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October 22, 2002



VIA FEDERAL EXPRESS

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

RE: Filing of Memorandum of Assignment of Lease between First Mid-Illinois Bank and Trust, N.A. and Midwest Railcar Corporation re: Thirty-five (35) 50 ft. 70-ton Plate "C" Boxcars under Lease to Penny-Newman Grain Company.

Dear Ms. Sadler:

Enclosed for recordation as a secondary document to the Memorandum of Lease, dated February 26, 2002, bearing Surface Transportation Board Recordation No. 23972, pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) original copies of a Memorandum of Assignment of Lease between First Mid-Illinois Bank and Trust, N.A. and Midwest Railcar Corporation, dated April 29, 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: First Mid-Illinois Bank and Trust, N.A.
12616 State Route 143
Highland, IL 62249

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

RECORDATION NO. 23972-B FILED

OCT 23 '02 12-06 PM
SURFACE TRANSPORTATION BOARD

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

Thirty-five (35) 50 ft. 70-ton Plate "C" Boxcars bearing car marks and numbers as listed on Schedule A to said Memorandum of Assignment of Lease.

Surface Transportation Board
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MILES & STOCKBRIDGE P.C.

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

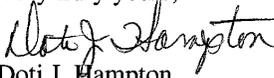
Memorandum of Assignment of Lease between First Mid-Illinois Bank and Trust, N.A., as Secured Party and Midwest Railcar Corporation, as debtor covering Thirty-five (35) 50 ft. 70-ton Plate "C" Boxcars bearing car marks and numbers as listed on Schedule A to said Memorandum of Assignment of Lease.

I have also enclosed a check in the amount of \$30.00, payable to the Surface Transportation Board to cover the required recordation fee.

Please kindly return stamped copies of the enclosed documents 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 ASSIGNMENT
OF LEASE BETWEEN
FIRST MID-ILLINOIS BANK AND TRUST, NA
("SECURED PARTY")
AND
MIDWEST RAILCAR CORPORATION
("DEBTOR")

April 29, 2002

RECORDATION NO. 23972-B FILED

OCT 23 '02 12-06 PM

SURFACE TRANSPORTATION BOARD

This Memorandum of Assignment of Lease is hereby entered into as of this 29th day April 2002 by and between First Mid-Illinois Bank and Trust, NA ("Secured Party"), and Midwest Railcar Corporation, an Illinois corporation ("Debtor").

WITNESSETH:

The Debtor hereby, assigns, transfers and sets over unto Secured Party all of the Debtor's right, title and interest in and to the lease of (35) 50', 70-ton Plate C Boxcars as evidenced by that certain Rider 1 dated February 22, 2002 which incorporates by reference that Full Service Lease Agreement dated effective February 22, 2002 by and between Debtor (as Lessor) and Penny-Newman Grain Co. (as Lessee), and any other Equipment Riders and or schedules thereto (together, the "Lease") and all rents and other sums due under Rider 1, 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 Debtor to the Security as provided for in the Commercial Security Agreement dated April 29, 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 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.

FIRST MID-ILLINOIS BANK AND TRUST, NA
as Secured Party

By: Gordon D. Smith

Name: GORDON D. SMITH

Title: Community President

MIDWEST RAILCAR CORPORATION
as Debtor

By: _____

Name: _____

Title: _____

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.

FIRST MID-ILLINOIS BANK AND TRUST, NA
as Secured Party

By: _____

Name: _____

Title: _____

MIDWEST RAILCAR CORPORATION
as Debtor

By: Richard M. Murphy

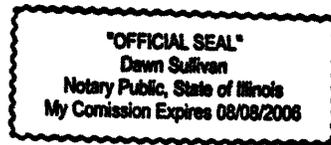
Name: Richard M. Murphy

Title: President

STATE OF Illinois)
) ss.
COUNTY OF Madison)

On this 16th day of October 2002, before me personally appeared Madon D. Smith, to me personally known, who being by me duly sworn, says that he is the Community President of FIRST MID-ILLINOIS BANK AND TRUST, NA, 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: Dawn Sullivan



My commission expires: 08/08/2006

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of October 2002, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ 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: _____

My commission expires: _____

STATE OF _____)
) ss.
COUNTY OF _____)

On this ____ day of October 2002, before me personally appeared _____, to me personally known, who being by me duly sworn, says that he is the _____ of FIRST MID-ILLINOIS BANK AND TRUST, NA, 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: _____

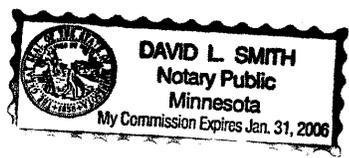
My commission expires: _____

STATE OF Minnesota)
) ss.
COUNTY OF Sherburne)

On this 8 day of October 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 & CEO of MIDWEST RAILCAR CORPORATION, that the foregoing instrument was signed on behalf of said corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC: David L. Smith

My commission expires: 1-31-06



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

Thirty-Five (35) 50ft. 70-ton Plate "C" Boxcars built by Berwirck in 1981, bearing the following car marks and numbers:

OLD MARKS & NUMBERS	NEW MARKS & NUMBERS
1. MEC 35160	MWCX 550000
2. MEC 35166	MWCX 550001
3. MEC 35162	MWCX 550002
4. MEC 35095	MWCX 550003
5. MEC 35159	MWCX 550004
6. MEC 35101	MWCX 550005
7. MEC 35091	MWCX 550006
8. MEC 35151	MWCX 550007
9. MEC 35099	MWCX 550008
10. MEC 35016	MWCX 550009
11. MEC 35121	MWCX 550010
12. MEC 35082	MWCX 550011
13. MEC 35132	MWCX 550012
14. MEC 35197	MWCX 550013
15. MEC 35105	MWCX 550014
16. MEC 35180	MWCX 550015
17. MEC 35014	MWCX 550016
18. MEC 35066	MWCX 550017
19. MEC 35167	MWCX 550018
20. MEC 35112	MWCX 550019
21. MEC 35007	MWCX 550020
22. MEC 35113	MWCX 550021
23. MEC 35069	MWCX 550022
24. MEC 35031	MWCX 550023
25. MEC 35012	MWCX 550024
26. MEC 35100	MWCX 550025
27. MEC 35039	MWCX 550026
28. MEC 35183	MWCX 550027
29. MEC 35120	MWCX 550028
30. MEC 35150	MWCX 550029
31. MEC 35181	MWCX 550030
32. MEC 35060	MWCX 550031
33. MEC 35065	MWCX 550032
34. MEC 35172	MWCX 550033
35. MEC 35189	MWCX 550034