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September 16, 2005

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*Also licensed to practice
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#Also licensed to practice
in Iowa

‡Also licensed to practice
in Nebraska

*Also licensed to practice
in Missouri

†Admitted to practice in
United States Tax Court

*Also licensed as a
Certified Public Accountant

*Admitted to practice in Iowa
only

Via E-File Transmission

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

RECORDATION NO. 25838 FILED

SEP 16 '05

3-41 PM

SURFACE TRANSPORTATION BOARD

RE: Memorandum of Security Agreement
Our File: DM-100-05.BS

Dear Secretary Williams:

Attached hereto, in compliance with 49 CFR § 1177.3, please find the document described below to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a Memorandum of Security Agreement, a primary document, dated April 12, 2004.

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

Secured Party: Fishback Financial Corporation
PO Box 5057
2220 Sixth Street
Brookings, SD 57006-5057

Debtor: Dakota, Minnesota & Eastern Railroad Corp.
140 N. Phillips Ave.
Sioux Falls, SD 57104

A description of the equipment covered by the document is:

Fifty-two (52) covered hopper railcars bearing DME reporting marks in the DME 39000 series, formerly bearing GACX reporting marks in the GACX 12000 series.

*Surface Transportation Board
52 Covered Hopper Railcars DME 39000 Series
September 16, 2005 - Page 2*

Our STB account number for the required fee of \$33.00 is 22773.

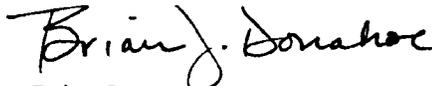
A short summary of the document to appear in the index as described in 49 CFR § 1177.4(a) follows:

Primary Document - Memorandum of Security Agreement between Dakota, Minnesota & Eastern Railroad Corporation and Fishback Financial Corporation, dated April 12, 2004, and covering 52 covered hopper railcars in the DME 39000 series, formerly bearing GACX reporting marks in the GACX 12000 series.

Should you have any questions or require additional information with respect hereto, please do not hesitate to contact me.

Sincerely,

CUTLER & DONAHOE, LLP



Brian J. Donahoe
For the Firm

Attorneys for Dakota, Minnesota & Eastern
Railroad Corp.

BJD:lk

Attachments

cc: Gary Fish
Fishback Financial Corp.

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF SECURITY AGREEMENT dated as of April 12, 2004,
between

DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION (hereinafter
called the Borrower)
140 N. Phillips Avenue
Sioux Falls, SD 57104

and

FISHBACK FINANCIAL CORPORATION (hereinafter called the Lender)
PO Box 5057
2220 Sixth Street
Brookings, SD 57006-5057

The Borrower and the Lender entered into the Commercial Security Agreement dated as of April 12, 2004 pursuant to which the Borrower grants to the Lender a security interest in **all of the Borrower's right, title and interest in those certain railroad cars particularly described in Exhibit A hereto**, together with all products and proceeds of the foregoing.

The parties wish to show for the public record the security interest in the aforesaid property in favor of the Lender, and accordingly have caused this memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

LENDER:

FISHBACK FINANCIAL
CORPORATION

By 
Brian Thompson, President, Sioux Falls

BORROWER:

DAKOTA, MINNESOTA & EASTERN
RAILROAD CORPORATION

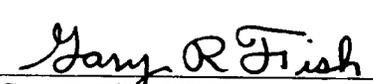
By 
Gary R. Fish, VP-Treasurer

EXHIBIT A
MEMORANDUM OF SECURITY AGREEMENT
DM&E AND FISHBACK FINANCIAL CORPORATION DATED AS OF 4/12/04
52 COVERED HOPPER RAILCARS

DME #	Former GACX #	DME #	Former GACX #
39401	12059	39441	12062
39402	12022	39442	12051
39403	12054	39443	12038
39404	12007	39444	12061
39405	12013	39445	12058
39406	12099	39446	12081
39407	12052	39447	12045
39408	12002	39448	12053
39409	12086	39449	12067
39410	12004	39450	12011
39411	12091	39451	12010
39412	12093	39452	12060
39413	12046		
39414	12080		
39415	12033		
39416	12014		
39417	12041		
39418	12009		
39419	12078		
39420	12094		
39421	12028		
39422	12069		
39423	12021		
39424	12065		
39425	12003		
39426	12047		
39427	12075		
39428	12085		
39429	12095		
39430	12063		
39431	12077		
39432	12040		
39433	12070		
39434	12008		
39435	12016		
39436	12036		
39437	12024		
39438	12084		
39439	12083		
39440	12029		