

RECORDATION NO. 24744-A FILED

DEC 08 '04 3-38 PM

SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

December 8, 2004

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 two (2) copies of Partial Termination and Release of Lien, dated as of October 29, 2004 a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to Security and Pledge Agreement previously filed with the Board under Recordation Number 24744.

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

Secured Party: Federal Railroad Administration
1120 Vermont Avenue
Washington, DC 20590

[Debtors: Dakota, Minnesota & Eastern
Railroad Corporation

Iowa, Chicago & Eastern Railroad
140 North Phillips Avenue
Sioux Falls, SD 57104]

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

200 railcars ICE 67001 – ICE 67200

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

Partial Termination and Release of Lien

Also enclosed is a check in the amount of \$32.00 payable to the order of
the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the
undersigned.

Very truly yours,



Robert W. Alvord

RWA/anm
Enclosures

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PARTIAL TERMINATION AND RELEASE OF LIEN

SURFACE TRANSPORTATION BOARD

The undersigned, Federal Railroad Administration, for good and valuable consideration, the receipt and sufficiency of which is acknowledged, terminates and releases its security interest in and to the two hundred (200) flatcars which are further identified by road number on attached Exhibit A, which security interest was granted in the flatcars (as after-acquired rolling stock) by that certain Security and Pledge Agreement dated as of December 16, 2003 ("Security Agreement") by Dakota, Minnesota & Eastern Railroad Corporation and Iowa Chicago & Eastern Railroad Corporation in favor of the Federal Railroad Administration. A Memorandum of the Security Agreement was recorded with the Surface Transportation Board on December 22, 2003 and bears STB Recordation Number 24744.

The Federal Railroad Administration's security interest in and to the collateral under the Security Agreement other than the equipment described on attached Exhibit A remains intact and is unaffected by this partial termination and release.

Dated as of October 29, 2004.

Federal Railroad Administration

By: Betty Monroe

Its: Acting Administrator

DISTRICT OF COLUMBIA

~~State of~~ _____)

) SS:

~~County of~~ _____)

On this 29 day of October, 2004, before me personally appeared Betty Monroe, known to me to be the person described in and who executed the foregoing instrument and she acknowledged that (s)he executed the same as his/her free act and deed.

Juelene B. Stubb
Notary Public

(NOTARY SEAL)

My commission expires: March 14 2008

Exhibit A to the Partial Termination and Release of Lien

Two Hundred (200) 66 foot 286,000# GRL Flat Railcars manufactured in 2004
by Johnstown America Corporation bearing marks and numbers in series:

ICE 67001 – ICE 67200 (inclusive)