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WASHINGTON, D.C.

March 16, 2001

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

RECORDATION NO. 23416 FILED
MAR 21 '01 11-42 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, dated March 20, 2001, a primary document as defined in the Board's Rules for the Recordation of Documents.

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

Buyer: Midwest Railcar Corporation
9876 213th Avenue, N.W.
Elk River, Minnesota 62062

Seller: Allfirst Bank
25 South Charles Street
Baltimore, Maryland 21201

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

Nineteen (19) flat cars with tri-level autoracks bearing the following road numbers and marks:

<u>Flat Number</u>	<u>Rack Number</u>
SOU 150440	SOU 006340
NS 171487	NS 056087
SOU 150429	SOU 006329
SOU 150402	SOU 006302
SOU 150435	SOU 006335
SOU 150457	SOU 006357
SOU 150438	SOU 006338

SOU 150447	SOU 006347
SOU 150454	SOU 006354
SOU 150420	SOU 006320
SOU 050388	SOU 056088
SOU 150449	SOU 006349
SOU 150459	SOU 006359
SOU 150444	SOU 006344
SOU 050476	SOU 056116
SOU 050475	SOU 056115
SOU 050386	SOU 056086
SOU 050485	SOU 056125
SP 516594	SP 516594

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

Memorandum of Chattel Mortgage and Security Agreement between Midwest Railcar Corporation, Debtor, and Allfirst Bank, Secured Party, covering nineteen (19) flat cars with tri-level autoracks bearing the following road numbers and marks:

<u>Flat Number</u>	<u>Rack Number</u>
SOU 150440	SOU 006340
NS 171487	NS 056087
SOU 150429	SOU 006329
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SOU 050476	SOU 056116
SOU 050475	SOU 056115
SOU 050386	SOU 056086
SOU 050485	SOU 056125
SP 516594	SP 516594

Also enclosed is a check in the amount of \$27.00 payable to the order of the Surface Transportation Board to cover the required recordation fee.

Surface Transportation Board
October 26, 2000
Page 3

MILES & STOCKBRIDGE P.C.

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

Very truly yours,

A handwritten signature in black ink, appearing to read "D.M. Schilling". The signature is written in a cursive, somewhat stylized font.

David M. Schilling
Legal Assistant

Enclosures

LAW OFFICES
MILES & STOCKBRIDGE P.C.

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ROCKVILLE, MD
TOWSON, MD
MCLEAN, VA
WASHINGTON, D.C.

FACSIMILE COVER SHEET

TO: MS. TALEDIA STOKES

FAX NO.: 202-565-9004 **PHONE NO.:** 202-565-1659

FROM: DAVID M. SCHILLING **PHONE NO.:** (410) 385-3410

DATE: MARCH 20, 2001 **TIME:** 4:34 PM

FILE NO.: 258-2139 **PAGES (INCLUDING COVER SHEET)** 2

MESSAGE

Taledia,
Thank you so much for your assistance. Following is the missing description of the railcars. Please include it in the filing. Again, thank you.
Dave Schilling



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SURFACE TRANSPORTATION BOARD

CONFIDENTIALITY NOTICE

The information in this transmission is intended only for the individual or entity named above. It may be legally privileged and confidential. If you have received this information in error, notify us immediately by calling our operator at the number set out below. Send the original transmission to us by mail. Return postage is guaranteed. If the reader of this message is not the intended recipient, you are hereby notified that any disclosure, dissemination, distribution or copying of this communication or its contents is strictly prohibited.

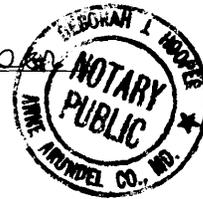
If you do not receive all pages or have any problems with receiving this transmission, please call David M.

STATE OF MARYLAND
SS:
CITY OF BALTIMORE

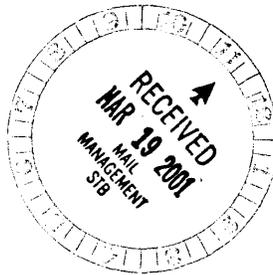
THIS IS TO CERTIFY that the attached Memorandum of Chattel Mortgage and Security Agreement is a true and complete copy of said Memorandum of Chattel Mortgage and Security Agreement.

WITNESS my hand and seal this 16th day of March 2001.

