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RECORDATION NO. 23981-M FILED

FEB 24 '03 2-51 PM

SURFACE TRANSPORTATION BOARD

LOUIS E. GITOMER
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February 24, 2003

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

Dear Secretary Williams:

I have enclosed the original and one certified copy of the document described below, to be recorded pursuant to 49 U.S.C. § 11301.

The document is a Release from Surface Transportation Board Filed Encumbrance, a secondary document, dated as of February 18, 2003. The primary document to which this is connected is recorded under Recordation No. 23981. We request that one copy of this document be recorded under Recordation No. 23981-M.

The name and address of the party to the Release from Surface Transportation Board Filed Encumbrance is:

Secured Party:

The Bank of Nova Scotia
600 Peachtree Street, Suite 2700
Atlanta, GA, 30308

A description of the equipment covered by the Release from Surface Transportation Board Filed Encumbrance consists of two GP-20 locomotives numbered SJVR 2035 and 2037.

A fee of $30.00 is enclosed. Please return the 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: a Release from Surface Transportation Board Filed Encumbrance by The Bank of Nova Scotia, 600 Peachtree Street, Suite 2700, Atlanta, GA, 30308, covering two GP-20 locomotives numbered SJVR 2035 and 2037.

Very Truly Yours,

Louis E. Gitomer

Enclosures

RECORDATION NO. 23981-M FILED

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SURFACE TRANSPORTATION BOARD

Release from Surface Transportation Board Filed Encumbrance

Release herein is made to the Credit Agreement (as amended, supplemented, amended and restated or otherwise modified from time to time, the "Credit Agreement"), dated as of May 23, 2002, made by RailAmerica Transportation Corp., a Delaware corporation (the "Company"), RailAmerica, Inc., Palm Beach Rail Holding, Inc., RailAmerica Canada Corp., RailLink, Ltd., Freight Victoria Limited, RailAmerica Australia Finance Pty. Ltd., and RailAmerica Australia Pty. Ltd., the various financial institutions as are or may become parties thereto (collectively, the "Lenders"), UBS Warburg LLC and Morgan Stanley Senior Funding, Inc., as Joint Lead Arrangers and Bookrunners, Morgan Stanley Senior Funding, Inc. as Syndication Agent for the Lenders, UBS AG, Stamford Branch as the Administrative Agent for the Lenders, The Bank of Nova Scotia, as Collateral Agent (in such capacity, the "Collateral Agent") for the Lenders, and The Bank of Nova Scotia and Credit Lyonnais, as the Documentation Agents for the Lenders. Unless otherwise defined herein, capitalized terms used herein and in the Schedule hereto have the meanings provided in the Credit Agreement.

The Collateral Agent hereby release the assignment, pledge, hypothecation, charge, mortgage, delivery, and transfer of the two locomotives, SJVR 2035 and SJVR 2037, both GP-20 locomotives, that was recorded with the Surface Transportation Board under Recordation Number 23981.

Dated as of February 18th, 2003.

THE BANK OF NOVA SCOTIA,
As Collateral Agent
By: _____
Title: _____
Chris J. Allen
Managing Director & Office Head

State of Georgia)
) ss.
County of Gwinnett,)

On this 18th day of February, 2003, before me James R. Willson the undersigned Notary Public, personally appeared Chris J. Allen personally known to me to be the person who executed the within instrument as Managing Director on behalf of the corporation therein named, and acknowledged to me that the corporation executed it.

James R. Willson
Notary Public for Georgia

My Commission expires 8/22/03

JAMES R. WILLSON
Notary Public
Gwinnett County
State of Georgia
My Commission Expires Aug 22, 2003

CERTIFICATION

I, Louis E. Gitomer, have compared this copy to the original Release from Surface Transportation Board Filed Encumbrance dated as of February 18, 2003, and found the copy to be complete and identical in all respects to the original document. I declare under penalty of perjury that the foregoing is true and correct.

Louis E. Gitomer
February 24, 2003