

LAW OFFICES
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TOWSON, MD
WASHINGTON, D.C.

December 21, 2001

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

~~23416-G~~ 23416-G
JAN 15 '02 8-21 AM
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 Chattel Mortgage and Security Agreement Modification Agreement, dated December 26, 2001 as a secondary document to recordation number 23416 as defined in the Board's Rules for the Recordation of Documents.

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

Debtor:	Midwest Railcar Corporation 3 Professional Park Drive, Suite B Maryville, Illinois 62062
Secured Party:	Allfirst Bank 25 South Charles Street Baltimore, Maryland 21201

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

Thirteen (13) Woodchip Gondolas bearing car marks and numbers as listed on Exhibit A to said Memorandum of Chattel Mortgage and Security Agreement Modification Agreement.

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

Surface Transportation Board
December 21, 2001
Page 2

MILES & STOCKBRIDGE P.C.

Memorandum of Chattel Mortgage and Security Agreement Modification Agreement between Midwest Railcar Corporation, Debtor, and Allfirst Bank, Secured Party, covering thirteen (13) Boxcars, Woodchip Gondolas bearing car marks and numbers as listed on Exhibit A to said Memorandum of Chattel Mortgage and Security Agreement Modification Agreement.

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

/dh
Enclosures

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RECORDED **23416-G** FILED

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SURFACE TRANSPORTATION BOARD

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

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

Secured Party: Allfirst Bank
25 South Charles Street
Baltimore, Maryland 21201

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

Thirteen (13) Woodchip Gondolas bearing car marks and numbers as listed on Exhibit A to said Memorandum of Chattel Mortgage and Security Agreement Modification Agreement.

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Doti Hampton
Legal Assistant

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RECORDING NO. 23416-G FILED

JAN 15 '02 8-21 AM

SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF
CHATTEL MORTGAGE AND SECURITY AGREEMENT
MODIFICATION AGREEMENT**

dated as of December 26, 2001

by and between

**MIDWEST RAILCAR CORPORATION,
as Debtor**

and

**ALLFIRST BANK,
as Secured Party**

**MEMORANDUM OF CHATTEL MORTGAGE AND SECURITY AGREEMENT
MODIFICATION AGREEMENT**

THIS MEMORANDUM OF CHATTEL MORTGAGE AND SECURITY AGREEMENT MODIFICATION AGREEMENT (this "Agreement") is made as of this 26th day of December, 2001, by and between ALLFIRST BANK (the "Secured Party") and MIDWEST RAILCAR CORPORATION, an Illinois corporation (the "Debtor"), witnesseth:

RECITALS

A. The Debtor and the Secured Party are parties to that certain Loan Agreement dated as of March 20, 2001 pursuant to which the Secured Party agreed to extend to the Debtor a line of credit described in the Loan Agreement.

B. To secure the Debtor's Obligations (as defined in the Loan Agreement) to the Secured Party, the Debtor executed and delivered to the Secured Party a Chattel Mortgage and Security Agreement dated as of March 20, 2001, as amended from time to time (the "Security Agreement"), pursuant to which the Debtor granted to the Secured Party a continuing, first priority security interest in and to, and lien on, twenty (20) flatcars, twenty one (21) boxcars, and sixty-three (63) woodchip gondolas.

C. A Memorandum of Chattel Mortgage and Security Agreement (the "Memorandum of Security Agreement") was filed and recorded with the Surface Transportation Board pursuant to 49 U.S.C. 11301 (a) on March 21, 2001 at 11:42 A.M., under Recordation No. 23416.

D. The Debtor subsequently purchased additional thirteen (13) woodchip gondolas (collectively, the "Railcars") described on Exhibit A attached hereto.

E. The Secured Party and the Debtor executed a Chattel Mortgage and Security Agreement Modification Agreement dated as of December 26, 2001 pursuant to which the parties amended Schedule 1 to the Security Agreement by adding the cars marks and numbers of the Railcars to the collateral listed therein.