Deborah J. Hooper
Notary Public



My Commission Expires: 7/27/02



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SURFACE TRANSPORTATION BOARD

RECORDATION NO. 23416 FILED

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SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF CHATTEL MORTGAGE
AND SECURITY AGREEMENT**

dated March 20, 2001

by and between

**MIDWEST RAILCAR CORPORATION,
as Debtor**

and

**ALLFIRST BANK,
as Secured Party**

RECORDATION NO. 23416 FILED

MAR 21 '01 11-42 AM

**MEMORANDUM OF CHATTEL MORTGAGE AND
SECURITY AGREEMENT**

SURFACE TRANSPORTATION BOARD

THIS MEMORANDUM OF CHATTEL MORTGAGE AND SECURITY AGREEMENT (this "Memorandum") is made this 20th day of March, 2001, by and between MIDWEST RAILCAR CORPORATION, an Illinois corporation ("Borrower"), and ALLFIRST BANK, a state-chartered Federal Reserve Member bank organized under the laws of the State of Maryland ("Bank").

A. The Borrower and the Bank are parties to that certain Loan Agreement ("Agreement") dated March 20, 2001 pursuant to which the Bank agreed to establish a Line of Credit for the Borrower described in the Agreement.

B. To secure the Borrower's Obligations (as defined in the Agreement) to the Bank, the Borrower executed and delivered to the Bank a Chattel Mortgage and Security Agreement dated March 20, 2001 pursuant to which the Borrower granted to the Bank a continuing, first priority security interest in and to, and lien on, the following collateral:

- (a) nineteen (19) railcars described on Exhibit A attached hereto (each, a "Railcar", collectively, the "Railcars") and all replacements and substitutions thereof;
- (b) all improvements, additions, modifications, accessions, attachments, appurtenances and parts appertaining or attached to the Railcars, whether now owned or hereafter acquired;
- (c) all logs, books and records pertaining to the use, operation and/or maintenance of the Railcars or otherwise relating to any of the collateral described herein;
- (d) all rights, claims and causes of action, if any, which the Borrower may have now or in the future against any manufacturer, rebuilder or seller of the Railcars (or any component thereof) or any other Person, by contract or otherwise, in respect of any defect in the Railcars or any part thereof; and
- (e) all proceeds (cash and non-cash), including insurance proceeds, settlement proceeds and condemnation awards thereof.
- (f) all proceeds (cash and non-cash), including insurance proceeds, settlement proceeds and condemnation awards thereof.

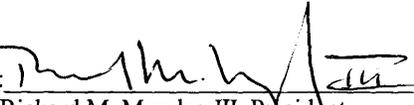
[SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

WITNESS:

MIDWEST RAILCAR CORPORATION



By: 
Richard M. Murphy, III, President

WITNESS:

ALLFIRST BANK

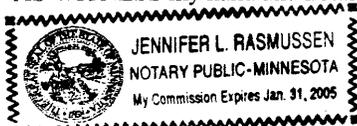
By: 
Richard M. Folio, Vice President

STATE OF MINNESOTA, COUNTY OF SHERBURNE

On this 6th day of January, 2001, before me, a Notary Public of the City and State aforesaid, 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 the seal affixed to the foregoing instrument is the seal of said association, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal

(Seal)



My commission expires:

JANUARY 31, 2005


Notary Public

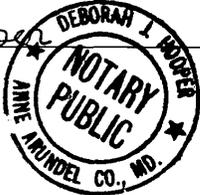
STATE OF MARYLAND, City OF Baltimore

On this 16th day of March, 2001, before me, a Notary Public of the City and State aforesaid, personally appeared Richard M. Folio, to me personally known, who being by me duly sworn, says that he is a Vice President of Allfirst Bank, that the seal affixed to the foregoing instrument is the seal of Allfirst Bank, that said instrument was signed and sealed on behalf of Allfirst Bank by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of Allfirst Bank.

AS WITNESS my hand and notarial seal

(Seal)

Deborah J. Hooper
Notary Public

A circular notary seal for Deborah J. Hooper, Notary Public, Anne Arundel Co., MD. The seal features the text "DEBORAH J. HOOPER" at the top, "NOTARY PUBLIC" in the center, and "ANNE ARUNDEL CO., MD." at the bottom, with two stars on either side of the bottom text.

My commission expires: 7/27/02

EXHIBIT A

DESCRIPTION OF RAILCARS

Nineteen (19) flat cars with tri-level autoracks bearing the following road numbers and marks:

<u>Flat Number</u>	<u>Rack Number</u>
<u>1.</u> SOU 150440	SOU 006340
<u>2.</u> NS 171487	NS 056087
<u>3.</u> SOU 150429	SOU 006329
<u>4.</u> SOU 150402	SOU 006302
<u>5.</u> SOU 150435	SOU 006335
<u>6.</u> SOU 150457	SOU 006357
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<u>10.</u> SOU 150420	SOU 006320
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<u>15.</u> SOU 050476	SOU 056116
<u>16.</u> SOU 050475	SOU 056115
<u>17.</u> SOU 050386	SOU 056086
<u>18.</u> SOU 050485	SOU 056125
<u>19.</u> SP 516594	SP 516594



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