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August 14, 2002

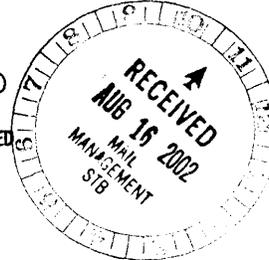
VIA FEDERAL EXPRESS

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

RECORDATION NO. 24078 FILED

AUG 19 '02 3-30 PM

SURFACE TRANSPORTATION BOARD



Re: Memorandum of Lease between, Memorandum of (Collateral) Assignment of Lease and Rents and Memorandum of Commercial Security Agreement between Midwest Railcar Corporation and General Mills Operations, Inc. re: (10) Ten 50' 70-ton Boxcars

Dear Ms. Keyes:

Enclosed for recordation as a secondary document to the Memorandum of Lease dated April 3, 2002 filed under separate cover on this date, pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) originals of a Memorandum of (Collateral) Assignment of Leases and Rents, dated July 19, 2002, as defined in the Board's Rules for the Recordation of Documents for filing.

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

Secured Party: Associated Bank Minnesota
7760 France Avenue South
Bloomington, MN 55435-5833

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

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

Ten (10) 50' 70-ton Boxcars equipped with load dividers and single plug doors bearing car marks and numbers as listed on Exhibit A to said Memorandum of (Collateral) Assignment of Leases and Rents.

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

Surface Transportation Board
May 15, 2002
Page 2

MILES & STOCKBRIDGE P.C.

Memorandum of (Collateral) Assignment of Leases and Rents between Associated Bank Minnesota as Secured party and Midwest Railcar Corporation as Debtor, covering Ten (10) 50' 70-ton Boxcars equipped with load dividers and single plug doors bearing car marks and numbers as listed on Exhibit A to said Memorandum of (Collateral) Assignment of Leases and Rents.

Also enclosed is a check in the amount of \$30.00 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.

Also, please call (410) 385-3423 to confirm your receipt of the enclosed items.

Very truly yours,



Doti J. Hampton
Legal Assistant

Enclosures

MEMORANDUM OF (COLLATERAL) ASSIGNMENT
OF LEASES AND RENTS
BETWEEN

ASSOCIATED BANK MINNESOTA
("SECURED PARTY")

AND

MIDWEST RAILCAR CORPORATION
("DEBTOR")

July 19, 2002

RECORDATION NO. 24078-B FILED

AUG 19 '02 3-30 PM

SURFACE TRANSPORTATION BOARD

This Memorandum of Assignment of Lease and Rents is hereby entered into as of this 19th day July of 2002 by and between Associated Bank Minnesota, a Minnesota corporation ("Lender"), and Midwest Railcar Corporation, an Illinois corporation ("Borrower").

W I T N E S S E T H:

The Borrower hereby sells, assigns, transfers and sets over unto Associated Bank Minnesota (hereinafter, the "Lender"), all of the Borrower's right, title and interest in and to the lease of (10) 50' Boxcars as evidenced by that certain Rider dated April 3, 2002 which incorporates by reference that Full Service Lease Agreement dated effective February 15th, 2002 by and between Borrower (as Lessor) and General Mills Operations Inc. (as Lessee), and any other Equipment Riders and schedules thereto (together, the "Lease") and all rents and other sums due thereunder, and all proceeds therefrom with respect to those certain railcars identified on the attached Schedule "A" hereto (the "Railcars"), and all rents, renewal rents, proceeds of settlement for the Railcars which are lost, destroyed or damaged beyond repair and all other sums due and to become due under and pursuant to or by reason of the Lease, including but not limited to, the payment of any purchase option price paid by the Lessee pursuant to the Lease, as well as any and all subleases of the Railcars.

This Assignment is given and intended as continuing collateral for the payment of the indebtedness of the Borrower to the Lender as provided for in the Commercial Security Agreement dated July 19, 2002 (the "Agreement"), including but not limited to any and all promissory notes executed thereunder (the "Promissory Notes"), including any and all interest thereon and expenses therefor and any and all extensions and/or renewals of the referenced indebtedness, whether such indebtedness shall at any time or from time to time have been reduced or paid in full and thereafter increased or reincurred, and no renewal of, or extension of time of payment of the subject indebtedness or any part thereof, and no agreement not to sue or release or discharge of any persons liable therefor or thereon, or release or exchange of other collateral or any act or thing whatsoever shall diminish, discharge, impair or affect this Assignment or the security afforded hereby, save payment in full by the Borrower to the Lender of any and all indebtedness of the Borrower to the Lender arising under the Agreement and the Promissory Notes, while no default exists under any of the other provisions thereof. If such payment in full is made by the Borrower while no such default exists or if any such payment in full is made while any default exists and all such defaults are subsequently corrected by the Borrower, the Borrower shall be entitled to have this Assignment discharged.

Capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement. This Memorandum of Assignment of Lease and Rents may be executed in any number of counterparts, each executed counterpart constituting an original but together only one memorandum of Assignment of Lease and Rents.

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

ASSOCIATED BANK MINNESOTA
as Lender

By:

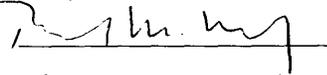


Name: Brian Munderloh

Title: Vice President

MIDWEST RAILCAR CORPORATION
as Borrower

By:



Name: Richard M. Murphy

Title: President

STATE OF Minnesota)
) ss.
COUNTY OF Anoka)

On this 19th day of July 2002, before me personally appeared Brian Munderloh, to me personally known, who being by me duly sworn, says that he is the Vice President of ASSOCIATED BANK MINNESOTA, 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: Jackie Olson



My commission expires: Jan 31, 2005

STATE OF Minnesota)
) ss.
COUNTY OF Anoka)

On this 19th day of July 2002, before me personally appeared Richard Murphy, to me personally known, who being by me duly sworn, says that he is the owner of Midwest Railcar Corporation, that the foregoing instrument was signed on behalf of said limited liability company, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC: Jackie Olson



My commission expires: Jan 31, 2005

SCHEDULE "A"
To Memorandum of Assignment of Lease and Rents
SCHEDULE OF RAILCARS
One Page
Written Number (Number in Numeric) Units

Ten (10), 50' 70 ton Boxcars equipped with load dividers and single plug doors.. Car
Numbers MWCX 550035-550044, inclusive.