

# HOPKINS & SUTTER

(A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS)

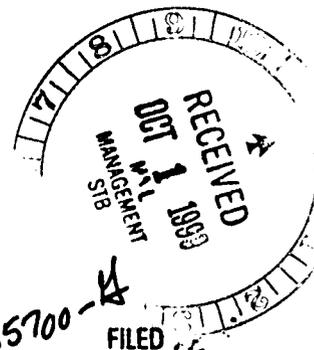
2800 LIVERNOIS SUITE 220 TROY, MI 48083-1220 (248) 740-6600

FAX (248) 740-6613

INTERNET <http://www.hopsut.com>

CHICAGO OFFICE THREE FIRST NATIONAL PLAZA 60602-4209

WASHINGTON, D.C. OFFICE 888 SIXTEENTH STREET, N.W. 20006-4103



RECORDATION NO. 15700-4 FILED

20656-1020

MARY P. SCLAWY  
(248) 740-6602  
Direct Fax: (248) 740-6613  
E-Mail: [MSclawy@hopsut.com](mailto:MSclawy@hopsut.com)

OCT - 4 '99

11-00 AM

September 27, 1999

Secretary  
Surface Transportation Board  
Room 704  
1925 K Street, NW  
Washington, DC 20423-0001

Dear Secretary:

Enclosed for recordation pursuant to statute and 49 CFR 1177 are three counterparts of a Release of security, dated as of July 2, 1999, and executed by The Bank of New York. The security interest was created pursuant to a Reconstruction and Conditional Sale Agreement, dated as of June 1, 1988, which agreement, the equipment covered thereby and the lease of such equipment were assigned pursuant to an Assignment of Lease and Agreement, also dated as of June 1, 1988. The units covered by said agreement and assignment are 20 diesel-electric locomotives of various models and marked as shown on Schedule A, attached to this letter.

Said agreement, the related lease and assignment of both were recorded with the STB on June 29, 1988 and assigned recordation numbers in the 15700 series.

The parties to the Reconstruction and Conditional Sale Agreement, lease and assignment are:

Vendee/  
Lessor:

Pacificorp Credit, Inc, *predecessor in interest to*  
Connell Finance Company, Inc.

Vendor/  
Lessee:

Grand Trunk Western Railroad Company,  
*predecessor in interest to* Grand Trunk Western Railroad  
Incorporated

Assignee:

Mercantile-Safe Deposit and Trust Company, as Agent,  
*predecessor in interest to* The Bank of New York.

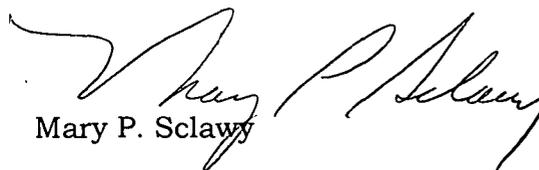
Secretary  
January 12, 1999  
Page 2

Enclosed is our check in the amount of \$26.

Please accept one counterpart of this document for filing as a secondary document, stamp the remaining two counterparts with your recordation number and return them and the fee receipt to the undersigned at the following address:

Mary P. Sclawy  
Hopkins & Sutter  
2800 Livernois  
Suite 220  
Troy, MI 48083-1240

Sincerely,

  
Mary P. Sclawy

Enclosure

cc: John A.N. Lamont: Re GT 7426

RELEASE dated as of July 2, 1999.