F. The Secured Party and the Debtor desire to amend certain provisions of the Memorandum of Security Agreement.

TERMS

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Secured Party and the Debtor hereby agree as follows:

1. The facts set forth above are true and accurate in each respect.
2. The Memorandum of Security Agreement is hereby amended as follows: Exhibit A

attached to the Memorandum of Security Agreement is amended by adding the car marks and numbers of the Railcars.

3. The term "this Memorandum" as used in the Memorandum of Security Agreement shall mean the Memorandum of Security Agreement as modified herein unless the context clearly indicates or dictates a contrary meaning.

4. This Agreement may not be amended, changed, modified, altered, or terminated without in each instance the prior written consent of the Secured Party. This Agreement shall be construed in accordance with and governed by the laws of the State of Maryland.

5. This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute one agreement

[SIGNATURES APPEAR OF NEXT PAGE]

IN WITNESS WHEREOF, the Secured Party and the Debtor have caused this Agreement to be executed under seal as of the date first above written.

WITNESS:

ALLFIRST BANK

[Handwritten Signature]

By: *[Handwritten Signature]* (SEAL)
Richard M. Folio
Vice President

MIDWEST RAILCAR CORPORATION

By: _____ (SEAL)
Richard M. Murphy, III
President

STATE OF Maryland, CITY OF Baltimore, TO WIT:

On this 20th day of December, 2001 before me personally appeared Richard M. Folio, to me personally known, who being by me duly sworn, says that he is the Vice President of ALLFIRST BANK, that seal affixed to the foregoing instrument is the seal of said association, that said instrument was signed and sealed on behalf of said association, by authority of its Board of Directors, and that he acknowledged that the execution of the foregoing instruments was the free act and deed of said association.

IN WITNESS WHEREOF I have set my hand and seal.

[Handwritten Signature]
Notary Public



(SEAL)

My Commission Expires: 7/27/02

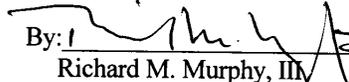
IN WITNESS WHEREOF, the Secured Party and the Debtor have caused this Agreement to be executed under seal as of the date first above written.

WITNESS: ALLFIRST BANK

By: _____ (SEAL)
Richard M. Folio
Vice President

MIDWEST RAILCAR CORPORATION



By:  (SEAL)
Richard M. Murphy, III
President

STATE OF Maryland, CITY OF Baltimore, TO WIT:

On this ___ day of December, 2001 before me personally appeared Richard M. Folio, to me personally known, who being by me duly sworn, says that he is the Vice President of ALLFIRST BANK, that seal affixed to the foregoing instrument is the seal of said association, that said instrument was signed and sealed on behalf of said association, by authority of its Board of Directors, and that he acknowledged that the execution of the foregoing instruments was the free act and deed of said association.

IN WITNESS WHEREOF I have set my hand and seal.

Notary Public

(SEAL)

My Commission Expires:

STATE OF Minnesota, CITY OF Elk River, TO WIT:

On this 20th day of December, 2001, before me personally appeared Richard M. Murphy, III, to me personally known, who being by me duly sworn, says that he is the President of MIDWEST RAILCAR CORPORATION, an Illinois corporation, that seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation, by authority of its Board of Directors, and that he acknowledged that the execution of the foregoing instruments was the free act and deed of said corporation.

IN WITNESS WHEREOF I have set my hand and seal.


Notary Public

(SEAL)

My Commission Expires:

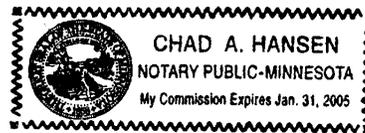


EXHIBIT A

DESCRIPTION OF RAILCARS

Thirteen (13) Woodchip Gondolas bearing car marks and numbers as follows:

SP 354458
SP 354860
SP 354449
SP 354623
SP 354710
SP 354503
SP 355079
SP 354773
SP 355071
SP 355095
SP 354913
SP 354447
SP 354429