Agreement

Also enclosed is a check in the amount of \$30.00 payable to the order  
of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

  
Robert W. Alvord *and*

RWA/anr  
Enclosures

PARTIAL TERMINATION OF  
SECURITY AGREEMENT

THIS PARTIAL TERMINATION OF SECURITY AGREEMENT ("Partial Termination") is dated as of September 9, 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 numbers as described in Exhibit A attached hereto (the "Units"). 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 Units 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 Units 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 Units by Helm. Fleet hereby forever terminates any and all liens and security interests in the Units granted to it under the Security Agreement. Such liens and security interests in the Units 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 Units 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 Units 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: \_\_\_\_\_

RECORDATION NO. 23168-W FILED

SEP 26 '02 5:00PM

SURFACE TRANSPORTATION BOARD

EM

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

On September 12, 2002, before me, Caryn Suffredini,  
personally appeared Paul Feloney, Managing Director of  
FLEET NATIONAL BANK

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 September 9, 2002.

1. Units' Description: Twenty-seven (27), EMD, 3000 h.p., model SD40-2 diesel electric locomotives.

Units' Marks and Numbers: CSXT 8040-8066 (formerly SCL 8040-8066)

2. Units' Description: Seven (7), GE, 3000 h.p., model C30-7 diesel electric locomotives.

Units' Marks and Numbers: CSXT 7025-7031 (formerly SCL 7025-7031)

CM