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OF COUNSEL
URBAN A. LESTER

April 12, 2002

RECORDATION NO. 23416-K FILED

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

APR 12 '02 12-25 PM
SURFACE TRANSPORTATION BOARD

Dear Ms. Farr:

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 as of April 12, 2002, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Chattel Mortgage and Security Agreement which was previously filed with the Board under Recordation Number 23416.

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

Secured Party:	Allfirst Bank 25 South Charles Street Baltimore Maryland 21202
Debtor	Midwest Railcar Corp 9876 213 th Avenue, N.W. Elk River, Minnesota 55330

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

Thirty eight (38) boxcars within the series MP 377022 - MP 377053 and within the series SP 245992 - SP 248498.

Mr. Vernon A. Williams
April 12, 2002
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A short summary of the document to appear in the index is:

Memorandum of Chattel Mortgage and Security Agreement Modification Agreement.

Also enclosed is a check in the amount of \$30.00 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 black ink, appearing to read 'R. Alvord', written in a cursive style.

Robert W. Alvord

RWA/anm
Enclosures

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

dated as of April 12, 2002

by and between

**MIDWEST RAILCAR CORPORATION,
as Debtor**

and

**ALLFIRST BANK,
as Secured Party**

RECORDATION NO. 234116-K FILED

APR 12 '02 12-25 PM

SURFACE TRANSPORTATION BOARD

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**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 12th day of April, 2002, 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, forty-six (46) boxcars, and seventy-six (76) 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 thirty-eight (38) boxcars (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 April 12, 2002 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 ON 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

Henryk W. Gric Craig

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

MIDWEST RAILCAR CORPORATION

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

STATE OF Maryland, CITY OF Baltimore, TO WIT:

On this 11th day of April, 2002 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.

HENRYKA W. GRYC CRAIG
NOTARY PUBLIC STATE OF MARYLAND
County of Baltimore
My Commission Expires September 20, 2005

(SEAL)

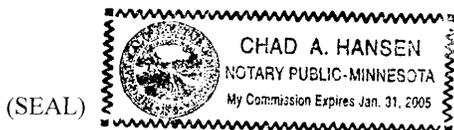
Henryk W. Gric Craig
Notary Public

My Commission Expires:

STATE OF Minnesota, CITY/COUNTY OF Stearns, TO WIT:

On this 16th day of April, 2002, 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.



Chad A. Hansen
Notary Public

My Commission Expires: Jan. 31, 2005

EXHIBIT A

DESCRIPTION OF RAILCARS

Thirty-Eight (38) Boxcars bearing the road marks and numbers as follows:

SP 248498
SP 248331
SP 248237
SP 248014
SP 247941
SP 247873
SP 247848
SP 247836
SP 247777
SP 247758
SP 247712
SP 247505
SP 247436
SP 247404
SP 247398
SP 247344
SP 247324
SP 247304
SP 247082
SP 247026
SP 247014
SP 246875
SP 246794
SP 246574
SP 246563
SP 246519
SP 246484
SP 246392
SP 246269
SP 246223
SP 245993
SP 245992
MP 377053
MP 377050
MP 377031
MP 377030
MP 377024
MP 377022