

RECORDATION NO. 23803 FILED

DEC 31 '01

3-33 PM

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SURFACE TRANSPORTATION BOARD

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

OF COUNSEL
URBAN A. LESTER

December 31, 2001

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 three (3) copies of a Memorandum of Loan and Security Agreement, dated as of December 31, 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:

Borrower: Midwest Railcar Corporation
9876 213th Avenue, N.W.
Elk River, Minnesota 55330

Lender: Deutsche Financial Services Corporation
1181 C Lake Cook Road
Deerfield, Illinois 60015

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

Twenty-four (24) woodchip gondola railcars within the series MWCX 100114 - MWCX 100142 not inclusive, formerly numbered SP 354423 - SP 355099 not inclusive, more particularly described in Schedule I to the Memorandum.

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

Mr. Vernon A. Williams
December 31, 2001
Page 2

Memorandum of Loan and Security Agreement.

Also enclosed is a check in the amount of \$28.00 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,

A handwritten signature in cursive script, appearing to read "Edward M. Luria".

Edward M. Luria

RWA/anm
Enclosures

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF LOAN AND SECURITY AGREEMENT

BETWEEN

**DEUTSCHE FINANCIAL SERVICES CORPORATION
("LENDER")**

AND

**MIDWEST RAILCAR CORPORATION
("BORROWER")**

December 31, 2001

Memorandum of Loan and Security Agreement made and entered into as of December 31, 2001, by and between Deutsche Financial Services Corporation, a Nevada corporation ("Lender"), and Midwest Railcar Corporation, an Illinois corporation ("Borrower").

WITNESSETH:

To secure all obligations of the Borrower under that certain Loan and Security Agreement of even date herewith (the "Loan Agreement"), the prompt payment of the principal and interest on the Promissory Note(s) (whether now or hereafter outstanding), and of all other moneys payable and to be payable to Lender under the Loan Agreement, and any existing and future obligations of Borrower to Lender, including but not limited to those obligations described in, evidenced or set forth in those certain promissory notes dated February 8, 2001, April 4, 2001, August 14, 2001 and December 11, 2001 (the "Prior Promissory Notes"), and those certain loan and security agreements by and between Borrower and Lender dated February 28, 2001, as amended, August 14, 2001 and December 11, 2001 (the "Prior Loan Agreements"), with all of the foregoing hereafter collectively being referred to as the "Indebtedness", and the timely and faithful performance and observance by Borrower of all of the agreements, covenants, provisions and obligations contained in this Agreement, and the Promissory Note(s), Borrower has granted, conveyed, pledged, mortgaged, assigned, transferred and set over a security interest, and does hereby grant, convey, pledge, mortgage, assign, transfer and set over a lien on and continuing security interest unto Lender in (i) all of Borrower's right, title and interest, including any interest hereafter acquired, in every Railcar identified on Schedule I attached hereto and made a part hereof, and any Railcar hereafter added to Schedule I by way of supplement or amendment; (ii) Borrower's interest in accessions, accessories, equipment, appurtenances and replacement and added parts appertaining or attached to any of the Railcars owned or hereafter 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 Borrower on account of the lease, sale, loss or other disposition of the Railcars; (iv) the Lease and all bills of sale or other similar documents, agreements and instruments relating to the Railcars, and all other leases, subleases, 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 Borrower'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 Borrower including without limitation the right to receive notices, give consents, exercise any election or option, declare defaults and demand payments thereunder; (v) all rents, damages and other moneys from time to time payable to or receivable by Borrower under the Documentary Security; and (vi) all Separate Collateral, referenced and set forth in the Prior Loan Agreements, including but not limited to the respective boxcars and gondola railcars described therein and the assignments of leases with respect to said boxcars and gondola railcars, and all rentals due under said leases and all proceeds thereof, for which Lender's security interest has previously been recorded with the Surface Transportation Board, Recordation Nos. 23393 A through 23393 G, (August, 2001 STB Recordation Number) and 23763, 23763A and 23763C (the Railcars, Documentary Security, collateral securing the Prior Loan Agreements, proceeds, rights, claims and causes of action described in items (i) through (vi) 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.

Capitalized terms not defined herein shall have the meanings ascribed to them in the Loan Agreement.

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

DEUTSCHE FINANCIAL SERVICES
CORPORATION, as Lender

By: 
Patrick J. Mazzanti

Title: Assistant Vice President

MIDWEST RAILCAR CORPORATION
as Borrower

By: Richard M. Murphy

Title: President & CEO

STATE OF ILLINOIS)
)
COUNTY OF COOK) ss.

On this 27th day of December, 2001, before me personally appeared Patrick J. Maccanti, to me personally known, who being by me duly sworn, says that he is the AVP of Deutsche Financial Services Corporation, 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.

Steven P. Ordaz
NOTARY PUBLIC
"OFFICIAL SEAL"
Steven P. Ordaz
Notary Public, State of Illinois
My Commission Expires Dec. 6, 2003

My commission expires: 12/6/03

STATE OF _____)
)
COUNTY OF _____) ss.

On this ___ day of December, 2001, 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: _____

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

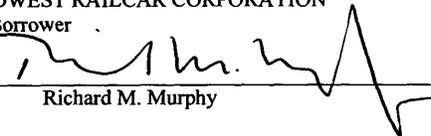
IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

DEUTSCHE FINANCIAL SERVICES
CORPORATION, as Lender

By: _____
Patrick J. Mazzanti

Title: Assistant Vice President

MIDWEST RAILCAR CORPORATION
as Borrower

By: 
Richard M. Murphy

Title: President & CEO

STATE OF _____)
) ss.
COUNTY OF _____)

On this ___ day of December, 2001, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of Deutsche Financial Services Corporation, 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: _____

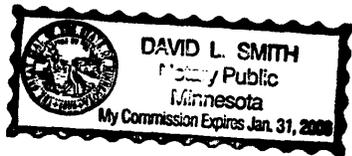
STATE OF Minnesota)
) ss.
COUNTY OF Sherburne)

On this 27th day of December, 2001, before me personally appeared Richard 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.

David L. Smith

NOTARY PUBLIC

My commission expires: 1-31-06



SCHEDULE I
TO
MEMORANDUM OF LOAN AND SECURITY AGREEMENT
BY AND BETWEEN
DEUTSCHE FINANCIAL SERVICES CORPORATION, LENDER
AND
MIDWEST RAILCAR CORPORATION,
BORROWER

DESCRIPTION OF RAILCARS

One Page

7452 cf Woodchip Gondolas

<u>Car Number</u>	<u>Prior</u> <u>Car Number</u>
1 MWCX100114 SP	354480
2 MWCX100115 SP	354489
3 MWCX100116 SP	354590
4 MWCX100117 SP	354644
5 MWCX100118 SP	354809
6 MWCX100119 SP	354869
7 MWCX100120 SP	354910
8 MWCX100121 SP	354915
9 MWCX100122 SP	354968
10 MWCX100123 SP	354973
11 MWCX100125 SP	355046
12 MWCX100126 SP	354423
13 MWCX100127 SP	354499
14 MWCX100128 SP	354514
15 MWCX100129 SP	354615
16 MWCX100130 SP	354674
17 MWCX100131 SP	354685
18 MWCX100132 SP	354816
19 MWCX100133 SP	354877
20 MWCX100136 SP	355017
21 MWCX100138 SP	355054
22 MWCX100139 SP	355099
23 MWCX100140 SP	354866
24 MWCX100142 SP	354926

Lessee: Commercial Metals Company