OCT - 4 '99

11-00 AM

WHEREAS, Mercantile-Safe Deposit and Trust Company (predecessor-in-interest to *The Bank of New York*) as agent ("Agent"), Grand Trunk Western Railroad Company (predecessor-in-interest to *Grand Trunk Western Railroad Incorporated*) ("GTW") as builder and Pacificorp Credit, Inc. (predecessor-in-interest to *Connell Finance Company, Inc.*) ("Connell") as vendee entered into a Reconstruction and Conditional Sale Agreement dated as of June 1, 1988, as amended, (the "RCSA"), covering the acquisition, reconstruction and sale of the 20 locomotives described on Schedule A hereto ("Equipment"), whereby, among other things, the Agent retained a security interest in the Equipment until Connell fully satisfied its obligations thereunder;

WHEREAS, Connell as lessor and GTW as lessee entered into a Lease of Railroad Equipment dated as of June 1, 1988, as amended, (the "Lease") covering the Equipment;

WHEREAS, pursuant to an Assignment of Lease and Agreement, as amended, (the "Assignment") dated as of June 1, 1988 between Connell and the Agent, Connell transferred and assigned to the Agent, as collateral security for the payment and performance of Connell's obligations under the RCSA, all its right, title and interest in the Lease (including, among other things, the right to receive all payments under the Lease from GTW); and

WHEREAS, Connell has fully discharged and satisfied its obligations under the RCSA (including, among other things, the full repayment of the 10.23% CSA Indebtedness [as defined in the RCSA] due July 2, 1999).

NOW THEREFORE, the Agent hereby i) releases and discharges, in favor of Connell, all its estate, right, title and interest in the Lease and the Equipment and ii) acknowledges and agrees that the Assignment has terminated.

IN WITNESS WHEREOF, the Agent has caused this Release to be executed, by its officer thereunto duly authorized, as of the day and year first above written.

THE BANK OF NEW YORK,  
as Agent

By:  
Its:



THOMAS B. ZAKRZEWSKI  
VICE PRESIDENT

Note: On June 29, 1988 at 4:00 P.M., the original RCSA, the original Lease and the original Assignment were filed with the Interstate Commerce Commission (predecessor to the Surface Transportation Board) pursuant to 49 U.S.C. S11303 (now S11301) and assigned recordation numbers 15700, -A & -B, respectively. On June 29, 1988 at 4:30 P.M., the aforementioned documents were also deposited in the Office of the Registrar General of Canada pursuant to Section 86 (which became Section 90) of the Railway Act of Canada (now Section 105 of the Canada Transportation Act).

GTW File Reference: CA 7426

STATE OF NEW YORK )  
 ) In the matter of a Release dated as  
 ) of July 2, 1999.  
CITY OF NEW YORK )

On this 13 day of September, 1999, before me personally appeared THOMAS B. ZAKRZEWSKI, to me personally known, who, being by me duly sworn, says that he / she is VICE PRESIDENT of The Bank of New York, that the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he / she acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

  
Notary Public

My commission expires: LUCILLE MERCURIO  
Notary Public, State of New York  
No. 03-4654994  
Qualified in Bronx County  
~~Certificate filed in New York County~~  
Commission Expires December 31, 1999

[Notarial Seal]

Schedule A to Release

Rolling Stock Type: Diesel electric locomotives manufactured by the  
Electomotive Division of General Motors Corporation.

<u>Unit Model</u>	<u>Original Mark &amp; Number of all Units</u>		<u>Current Mark &amp; Number of all Units</u>	
GP38-2	GTW	5709	GTW	4909
GP38-2	GTW	5710	GTW	4910
GP38-2	GTW	5711	GTW	4911
GP38-2	GTW	5712	GTW	4912
GP38-2	GTW	5713	GTW	4913
GP38-2	GTW	5714	GTW	4914
GP38-2	GTW	5715	GTW	4915
GP38-2	GTW	5716	GTW	4916
GP38-2	GTW	5717	GTW	4917
GP38-2	GTW	5718	GTW	4918
GP38-2	GTW	5719	GTW	4919
GP38-2	GTW	5720	GTW	4920
GP38-2	GTW	5721	GTW	4921
GP38-2	GTW	5722	GTW	4922
GP38-2	GTW	5723	GTW	4923
GP38-2	GTW	5724	GTW	4924
SD40	DWP	5907	DWP	5907
SD40	GTW	5916	GTW	5916
SD40	GTW	5922	GTW	5922
GP40-2	GTW	6413	GTW	6413