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April 25, 2001

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

RECORDATION NO. 23467 FILED

APR 26 '01 11-06 AM

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 April 26, 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
3 Professional Park Drive, Suite B
Maryville, Illinois 62062

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

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

Eight (8) Boxcars, one Woodchip Gondola and one flat car with tri-level autorack 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:

Memorandum of Chattel Mortgage and Security Agreement Modification Agreement between Midwest Railcar Corporation, Debtor, and Allfirst Bank, Secured Party, covering eight (8) Boxcars, one Woodchip Gondola and one flat car with tri-level autorack bearing car marks and numbers as listed on Exhibit A to said Memorandum of Chattel Mortgage and Security Agreement Modification Agreement.

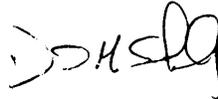
Surface Transportation Board
October 26, 2000
Page 2

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,

A handwritten signature in black ink, appearing to read "DMS", with a stylized flourish extending from the end.

David M. Schilling
Legal Assistant

Enclosures

RECORDATION NO. 23467 FILED

APR 26 '01 11-06 AM

SURFACE TRANSPORTATION BOARD

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

dated April 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 April, 2001, by and between ALLFIRST BANK (the "Bank") and MIDWEST RAILCAR CORPORATION, an Illinois corporation (the "Borrower"), witnesseth:

RECITALS

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

B. To secure the Borrower's obligations (as defined in the Loan Agreement) to the Bank, the Borrower executed and delivered to the Bank a Chattel Mortgage and Security Agreement dated March 20, 2001 (the "Security Agreement"), pursuant to which the Borrower granted to the Bank a continuing, first priority security interest in and to, and lien on, nineteen (19) flatcars.

C. A Memorandum of the 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 Borrower subsequently purchased additional eight (8) boxcars, one (1) woodchip gondola and one (1) flatcar (collectively, the "Railcars") described on Exhibit A attached hereto.

E. On April 26, 2001, the Bank and the Borrower executed a Chattel Mortgage and Security Agreement Modification Agreement 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 thereon.

F. The Bank and the Borrower 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 Bank and the Borrower 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 Bank. 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 Bank and the Borrower have caused this Agreement to be executed under seal as of the date first above written.

WITNESS: ALLFIRST BANK

Henry Lewis Casey

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

MIDWEST RAILCAR CORPORATION

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

STATE OF _____, CITY OF _____, TO WIT:

On this ____ day of _____, 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:

IN WITNESS WHEREOF, the Bank and the Borrower 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

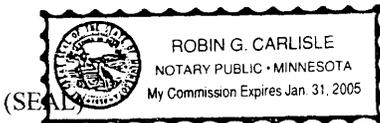
MIDWEST RAILCAR CORPORATION

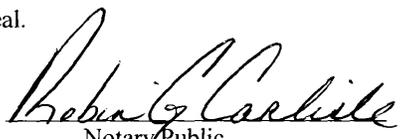

By:  (SEAL)
Richard M. Murphy, III
President

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

On this 2nd day of April, 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

My Commission Expires:

STATE OF Maryland, CITY OF Baltimore, TO WIT:

On this 5th day of April, 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
Roger Weaver, Notary Public
State of Maryland
Commission expires Jan. 1, 2003

(SEAL)

My Commission Expires:

EXHIBIT A

DESCRIPTION OF RAILCARS

Eight (8) boxcars bearing car marks and numbers as follows:

<u>New Car Numbers</u>	<u>Old Car Numbers</u>
MWCX500055	MP 266153
MWCX500056	MP 266300
MWCX500057	MP 267702
	MP 266885
	MP 267565
	MP 266861
	MP 267643
	SP 691784

One (1) woodchip gondola bearing car marks and numbers as follows:

<u>New Car Numbers</u>	<u>Old Car Numbers</u>
	UP 147414

One (1) flat car with tri-level autorack bearing car marks and numbers as follows:

<u>Flat Number</u>	<u>Rack Number</u>
SOU 50462	SOU 56102