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20006-2973

OF COUNSEL
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20058-F, J, K, L

July 2, 1996

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

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a), are three (3) copies each of the following secondary documents: Certificate of Acceptance No. Five, dated June 28, 1996, two Bills of Sale, each dated as of June 28, 1996 and a Lease Closing Schedule, dated July 2, 1996.

The enclosed documents relate to the Master Equipment Lease Agreement duly filed with the Board under Recordation Number 20058.

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

Certificate of Acceptance No. Five
and
Lease Closing Schedule

Lessor: MetLife Capital Limited Partnership
10900 N.E. 4th Street
Bellevue, Washington 98009

Lessee: Dakota, Minnesota & Eastern Railroad Corporation
337 22nd Avenue South
Brookings, South Dakota 57006

Countersigned - [Signature]

Mr. Vernon A. Williams
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Bills of Sale

Seller: NorRail, Inc.
308 12th Avenue South
Buffalo, Minnesota 55313

Buyer: MetLife Capital Limited Partnership
10900 N.E. 4th Street
Bellevue, Washington 98009

A description of the railroad equipment covered by the enclosed documents is:

The Bills of Sale cover seventy-two (72) covered hopper railcars bearing reporting marks and road numbers set forth on the schedules attached thereto.

The Lease Closing Schedule covers two hundred and fifty (250) covered hopper railcars set forth on Exhibit A attached thereto, all of which have been covered in the Certificates of Acceptance One through Five filed herein.

Also enclosed is a check in the amount of \$84.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of each of the enclosed documents to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/bg
Enclosures

20058-I

CERTIFICATE OF ACCEPTANCE NO. FIVE
Under
Equipment Lease No. One
Incorporating
Master Equipment Lease Agreement dated May 6, 1996

MetLife Capital, Limited Partnership
C-97550
Bellevue, WA 98009

1. Acceptance

Lessee hereby accepts the Items described below ("Accepted Items") on the terms and conditions of the above Equipment Lease ("Lease") and Master Equipment Lease Agreement ("Agreement") between Lessor and Lessee, and approves payment of all related invoices.

2. Acceptance Date of Accepted Items

June 28, 1996

3. Description of Accepted Items

Vendor:	<u>NorRail, Inc.</u>		
Invoice #:	<u>1642-01 and 1642-02</u>	Amount:	<u>\$2,142,000.00</u>

Equipment Description:

Seventy-two (72) covered hoppers

The equipment is further described on the attached Exhibit "A" herein incorporated by this reference..

4. Location of Accepted Items (include county):

Sharonville OH
East St Louis, IL

Items are rolling stock or mobile goods. When not in transit, to be parked at: 56 Dakota South, Huron, South Dakota 57350 or 880 5th Avenue S.W., Waseca, MN 56093

5. Lessee's Assurances

Lessee represents, warrants and agrees as follows:

- (a) The representations and warranties of Lessee in Section 3 of the Agreement are true and correct, on and as of the above Acceptance Date as though made as of that date, and the representations and warranties of any guarantor of Lessee's obligations under the Lease contained in the related guarantee are true and correct on and as of the above Acceptance Date.
- (b) Lessee has received, inspected and approved the Accepted Items. They are in good working order and conform to the Lease and all applicable specifications. Lessee will not terminate, repudiate, or modify the Lease as to the Accepted Items or reject or revoke its acceptance of the Accepted Items for any reason whatsoever. The above information concerning the Accepted Items is true, correct and complete. Accepted Items are being placed in service on the Acceptance Date, which, unless Lessor has consented otherwise in writing, is the date set forth above.
- (c) No Event of Default under the Agreement or Lease has occurred and is continuing. There has been no adverse change in the business or financial condition of Lessee or any such guarantor since the date of the most recent financial statement submitted to Lessor.



Exhibit A

70 Covered Hoppers Sold To MetLife Capital, Limited Partnership by NorRail®, Inc. June 28, 1996

Original Mark/Number	New Mark/Number
1. CR886009	Same
2. CR886014	Same
3. CR886107	Same
4. CR886131	Same
5. CR886132	Same
6. CR886134	Same
7. CR886156	Same
8. CR886176	Same
9. CR886216	Same
10. CR886229	Same
11. CR886231	Same
12. CR886247	Same
13. CR886261	Same
14. CR886272	Same
15. CR886312	Same
16. CR886319	Same
17. CR886321	Same
18. CR886501	Same
19. CR886517	Same
20. CR886568	Same
21. CR886572	Same

Original Mark/Number	New Mark/Number
22. CR886686	Same
23. CR886729	Same
24. CR886788	Same
25. CR886852	Same
26. CR886872	Same
27. CR886922	Same
28. CR886952	Same
29. CR886979	Same
30. CR887021	Same
31. CR887089	Same
32. CR887117	Same
33. CR887118	Same
34. CR887123	Same
35. CR887420	Same
36. CR887432	Same
37. CR887595	Same
38. CR887633	Same
39. CR887739	Same
40. CR887811	Same
41. CR887933	Same
42. CR887960	Same
43. CR887962	Same
44. CR887964	Same
45. CR887976	Same
46. CR887979	Same
47. CR887980	Same
48. CR887984	Same

Original Mark/Number	New Mark/Number
49. CR887986	Same
50. CR888000	Same
51. CR888026	Same
52. CR888035	Same
53. CR888062	Same
54. CR888215	Same
55. CR888223	Same
56. CR888295	Same
57. CR888356	Same
58. CR888366	Same
59. CR888553	Same
60. CR888557	Same
61. CR889512	Same
62. CR889546	Same
63. CR889789	Same
64. CR890823	Same
65. CR890842	Same
66. CR890899	Same
67. CR890916	Same
68. CR891029	Same
69. CR891048	Same
70. CR891079	Same

Exhibit A

**2 Covered Hoppers Sold To
MetLife Capital, Limited Partnership by NorRail[®], Inc.
June 28, 1996**

Original Mark/Number	New Mark/Number
1. CR887528	DME47287
2. CR890843	DME46060

6. Warranty and Related Matters

LESSEE ACKNOWLEDGES AND AGREES THAT LESSOR HAS NOT SELECTED, MANUFACTURED OR SUPPLIED THE ACCEPTED ITEMS. LESSOR IS ACQUIRING THE ACCEPTED ITEMS IN CONNECTION WITH THE LEASE. LESSEE HAS RECEIVED A COPY OF AND HAS APPROVED THE PURCHASE ORDERS, INVOICES, OR CONTRACTS FOR THE ACCEPTED ITEMS. LESSEE ACKNOWLEDGES THAT IT HAS SELECTED THE SUPPLIERS OF THE ACCEPTED ITEMS.

LESSEE:

**DAKOTA, MINNESOTA & EASTERN
RAILROAD CORPORATION**

By
Title

[Signature]
~~Treasurer & Ass't Secretary~~

By
Title

Kurt V. Feaster
Chief Financial Officer

ACKNOWLEDGMENT

STATE OF South Dakota
COUNTY OF Brakings

On this 1st day of July, 1996, before me, a Notary Public, personally appeared Kurt V. Feaster and _____, to me known to be the Chief Financial Officer and _____, respectively, of _____, who executed the foregoing instrument and acknowledged the said instrument was the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned.

Lisa J. Rasmussen
NOTARY PUBLIC in and for the State of South Dakota
residing at Brakings, SD
My commission expires: Oct 16, 2002

[NOTARIAL SEAL]