



JUN 29 '07

4:13 PM

Equipment Finance1310 Madrid St Ste #103
Marshall MN 56258**SURFACE TRANSPORTATION BOARD**

June 26, 2007

Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street NW
Washington, DC 20423-0001

Re: Contract #101-0019231-001

Dear Secretary:

Enclosed are two originals of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the U.S. Code.

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

Lessor/Secured Party: Firstar Equipment Finance, a division of Firstar Bank, N.A.
400 Highway 169 South Suite 300
St Louis Park MN 55426

Lessee/Debtor: Pioneer Railcorp
1318 S Johanson Road
Peoria IL 61604-1130

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

Full Release of the Equipment listed on the Lease Document between U.S. Bancorp Equipment Finance Inc. Formerly known as Firstar Equipment Finance, a division of Firstar Bank, N.A. Lessor/Secured Party and Pioneer Railcorp as Lessee/Debtor dated September 2, 1994 covering the equipment described below:
See Attached Exhibit A

Please file this Full Release as a secondary document under Recordation Number 18967 and return the original to:

U.S. Bancorp Equipment Finance, Inc
Formerly known as Firstar Equipment Finance, a division of Firstar Bank, N.A.
1310 Madrid Street Suite 103
Marshall MN 56258

A check covering the filing fee of \$35.00 is enclosed.

Sincerely,

Holly Hoffman
Collateral Specialist
(800) 305-6292 ext.3611

Enclosure(s)





RECORDATION NO 18967-A FILED

JUN 29 '07

4:13 PM

Equipment Finance

1310 Madrid St Suite #103
Marshall MN 56258

SURFACE TRANSPORTATION BOARD



Release

KNOW ALL MEN BY THESE PRESENTS: U.S. Bancorp Equipment Finance, Inc Formerly known as Firststar Equipment Finance, a division of Firststar Bank, N.A. hereby releases all of its right, title and interest in and to, the locomotives/railcars more specifically described as follows:

The primary document(s), to which this full release relates, are between Firststar Equipment Finance, a division of Firststar Bank, N.A. (Lessor) and Pioneer Railcorp (Lessee), were recorded with the Surface Transportation Board, under Recordation Number(s) 18967, dated September 7, 1994 at 12:05p.m.

See Attached Exhibit A

IN WITNESS WHEREOF, U.S. Bancorp Equipment Finance, Inc. has here unto set its name, by its proper office thereunto duly authorized, this 26 day of June 2007.

U.S. Bancorp Equipment Finance, Inc
Formerly known as
Firststar Equipment Finance, a division of Firststar
Bank, N.A.

By: Heather Holmgren
Heather Holmgren, Collateral Manager

STATE OF MINNESOTA

County of Lyon

On this 26 day of June 2007, personally appeared Heather Holmgren, to me personally known, who, being duly sworn, did say that she is the Collateral Manager of U.S. Bancorp Equipment Finance, Inc., and that said instrument was signed by authority of its board of directors, and she acknowledged said instrument to be the free act and deed of said corporation.

BEFORE ME: Heather Fischer
Notary Public of Minnesota





Equipment Finance

1310 Madrid St Ste #103
Marshall MN 56258

June 26, 2007

Vernon A. Williams, Secretary
Surface Transportation Board
1925 K Street NW
Washington, DC 20423-0001

Re: Contract #101-0019231-001

Dear Secretary:

Enclosed for recording with the Surface Transportation Board is a Bill of Sale dated June 26, 2007 between the following parties and railroad equipment:

Seller: U.S. Bancorp Equipment Finance, Inc. Formerly known as Firststar Equipment Finance, a division of Firststar Bank, N.A.
1310 Madrid St Suite 103
Marshall MN 56258

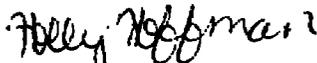
Buyer: Pioneer Railcorp
1318 S Johanson Road
Peoria IL 61604

The equipment included in this transaction is as follows:
See Attached Exhibit A

Please record this document as a primary agreement.

A check covering the filing fee of \$35.00 is enclosed.

