



Norwest Bank Minnesota, N A
Corporate Trust
Sixth and Marquette
MAC N9303-120
Minneapolis, Minnesota 55479

July 6, 2000

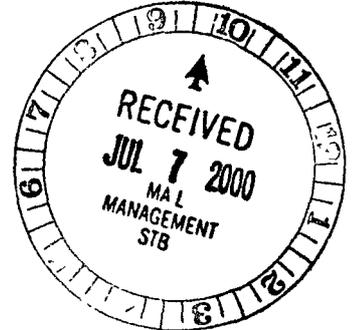
VIA OVERNIGHT DELIVERY

Honorable Linda Morgan
Secretary
Surface Transportation Board
1925 K Street NW
Washington, DC 20423

RECORDATION NO 20051-B FILED

JUL 7 '00 3-80 PM

TS
SURFACE TRANSPORTATION BOARD



RE: FULL TERMINATION of Security Interest - Recordation No. 20051

Dear Secretary:

Enclosed herewith, in compliance with 49 CFR § 1177.3, please find an original and three counterparts of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

This document is a Full Termination of security interest, a secondary document, dated July 6, 2000. The primary document to which this is connected is recorded under Recordation Number 20051, recordation date May 7, 1996 at 12:00 p.m.

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

Creditor: Jane Y. Schweiger (successor trustee to Raymond S. Haverstock)
Individually and as Corporate Trustee
Norwest Bank Minnesota, National Association
Sixth Street & Marquette Ave
MAC N9303-120
Minneapolis, MN 55479

Debtor: Dakota, Minnesota & Eastern Railroad Corp.
PO Box 178
Brookings, SD 57006-0178

Surface Transportation Board
Filing - Full Termination of Security Interest
Recordation No. 19341
6 SD40 locomotives - DME 4000-4005
July 6, 2000 - Page 2

A description of the equipment covered by the document follows:

Six (6) General Motors Electro-Motive Division model SD 40, 3,000 HP dynamic brake equipped, diesel-electric locomotives with the reporting marks:

DME 4000
DME 4001
DME 4002
DME 4003
DME 4004
DME 4005

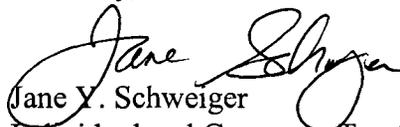
A fee of \$26.00 is enclosed. Please return any copies not needed for recordation to me with a notation of the recordation number, date and time of filing for our records.

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

Other secondary documents - Full Termination of Security Interest to Memorandum of Lease with Recordation No. 20051, dated July 6, 2000 and covering six (6) SD40 locomotives with reporting marks DME 4000-4005.

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

Sincerely,



Jane X. Schweiger
Individual and Corporate Trustee
Norwest Bank Minnesota, National Association

JYS:bjd
Enclosures
cc: David Parrott

FULL TERMINATION



PURSUANT to that certain Trust Indenture and Security Agreement (*the "Security Agreement"*) dated as of May 1, 1996, as amended, between NORWEST BANK MINNESOTA, N.A., a national association (*the "Trustee"*), and RAYMOND S. HAVERSTOCK, an individual (*the "Individual Trustee"*) as trustees collectively, and DAKOTA, MINNESOTA & EASTERN RAILROAD CORPORATION, a Delaware corporation (*the "Company"*), this FULL TERMINATION is made this 6th day of July, 2000, by the Trustee and the Individual Trustee.

WITNESSETH:

WHEREAS, the Individual Trustee under the Security Agreement has resigned and has been succeeded by Jane Y. Schweiger as Successor Individual Trustee, and

WHEREAS, the Trustee and Successor Individual Trustee have agreed to release the locomotives secured as collateral in the Security Agreement and to file this Full Termination,

NOW, THEREFORE, in consideration of the premises herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledge, the trustees agree as follows:

- 1. Full Termination Releasing Equipment From the Security Agreement.

Trustee and Successor Individual Trustee hereby terminate and release any security interest in and to:

All locomotives or railroad rolling stock for which the Company has granted a security interest to the Trustee and Individual Trustee in the Security Agreement of the parties evidenced by the Memorandum of Security Agreement, under Recordation No. 20051 at the Interstate Commerce Commission (now the Surface Transportation Board), as may have been amended, including any secondary documents.

IN WITNESS WHEREOF, the undersigned has caused this Full Termination to be executed as of the date first above written.

NORWEST BANK MINNESOTA, NATIONAL ASSOCIATION

By Jane Y. Schweiger
Name: Jane Y. Schweiger
Its. Corporate Trust Officer
Executed on this 6th day of July, 2000.

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