

OSTER
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19740-K

Countrywide - Mary A. Oster

September 30, 1996

Mr. Vernon Williams
Secretary
Surface Transportation Board
12th & Constitution Avenue, N.W.
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recording with the Surface Transportation Board is a Bill of Sale dated 9/23/96 between the following parties:

- Vendor: NorRail, Inc.
308 12th Avenue South
Buffalo, MN 55313
- Vendee: FBS Business Finance Corporation
601 Second Avenue South
Minneapolis, MN 55402

The equipment involved in this transaction includes:

- Equipment: 1, 4750 cf 100-ton Covered Hopper
DME 47204

Please record this agreement as a secondary document to STB Recordation # 19740. The filing fee of \$22 is enclosed.

Thank you for your assistance.

Sincerely,

Mary A. Oster

Mary Ann Oster
Research Consultant

Enclosures

19740-K

BILL OF SALE

KNOW ALL PEOPLE BY THESE PRESENTS: that NORRAIL, INC., a Minnesota corporation (the "Seller"), in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration more fully described in that certain Purchase and Sale Agreement, dated September 23, 1996 (the "Purchase Agreement"), the receipt of which is hereby acknowledged, does hereby grant, bargain, sell, and assign to FBS BUSINESS FINANCE CORPORATION, a Delaware corporation (the "Purchaser"), the following described goods, chattels, and intangible personal property (together the "Assets"):

All of Seller's right, title, and interest in certain items of railroad equipment described in Exhibit A hereto (the "Equipment") which has been leased to Dakota, Minnesota & Eastern Railroad Corporation pursuant to the terms of that certain Master Lease Agreement dated November 15, 1995 (the "Lease"), together with all of Seller's right, title, and interest in the Lease and related Contract Rights and Accounts (as defined in the Purchase Agreement).

TO HAVE AND TO HOLD the Assets unto Purchaser, its successors and assigns, forever.

Seller, on its own behalf, and on behalf of its successors and assigns, does hereby covenant, warrant, represent to, and agree with Purchaser (i) that it is the lawful owner of the Assets; (ii) that the Assets are free and clear of all claims, liens, charges, encumbrances, and security interests; (iii) that it has the full right and authority to sell and transfer the Assets to Purchaser; (iv) that the within sale and transfer of the Assets to Purchaser, separately and on a combined basis, does not violate any contract, agreement, or other instrument to which Seller is party or by which Seller or the Assets are bound, nor any provision of applicable law, and that all preconditions thereto have been fully complied with and performed by or on behalf of Seller. Seller hereby further covenants and binds itself, its successors, and assigns, against every person or entity claiming or laying claim to the Assets or any right thereof and to defend, hold harmless, and indemnify Purchaser, its successors and assigns, from and against any and all losses, damages, and expenses (including reasonable attorneys' fees for defense thereof, or for enforcement of this covenant) resulting or arising from the assertion of any such claim or cause of action against Purchaser, its successors and assigns, or against the Assets or any item or part thereof, except as so subject.

Seller agrees that at any time and from time to time, upon the written request of Purchaser, Seller will promptly and duly execute and deliver or cause to be executed and delivered on its behalf any and all such further instruments and documents and take such further action as Purchaser may reasonably request in order to obtain the full benefits of this Bill of Sale and of the rights and powers herein granted.

IN WITNESS WHEREOF, Seller has executed these presents as of the 27th day of September, 1996.

NORRAIL, INC.

By [Signature]
Its VI

Exhibit "A"

LIST OF EQUIPMENT

QUANTITY
1

EQUIPMENT DESCRIPTION
4750 Covered Hopper
100 Ton Trucks

CAR NUMBER(S)
DME 47204

STATE OF MINNESOTA

COUNTY OF WRIGHT

On this 23rd day of Sept, 1996, before me personally came Russell S Adams, to me known, who, being by me duly sworn, did depose and say that he/she is the V.P. Sales of NORRAIL, INC., a Minnesota corporation, and he/she acknowledged to me that he/she executed the foregoing document on behalf of said corporation by order of its Board of Directors and that such document was the free act and deed of said corporation.

Witness my hand and official seal.

Joann M. Pelinka
Notary Public in and for said State



My commission expires:

1/31/2000