Sincerely,


Holly Hoffman
Collateral Specialist
(800)305-6292 ext. 3611

Enclosure(s)





Equipment Finance, Inc.
1310 Madrid St Suite #103
Marshall MN 56258

Pioneer Railcorp
Attn: Mike Carr
1318 S Johanson Road
Peoria IL 61604

June 26, 2007



Re: Contract #101-0019231-001

Dear Mike Carr:

U.S. Bancorp Equipment Finance, Inc., Formerly known as Firstar Equipment Finance, a division of Firstar Bank, N.A. ("Seller" or "us") is in receipt of the payoff amount and hereby releases, transfers and assigns to you all our right, title and interest in and to the following property which was the subject of your lease with us (the "Equipment"), which you have possessed and used (and thus are familiar with its operation and condition):

See Attached Exhibit A

TOGETHER WITH ALL PARTS, ADDITIONS, ACCESSIONS AND ACCESSORIES INCORPORATED THEREIN OR AFFIXED OR ATTACHED THERETO.

This is your Bill of Sale, so please keep it with your records for the Equipment. If at some point in the future you request that we re-provide this Bill of Sale or the enclosed release document(s), we will charge a fee of \$50.00.

THE EQUIPMENT TRANSFERRED HEREBY IS TRANSFERRED "AS IS" AND "WHERE IS". SELLER MAKES NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS OF ANY KIND WHATSOEVER IN REGARD TO THE EQUIPMENT. SELLER HEREBY DISCLAIMS ANY AND ALL REPRESENTATIONS AND WARRANTIES IN REGARD TO THE EQUIPMENT, INCLUDING, WITHOUT LIMITATION, THOSE OF MERCHANTABILITY OR FITNESS FOR USE OR FITNESS FOR ANY PARTICULAR USE, OR OF QUALITY, DESIGN, CONDITION, CAPACITY, SUITABILITY OR PERFORMANCE. As the new owner, you are responsible from now on for all sales, property, and any other taxes on the Equipment.

U.S. Bancorp Equipment Finance, Inc. has assigned its rights (but not its obligations) regarding the sale of the Property herein to USBEF Exchange Co. as part of an IRC Section 1031 exchange. This assignment has no effect on your ownership, rights or obligations hereunder.

It has been our pleasure to serve you throughout the term of our finance agreement. We sincerely hope you will consider U.S. Bancorp Equipment Finance, Inc. again in the future when the need for equipment financing arises.

Sincerely,

Holly Hoffman
Collateral Specialist
(800) 253-3468 x 3611

Enclosure(s)

Exhibit A

Seventy Five (75) Steel Covered Hopper Railcars as follows:

Four (4) 1963 Pullmans, 4000 Cu. Foot Capacity, Serial Numbers 301595, 301501, 301580, 301515; Two (2) 1963 Pullmans, 4427 Cu. Foot Capacity, Serial Numbers 302279, 302855; Seven (7) 1964 Pullmans, 4427 Cu. Foot Capacity, Serial Numbers 303635, 303807, 304001, 303650, 304096, 303278, 303936; Three(3) 1965 Pullmans, 4427 Cu. Foot Capacity, Serial Numbers 305090, 304509, 304424; Fifteen (15) 1965 Pullmans, 4427 Cu. Foot Capacity, Serial Numbers 305886, 306141, 305503, 305084, 305738, 306510, 306512, 305726, 306243, 305596, 305718, 305437, 30625, 305266, 306359; Twenty three(23) 1966 Pullmans, 4427 Cu. Foot Capacity, Serial Numbers 308061, 307860, 307634, 308026, 308251, 309744, 309990, 309233, 309917, 308877, 309480, 307717, 309152, 307544, 30803, 309015, 307863, 308773, 308207, 307852, 307582, 308305, 309099; Four (4) 1967 Pullmans, 4427 Cu. Foot Capacity, Serial Numbers 311028, 311019, 311029, 311323; Two (2) 1971 Pullmans, 4427 Cu. Foot Capacity, Serial Numbers 311758, 311567; Four (4) 1971 ACF's, 4469 Cu. Foot Capacity, Serial Numbers 312097, 312131, 312198, 311954; Five (5) 1971 Pullmans, 4427 Cu. Foot Capacity, Serial Numbers 312763, 312463, 312546, 312702, 312481; Two (2) 1972 Pullmans, 4750 Cu. Foot Capacity, Serial Numbers 313056, 313042; One (1) 1973 ACF, 4600 Cu. Foot Capacity, Serial Number 313881; Three (3) 1968 Models, manufacturer unknown, 4427 Cu. Foot Capacity, Serial Number 317147, 317024, 317034.