

RECORDATION NO. 24345-E FILED

MAR 18 '03



ALVORD AND ALVORD
ATTORNEYS AT LAW
1050 SEVENTEENTH STREET, N.W.
SUITE 301
WASHINGTON, D.C.
20036
(202) 393-2266
FAX (202) 393-2156
E-MAIL alvordlaw@aol.com

SURFACE TRANSPORTATION BOARD

OF COUNSEL
URBAN A. LESTER

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

March 18, 2003

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 a Memorandum of Commercial Security Agreement, dated as of March 13, 2003, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Schedule No. 1 to Master Equipment Lease Agreement which was previously filed with the Board under Recordation Number 24345.

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

Lender:	The Bank of Edwardsville 330 West Vandalia Edwardsville, IL 62025
Grantor:	Midwest Railcar Corporation 3 Professional Park Drive Maryville, Illinois 62062

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

48 boxcars: MMA 023500 – MMA 023547cars
(formerly within the series VCY 142547 - VCY 14304, as more particularly set forth in the equipment schedule attached to the document)

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

Memorandum of Commercial Security Agreement.

Also enclosed is a check in the amount of \$30.00 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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3:19 PM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT

BETWEEN

**THE BANK OF EDWARDSVILLE
("LENDER")**

AND

**MIDWEST RAILCAR CORPORATION
("GRANTOR")**

March 13, 2003

Memorandum of Commercial Security Agreement made and entered into as of March 13, 2003, by and between The Bank of Edwardsville, an Illinois corporation ("Lender"), and Midwest Railcar Corporation, an Illinois corporation ("Grantor").

WITNESSETH:

To secure all obligations of the Grantor under a certain Commercial Security Agreement dated as of March 13, 2003 (the "Security Agreement"), and that certain Promissory Note dated March 13, 2003, Grantor hereby assigns to Lender all of Grantor's rights, title and interest in, the railcars set forth and described on the Schedule of Railcars attached hereto (the railcars on the aforementioned Schedule of Railcars shall hereinafter be called the "Railcars"), as such Schedule of Railcars may be amended from time to time, and grants to Lender a first priority security interest in: (i) the Railcars; (ii) Grantor's interest in accessions, accessories, equipment, appurtenances and replacement and added parts appertaining or attached to any of the Railcars owned or hereinafter acquired, and all substitutions, renewals or replacements of and additions, improvements, accessions and accumulations to any of the Railcars, together with all the rents, issues, income, profits, proceeds and avails therefrom and the proceeds thereof; (iii) all proceeds and all present and future evidences of rights to payment, (including, without limitation, insurance and indemnity payments) due or to become due to Grantor on account of the lease, sale, loss or other disposition of the Railcars; (iv) that certain Schedule No. 1 dated effective February 21, 2003 which incorporates by reference that Master Equipment Lease Agreement dated effective February 17, 2003 by and between Grantor (as Lessor) and Montreal, Maine & Atlantic Railway, LTD (as Lessee), and any other Exhibits or Schedules thereto (together, the "Lease") and all bills of sales or other similar documents, agreements and instruments relating to the Railcars, and all other leases, chattel paper, agreements, accounts, bank or deposit accounts and instruments relating to the Railcars, whether now existing or hereafter arising (collectively, the "Documentary Security" or "Security Documentation"), together with all of Grantor's estate, right, title, interest, claims and demands in, to and under such documents, agreements and instruments including all extensions of any of the terms thereof, together with all rights, powers, privileges, options, and other benefits of Grantor including without limitation the right to receive notices, give consents, exercise any election or option, declare defaults and demand payments thereunder, and (v) all rent, damages and other moneys from time to time payable to or receivable by Grantor under the Documentary Security (the Railcars, Documentary Security, proceeds, rights, claims and causes of action described in items (i) through (v) above being herein sometimes collectively called the "Collateral"), to have and to hold all and every part of the Collateral unto Lender, and its successors and assigns, for its and their own use and benefit forever.

This Memorandum of Commercial Security Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but together only one Memorandum of Commercial Security Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

THE BANK OF EDWARDSVILLE, as Lender

By: Cliff Bark

Title: Vice President

Date: 3-13-03

MIDWEST RAILCAR CORPORATION,
as Grantor

By: _____

Title: _____

Date: _____

STATE OF Illinois)
) ss.
COUNTY OF Madison)

On this 13 day of March 2003, before me personally appeared William D. Barlow, to me personally known, who being by me duly sworn, says that he is the Vice President of The Bank of Edwardsville, that the foregoing instrument was signed on behalf of said national banking association, and he acknowledged that the execution of the said instrument was his free act and deed.



Sandra A. Sachs
NOTARY PUBLIC

My commission expires: Sept. 13, 2005

STATE OF _____)
) ss.
COUNTY OF _____)

On this ___ day of March 2003, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of Midwest Railcar Corporation, an Illinois corporation that the foregoing instrument was signed on behalf of Midwest Railcar Corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC

My commission expires: _____

STATE OF _____)
) ss.
COUNTY OF _____)

On this ___ day of March 2003, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of The Bank of Edwardsville, that the foregoing instrument was signed on behalf of said national banking association, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC

My commission expires: _____

STATE OF Minnesota)
) ss.
COUNTY OF Sherburn)

On this 14 day of March 2003, before me personally appeared Richard M. Murphy, to me personally known, who being by me duly sworn, says that he is the President + CEO of Midwest Railcar Corporation, an Illinois corporation that the foregoing instrument was signed on behalf of Midwest Railcar Corporation, and he acknowledged that the execution of the said instrument was his free act and deed.



NOTARY PUBLIC

My commission expires: 1-31-06



SCHEDULE OF RAILCARS

Forty-Eight (48), Plate F, double plug door, 263 GRL, 100-ton boxcars, built in 1973 and rebuilt in 1993, bearing the following reporting marks and numbers:

MMA 023500
MMA 023501
MMA 023502
MMA 023503
MMA 023504
MMA 023505
MMA 023506
MMA 023507
MMA 023508
MMA 023509
MMA 023510
MMA 023511
MMA 023512
MMA 023513
MMA 023514
MMA 023515
MMA 023516
MMA 023517
MMA 023518
MMA 023519
MMA 023520
MMA 023521
MMA 023522
MMA 023523
MMA 023524
MMA 023525
MMA 023526
MMA 023527
MMA 023528
MMA 023529
MMA 023530
MMA 023531
MMA 023532
MMA 023533
MMA 023534
MMA 023535
MMA 023536

MMA 023537
MMA 023538
MMA 023539
MMA 023540
MMA 023541
MMA 023542
MMA 023543
MMA 023544
MMA 023545
MMA 023546
MMA 023547