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WASHINGTON, D.C.

September 28, 2001

Surface Transportation Board  
1925 K Street, NW  
Washington, D.C. 20423-0001  
Attn: Ms. Taledia Stokes

RECORDED 23690-A  
OCT 5 '01 3-01 PM  
TS  
SURFACE TRANSPORTATION BOARD



Dear Ms. Stokes:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of (Collateral) Assignment of Leases and Rents, dated September 26, 2001, a secondary document, as defined in the Board's Rules for the Recordation of Documents, to the Memorandum of Lease dated April 18, 2001 between Midwest Railcar Corporation, as lessor, and Southeastern Industrial Enterprises, Inc., as lessee, which is enclosed under a separate letter herewith.

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

Assignee: Associated Bank Minnesota  
7760 France Avenue South  
Bloomington, MN 55435-5833

Assignor: Midwest Railcar Corporation  
3 Professional Park Drive, Suite B  
Maryville, Illinois 62062

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

Twenty (20) railcars bearing the reporting marks and numbers as referenced in Schedule A of the said document.

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

Memorandum of (Collateral) Assignment between Associated Bank Minnesota, Assignee, and Midwest Railcar Corporation., Assignor, covering twenty (20), railcars bearing the reporting marks and numbers as referenced in Schedule A of the said document.

Surface Transportation Board  
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**MILES & STOCKBRIDGE P.C.**

Also enclosed is a check in the amount of \$28.00 payable to the order of the Surface Transportation Board to cover the required recordation fee.

Please kindly return stamped copies of the enclosed document to the undersigned at the above-listed address.

Very truly yours,



Doti Hampton  
Legal Assistant

Enclosures

cc: Brian R. Munderloh  
Richard M. Murphy  
Richard M. Folio

MEMORANDUM OF (COLLATERAL) ASSIGNMENT  
OF LEASES AND RENTS  
BETWEEN

ASSOCIATED BANK MINNESOTA  
("LENDER")

AND

MIDWEST RAILCAR CORPORATION  
("BORROWER")

September 26, 2001

~~XXXXXXXXXX~~ 23690-A ~~XXXXXXXXXX~~

OCT 5 '01 3-01 PM

SURFACE TRANSPORTATION BOARD

This Memorandum of Assignment of Lease and Rents is hereby entered into as of this 26<sup>th</sup> day September of 2001 by and between Associated Bank Minnesota, a Minnesota corporation ("Lender"), and Midwest Railcar Corporation, an Illinois corporation ("Borrower").

WITNESSETH:

The Borrower hereby sells, assigns, transfers and sets over unto Associated Bank Minnesota (hereinafter, the "Lender"), all of the Borrower's right, title and interest in and to the lease of twenty (20) 100-ton Woodchip gondolas as evidenced by that certain that certain Lease Agreement dated effective April 18, 2001 by and between Borrower (as Lessor) and Southeastern Industrial Enterprises, Inc. (as Lessee), and any Equipment Riders and schedules thereto (together, the "Lease") and all rents and other sums due thereunder, and all proceeds therefrom with respect to those certain railcars identified on the attached Schedule "A" hereto (the "Railcars"), and all rents, renewal rents, proceeds of settlement for the Railcars which are lost, destroyed or damaged beyond repair and all other sums due and to become due under and pursuant to or by reason of the Lease, including but not limited to, the payment of any purchase option price paid by the Lessee pursuant to the Lease, as well as any and all subleases of the Railcars.

This Assignment is given and intended as continuing collateral for the payment of the indebtedness of the Borrower to the Lender as provided for in the Commercial Security Agreement dated September 26, 2001 (the "Agreement"), including but not limited to any and all promissory notes executed thereunder (the "Promissory Notes"), including any and all interest thereon and expenses therefor and any and all extensions and/or renewals of the referenced indebtedness, whether such indebtedness shall at any time or from time to time have been reduced or paid in full and thereafter increased or reincurred, and no renewal of, or extension of time of payment of the subject indebtedness or any part thereof, and no agreement not to sue or release or discharge of any persons liable therefor or thereon, or release or exchange of other collateral or any act or thing whatsoever shall diminish, discharge, impair or affect this Assignment or the security afforded hereby, save payment in full by the Borrower to the Lender of any and all indebtedness of the Borrower to the Lender arising under the Agreement and the Promissory Notes, while no default exists under any of the other provisions thereof. If such payment in full is made by the Borrower while no such default exists or if any such payment in full is made while any default exists and all such defaults are subsequently corrected by the Borrower, the Borrower shall be entitled to have this Assignment discharged.

Capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement. This Memorandum of Assignment of Lease and Rents may be executed in any number of counterparts, each executed counterpart constituting an original but together only one memorandum of Assignment of Lease and Rents.

~~XXXXXXXXXX~~ 23690-A ~~XXXX~~

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SURFACE TRANSPORTATION BOARD

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

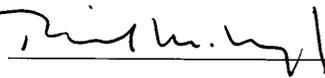
ASSOCIATE BANK MINNESOTA  
as Lender

By: 

Name: Brian R. Mardeloh

Title: Vice President

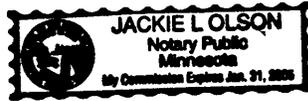
MIDWEST RAILCAR CORPORATION  
as Borrower

By: 

Name: Richard M. Murphy

Title: President & CEO

STATE OF Minnesota )  
 ) ss.  
COUNTY OF Anoka )

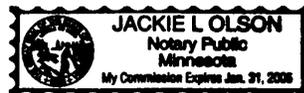


On this 26th day of September, 2001, before me personally appeared Brian Mundenoh, to me personally known, who being by me duly sworn, says that he is the ~~SA~~ Vice President of ASSOCIATED BANK MINNESOTA, that the foregoing instrument was signed on behalf of said national banking association, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC: Jackie Olson

My commission expires: Jan 31, 2005

STATE OF Minnesota )  
 ) ss.  
COUNTY OF Anoka )



On this 26<sup>th</sup> day of September, 2001, before me personally appeared Richard Murphy, to me personally known, who being by me duly sworn, says that he is the Pres/CEO of Midwest Railcar Corporation, that the foregoing instrument was signed on behalf of said limited liability company, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC: Jackie Olson

My commission expires: Jan 31, 2005

SCHEDULE "A"  
To Memorandum of Assignment of Lease and Rents  
SCHEDULE OF RAILCARS  
One Page  
Written Number (Number in Numeric) Units

Twenty (20) 100-ton, Woodchip Gondola Cars built in the 1970's with reporting marks  
CTIX1000 through 1019, inclusive.