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RECORDATION NO.

22392-A
FILED

FEB 03 '03 2:26 PM

SURFACE TRANSPORTATION BOARD

lgitomer@dc.bjllp.com

February 3, 2003

Honorable Vernon A. Williams
Secretary
Surface Transportation Board
Washington, DC 20423

Dear Secretary Williams:

I have enclosed two originals of the document described below, to be recorded pursuant to 49 U.S.C. § 11301.

The document is an Instrument of Partial Satisfaction and Release, a secondary document, dated as of January 23, 2003. The primary document to which this is connected is recorded under Recordation No. 22392. We request that one copy of this document be recorded under Recordation No. 22392-A.

The names and addresses of the parties to the Instrument of Partial Satisfaction and Release are:

Secured Party:

GE Capital Public Finance, Inc.
8400 Normandale Lake Boulevard, Suite 470
Minneapolis, MN 55437-1079

Debtor:

Alaska Railroad Corporation
P.O. Box 107500
Anchorage, AK 99510-7500

A description of the equipment covered by the Instrument of Partial Satisfaction and Release consists of two SD70 MAC locomotives numbered 4015 and 4016.

BALL JANIK LLP

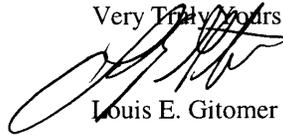
Honorable Vernon A. Williams
February 3, 2003
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A fee of \$30.00 is enclosed. Please return one original to:

Louis E. Gitomer
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the document to appear in the index follows: an Instrument of Partial Satisfaction and Release between GE Capital Public Finance, Inc., 8400 Normandale Lake Boulevard, Suite 470, Minneapolis, MN 55437-1079, and Alaska Railroad Corporation, P.O. Box 107500, Anchorage, AK 99510-7500, covering two SD70 MAC locomotives numbered 4015 and 4016.

Very Truly Yours,

A handwritten signature in black ink, appearing to read "Louis E. Gitomer", is written over the typed name below.

Louis E. Gitomer

Enclosures

INSTRUMENT OF PARTIAL SATISFACTION AND RELEASE (the "INSTRUMENT"), dated as of January 23, 2003, between GE Capital Public Finance, Inc., a corporation duly organized and existing under the laws of the State of Delaware, as secured party ("GECPF") and the Alaska Railroad Corporation, a public corporation and an instrumentality of the State of Alaska, as borrower ("ARC").

WITNESSETH

WHEREAS, by a Conditional Sale Agreement ("CSA"), dated as of September 1, 1999, between GECPF and ARC, GECPF has agreed to finance the purchase by ARC of up to 14 SDMAC locomotives;

WHEREAS, on September 9, 1999 at 12:30 p.m., a Memorandum of Conditional Sale Agreement dated as of September 1, 1999 was duly filed and recorded at the Surface Transportation Board under Recordation No. 22392; and

WHEREAS, the parties hereto desire to execute this Instrument to evidence for the public record the satisfaction and release of all the rights and obligations of GECPF and ARC under the Conditional Sale Agreement and the Memorandum of Conditional Sale Agreement with respect to the locomotives identified in the attached Schedule.

NOW, THEREFORE, in consideration of the premises, it is agreed:

GECPF and ARC do hereby acknowledge and confirm for the public record the satisfaction and release of all rights and obligations of the parties arising under the Conditional Sale Agreement and the Memorandum of Conditional Sale Agreement with respect to the locomotives identified in the attached Schedule. GECPF does hereby acknowledge and agree that all of the monetary obligations of ARC under the locomotives identified in the attached Schedule have been fully discharged and satisfied and GECPF does hereby release its security interest in all of the locomotives identified in the attached Schedule.

This Instrument may be executed in two or more counterparts each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument, which shall be sufficiently evidenced by any such original counterpart.

IN WITNESS WHEREOF, the parties hereto have executed or caused this Instrument to be executed as of the date first above written.

[EXECUTION PAGE FOLLOWS]

RECORDATION NO. 22392-A FILED

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SURFACE TRANSPORTATION BOARD

GE CAPITAL PUBLIC FINANCE, INC.

By: [Signature]
Its: Vice President

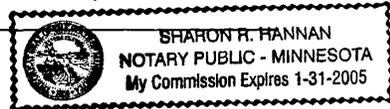
ALASKA RAILROAD CORPORATION

By: [Signature]
Its: CFO

STATE OF MINNESOTA)
) ss.
County of Hennepin)

On this 23rd day of January, 2003, before me, Sharon Hannan, the undersigned Notary Public, personally appeared Phil Long personally known to me to be the person who executed the within instrument as Vice President on behalf of the corporation, GE Capital Public Finance, Inc., therein named, and acknowledged to me that the corporation executed it.

[Signature]
Notary Public for Hennepin County, MN
My Commission expires _____



STATE OF ALASKA)
County of 3rd Judicial District) ss.

On this 21st day of January, 2003, before me, William R. Huggard, the undersigned Notary Public, personally appeared Bill O'Leary personally known to me to be the person who executed the within instrument as CFO on behalf of the corporation, Alaska Railroad Corporation, therein named, and acknowledged to me that the corporation executed it.

[Signature]
Notary Public for Alaska
My Commission expires 5/20/04

SCHEDULE

One (1) SD70 MAC Diesel Electric Locomotive Bearing Road Number 4015

and

One (1) SD70 MAC Diesel Electric Locomotive Bearing Road Number 4016