



**Equipment Finance**

1310 Madrid St Ste #103  
Marshall MN 56258

July 9, 2007

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

Re: Contract #001-0013088-001

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: U.S. Bancorp Leasing & Financial  
7859 SW Mohawk St PO Box 2177  
Tualatin OR 97062

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

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

Complete payoff of the Equipment listed on the Lease Document between U.S. Bancorp Equipment Finance Inc. Formerly known as U.S. Bancorp Leasing & Financial Lessor/Secured Party and Dakota, Minnesota & Eastern Railroad as Lessee/Debtor dated August 25, 1999, covering the equipment described below:

SD 40-3 Locomotives: CP 5508 & CP 5514 & CP 5525  
Flat Cars: SP 513561 & SP 520072  
Passenger Cars: AC 418(Silver Lake) & AC 419 (Plum Creek)

Please file this Full Release as a secondary document under Recordation Number 22376 and return the original to:

U.S. Bancorp Equipment Finance, Inc  
Formerly known as U. S. Bancorp Leasing & Financial  
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. 22376-D FILED

JUL 11 '07

2-55 PM

SURFACE TRANSPORTATION BOARD



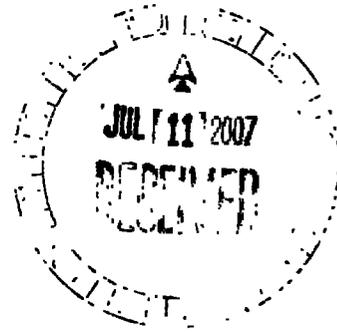


**Equipment Finance**

1310 Madrid St Ste #103  
Marshall MN 56258

July 9, 2007

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



Re: Contract #001-0013088-001

Dear Secretary:

Enclosed for recording with the Surface Transportation Board is a Bill of Sale dated July 9, 2007 between the following parties and railroad equipment:

**Seller:** U.S. Bancorp Equipment Finance, Inc. Formerly known as U.S. Bancorp Leasing & Financial  
1310 Madrid St Suite 103  
Marshall MN 56258

**Buyer:** Dakota, Minnesota & Eastern Railroad  
140 N Phillips Ave  
Sioux Falls SD 57104

The equipment included in this transaction is as follows:

SD 40-3 Locomotives: CP 5508 & CP 5514 & CP 5525  
Flat Cars: SP 513561 & SP 520072  
Passenger Cars: AC 418 (Silver Lake) & AC 419 (Plum Creek)

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

1310 Madrid St Suite #103  
Marshall MN 56258

RECORDATION NO. 22376-D FILED

JUL 11 '07

2-55 PM

SURFACE TRANSPORTATION BOARD



### Release

KNOW ALL MEN BY THESE PRESENTS: U.S. Bancorp Equipment Finance, Inc Formerly known as U.S. Bancorp Leasing & Financial 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 U.S. Bancorp Leasing & Financial (Lessor) and Dakota, Minnesota & Eastern Railroad (Lessee), were recorded with the Surface Transportation Board, under Recordation Number(s) 22376, dated August 31, 1999 at 2:00 p.m.

- SD 40-3 Locomotives: CP 5508 & CP 5514 & CP 5525
- Flat Cars: SP 513561 & SP 520072
- Passenger Cars: AC 418(Silver Lake) & AC 419 (Plum Creek)

IN WITNESS WHEREOF, U.S. Bancorp Equipment Finance, Inc. has here unto set its name, by its proper office thereunto duly authorized, this 9 day of July 2007.

U.S. Bancorp Equipment Finance, Inc  
Formerly known as  
U.S. Bancorp Leasing & Financial

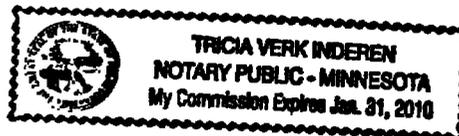
By: *Heather Holmgren*  
Heather Holmgren, Collateral Manager

STATE OF MINNESOTA

County of Lyon

On this 9 day of July 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: *[Signature]*  
Notary Public of Minnesota





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

Dakota, Minnesota & Eastern Railroad  
Attn: Gary Fish  
140 N Phillips Ave  
Sioux Falls SD 57104

July 9, 2007



Re: Contract #001-0013088-001

Dear Mr. Fish:

U.S. Bancorp Equipment Finance, Inc., ("Seller" or "us") is in receipt of the full 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):

SD 40-3 Locomotives: CP 5508 & CP 5514 & CP 5525  
Flat Cars: SP 513561 & SP 520072  
Passenger Cars: AC 418(Silver Lake) & AC 419(Plum Creek)

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) 305-6292 x 3611

Enclosure(s)