

**OSTER  
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April 29, 2003

Secretary  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423

~~MEMORANDUM~~ 24424 FILED

APR 29 '03 11:55 AM

SURFACE TRANSPORTATION BOARD

Dear Sir:

Enclosed for recording with the Surface Transportation Board is a Memorandum of Security Agreement dated April 8, 2003, including the following parties and railroad equipment:

Secured Party: Wells Fargo Equipment Finance, Inc.  
733 Marquette Avenue, #700  
Minneapolis, MN 55402

Debtor: Midwest Railcar Corporation  
9876 213<sup>th</sup> Avenue NW  
Elk River, MN 55330

Equipment: 15, 6007 cf Woodchip Gondolas  
MWCX 100233-100247

Please record this agreement as a primary document. The filing fee of \$30 is enclosed.

Summary: Memorandum of Security Agreement 4/8/03 between Wells Fargo Equipment Finance, Inc. as Secured Party and Gary and Midwest Railcar Corporation as Debtor including 15 Gondolas, MWCX 100233-100247.

Sincerely,



Mary Ann Oster  
Research Consultant

Enclosures

**MEMORANDUM OF  
SECURITY AGREEMENT**

THIS MEMORANDUM OF SECURITY AGREEMENT (this "Memorandum") is made this 8th day of April, 2003, by and between Midwest Railcar Corporation, an Illinois corporation ("Debtor"), and WELLS FARGO EQUIPMENT FINANCE, INC, a Minnesota Corporation ("Secured Party").

A. The Debtor is indebted to the Secured Party pursuant to that certain Promissory Note dated as of April 8, 2003 (the "Note") executed by the Debtor in favor of the Secured Party.

B. To secure the Debtor's obligations to the Secured Party, the Debtor executed and delivered to the Secured Party a Security Agreement dated April 8, 2003 and subsequent Addendum to Security Agreement, pursuant to which the Debtor granted to the Secured Party a continuing, first priority security interest in and to, and lien on, the following collateral:

(a) Fifteen (15) 6007 c.f. 100-ton Woodchip Gondolas with A/B end doors; AAR Car Type Code E500 more fully described on Schedule A attached hereto (each, a "Railcar", collectively, the "Railcars") and all replacements and substitutions thereof;

(b) all improvements, additions, modifications, accessions, attachments, appurtenances and parts appertaining or attached to the Railcars, whether now owned or hereafter acquired;

(c) all logs, books and records pertaining to the use, operation and/or maintenance of the Railcars or otherwise relating to any of the collateral described herein;

(d) all rights, claims and causes of action, if any, which the Debtor may have now or in the future against any manufacturer, rebuilder or seller of the Railcars (or any component thereof) or any other Person, by contract of otherwise, in respect of any defect in the Railcars or any part thereof;

(e) any agreement now or hereafter entered into for leasing the Railcars to any third party, including, without limitation, the Rider #2 to Full Service Lease Agreement dated January 31, 2003 between the Debtor and Blaine Larsen Farms, Inc. and the right to receive all payments and other sums due and to become due from time to time thereunder, to receive all notices and give consents, to exercise any election or option, to declare defaults and to demand payment of any sum due in connection therewith;

(f) all rent, damages and other moneys from time to time payable to or receivable by the Debtor in respect of the Railcars; and

(g) all proceeds (cash and non-cash), including insurance proceeds, settlement proceeds and condemnation awards thereof.

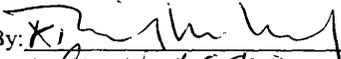
REGISTRATION NO. 24424 FILED

APR 29 '03 11-05 AM

SURFACE TRANSPORTATION BOARD

IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed as of the date first above written.

MIDWEST RAILCAR CORPORATION

By:   
Its: President CEO

WELLS FARGO EQUIPMENT FINANCE, INC.

By:   
Its: Contract Admin

**SCHEDULE A TO  
MEMORANDUM OF  
SECURITY AGREEMENT  
DATED AS OF APRIL 8, 2003**

**Fifteen (15) 6007 c.f. 100-ton Woodchip Gondolas with A/B end doors, built in 1969; AAR Car Type Code E500 with the following Markings:**

**MWCX100233  
MWCX100234  
MWCX100235  
MWCX100236  
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MWCX100239  
MWCX100240  
MWCX100241  
MWCX100242  
MWCX100243  
MWCX100244  
MWCX100245  
MWCX100246  
MWCX100247**

STATE OF Minnesota  
COUNTY OF Sherburne

On this 15 day of April, 2003, before me, a Notary Public of the City and State aforesaid, personally appeared Richard M. Murphy to me personally known, who being by me duly sworn, says that he is the President & CEO of Midwest Bank Corporation an IL corporation, the foregoing instrument was signed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.



David E. Smith  
Notary Public

My commission expires: 1-31-06

STATE OF Minnesota  
COUNTY OF Hennepin

On this 23 day of April, 2003, before me a Notary Public of the City and State aforesaid, personally appeared Cinnie Longtin, to me personally known who being by me duly sworn, says that (he/she) is a Contract Admin of Wells Fargo Eq Fin Inc; that foregoing instrument is/was signed on behalf of said corporation by authority of its Board of Directors, and (he/she) acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

AS WITNESS my hand and notarial seal.

(Seal)

Jeanne E. Samuelson  
Notary Public

My commission expires: 1-31-2005

