



Equipment Finance
PO Box 230789
Portland, OR 97281-0789

October 6, 2004

Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street NW
Washington, DC 20423-0001

Re: 13440C/006.0011638.001

Dear Secretary:

Enclosed are two originals of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

The names and addresses of the parties to the documents are as follows:

Lessor/Secured Party: U.S. Bancorp Equipment Finance, Inc.
formerly known as U.S. Bancorp Leasing & Financial
13010 SW 68th Parkway
Portland, OR 97223

Lessee/Debtor: Dakota, Minnesota & Eastern Railroad Corporation
P O Box 1260
Sioux Falls, SD 57101

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

Full Release of the Equipment listed on the Master Lease Agreement between U.S. Bancorp Leasing & Financial as Lessor/Secured Party and Dakota, Minnesota & Eastern Railroad Corporation as Lessee/Debtor dated August 18, 1997, covering the equipment described below:

ONE (1) GP40 DIESEL-ELECTRIC LOCOMOTIVE, ORIGINAL MANUFACTURER
ELECTRO MOTIVE DIVISION OF GENERAL MOTORS, ORIGINAL ROAD
#DRGW3502, NEW ROAD#DME4006, FRAME SERIAL # 7842-2,

Please file this Full Release as a secondary document under Recordation Number 20838 and return the original to:
Dakota, Minnesota & Eastern Railroad Corporation
P O Box 1260
Sioux Falls, SD 57101

A check covering the filing fee of \$30.00 is enclosed.

Sincerely,


Luz Franco
Collateral Specialist
(800) 253-3468 ext. 802

Enclosure(s)

RECORDATION NO. 20838-A FILED

OCT 07 '04 2-14 PM

SURFACE TRANSPORTATION BOARD



RECORDATION NO. _____ FILED



OCT 07 '04 2-14 PM

SURFACE TRANSPORTATION BOARD

Equipment Finance

13010 SW 68th Parkway; PO Box 230789
Portland, OR 97281

October 6, 2004

Dakota, Minnesota & Eastern Railroad Corporation
P.O. Box 1260
Sioux Falls, SD 57101

Re: 13440C/006.0011638.001

Dear Sue Peterson:

U.S. Bancorp Equipment Finance, Inc., formerly known as U.S. Bancorp Leasing & Financial ("Seller" or "us") is in receipt of your payment and hereby releases, transfers and assigns to you all our right, title and interest in and to the following property which was the subject of your lease with us (the "Equipment"), which you have possessed and used (and thus are familiar with its operation and condition):

ONE (1) GP40 DIESEL-ELECTRIC LOCOMOTIVE, ORIGINAL MANUFACTURER ELECTRO MOTIVE DIVISION OF GENERAL MOTORS, ORIGINAL ROAD #DRGW3502, NEW ROAD#DME4006, FRAME SERIAL # 7842-2, TOGETHER WITH ALL PARTS, ADDITIONS, ACCESSIONS AND ACCESSORIES INCORPORATED THEREIN OR AFFIXED OR ATTACHED THERETO.

Enclosed is/are your UCC(s) termination(s) for the Equipment. The UCC(s) must be filed with the office of the Secretary of State and/or County Recorder in order to release our security interest. For information regarding the filing of UCC(s) contact your State and/or County Agency at:

Secretary of State
Division of Corporations
Uniform Commercial Code Section
P.O. Box 793
Dover, DE 19903
(302) 739-3073
www.state.de.us/corp/ucc.shtml.

Enclosed are the copies of the documents that were filed with the Surface Transportation Board.

This is your **Bill of Sale**, so please keep it with your records for the Equipment. If at some point in the future you request that we re-provide this Bill of Sale or the enclosed release document(s), we will charge a minimum fee of \$50.00.

THE EQUIPMENT TRANSFERRED HEREBY IS TRANSFERRED "AS IS" AND "WHERE IS". SELLER MAKES NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS OF ANY KIND WHATSOEVER IN REGARD TO THE EQUIPMENT. SELLER HEREBY DISCLAIMS ANY AND ALL REPRESENTATIONS AND WARRANTIES IN REGARD TO THE EQUIPMENT, INCLUDING, WITHOUT LIMITATION, THOSE OF MERCHANTABILITY OR FITNESS FOR USE OR FITNESS FOR ANY PARTICULAR USE, OR OF QUALITY, DESIGN, CONDITION, CAPACITY, SUITABILITY OR PERFORMANCE. As the new owner, you are responsible from now on for all sales, property, and any other taxes on the Equipment.

U.S. Bancorp Equipment Finance, Inc. has assigned its rights (but not its obligations) to sell the Property herein to USBEF Exchange Co. as part of an IRC Section 1031 exchange.

It has been our pleasure to serve you throughout the term of our finance agreement. We sincerely hope you will consider U.S. Bancorp Equipment Finance, Inc. again in the future when the need for equipment financing arises.

Sincerely,

Luz Franco
Collateral Specialist
(800) 253-3468 x 802



Equipment Finance
PO Box 230789
Portland, OR 97281-0789

RECORDATION NO. 20838-A FILED
OCT 07 2004 2-14 PM
SURFACE TRANSPORTATION BOARD

Full Release

KNOW ALL MEN BY THESE PRESENTS: U.S. Bancorp Equipment Finance, Inc. formerly known as U.S. Bancorp Leasing & Financial hereby releases all of its right, title and interest in and to, the locomotives more specifically described as follows:

**ONE (1) GP40 DIESEL-ELECTRIC LOCOMOTIVE, ORIGINAL MANUFACTURER
ELECTRO MOTIVE DIVISION OF GENERAL MOTORS, ORIGINAL ROAD
#DRGW3502, NEW ROAD#DME4006, FRAME SERIAL # 7842-2,**

The primary document(s), to which this full release relates, are between **U.S. Bancorp Equipment finance, Inc formerly known as U.S. Bancorp Leasing & Financial** (Lessor/Secured Party) and **Dakota, Minnesota & Eastern Railroad Corporation** (Lessee/Debtor), were recorded with the Surface Transportation Board, under Recordation Number(s) **20838**, dated **08/28/1997 at 12:23 PM**.

IN WITNESS WHEREOF, U.S. Bancorp Equipment Finance, Inc., has hereunto set its name, by its proper office thereunto duly authorized, this **6th** day of **October** 2004.

U.S. Bancorp Equipment Finance, Inc.

By: *Terri Trout*
Terri Trout, Collateral Manager

STATE OF OREGON)
)ss.
County of Washington)

On this **6th** day of **October** 2004, personally appeared Terri Trout, to me personally known, who, being duly sworn, did say that she is the Collateral Manager of U.S. Bancorp Equipment Finance, Inc., and that said instrument was signed by authority of its board of directors, and she acknowledged said instrument to be the free act and deed of said corporation.

BEFORE ME: *Lori A Gardiner*
Notary Public of Oregon

