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

August 29 2003

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

RECORDATION NO. 23156-A FILED
AUG 29 '03 12-01 PM
SURFACE TRANSPORTATION BOARD

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Security Agreement dated as of September 1, 2003, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Security Agreement which was previously filed with the Board under Recordation Number 23156.

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

Borrower:	Incobrasa Industries, Ltd. 540 East U S Highway 24 Gilman, Illinois 60938
Secured Party:	Bank One, NA f/k/a Bank One, Illinois, NA One East Old State Capitol Plaza Springfield, Illinois 62701

Mr. Vernon A. Williams
August 29 2003
Page 2

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

30 railcars: UTLX 665311 –UTLX 665340.

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

Memorandum of Security 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,



Robert W. Alvord

RWA/anm
Enclosures

MEMORANDUM OF SECURITY AGREEMENT AUG 29 '03 12-01 PM

SURFACE TRANSPORTATION BOARD

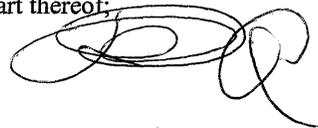
THIS MEMORANDUM OF SECURITY AGREEMENT (this "Memorandum") dated and effective September 1, 2003, is made by and between BANK ONE, NA, F/K/A BANK ONE, ILLINOIS, NA, a national banking association, with an office at One East Old State Capitol Plaza, Springfield, Illinois 62701 (the "Bank") and INCOBRASA INDUSTRIES, LTD., an Illinois corporation, with its principal office at 540 East U. S. Highway 24, Gilman, Illinois 60938 (the "Borrower").

The Borrower and the Bank hereby state the following:

1. The Borrower and the Bank are parties to that certain Loan Agreement dated September 29, 2000, as amended (the "Loan Agreement"), whereby the Bank has agreed to loan the Borrower certain funds to provide working capital for accounts receivable and inventory.

3. To secure the payment and performance of any and all of the Borrower's obligations to the Bank, the Borrower has, pursuant to that certain Security Agreement, dated September 29, 2000, by and between the Borrower and the Bank (the "Security Agreement") (capitalized terms used herein and not otherwise defined shall have the meaning given them in the Security Agreement), granted to the Bank a continuing, first priority security interest in, and lien on, all of the Borrower's right, title and interest in and to certain collateral (the "Collateral") including, without limitation, the covered hopper and other types of railcars set forth on Exhibit A hereto (the "Railcars") to have and to hold all and every part of the Collateral unto the Bank, its successors and assigns, for its and their own use and benefit forever; such Collateral includes but is not limited to:

- (a) the Railcars;
- (b) all improvements, additions, modifications, accessions, equipment, appurtenances and parts appertaining or attached to the Railcars, whether now owned or hereafter acquired, and all substitutions and replacements of the Railcars described above;
- (c) all lease payments and lease proceeds with respect to the Railcars;
- (d) all proceeds, casualty value payments or proceeds, settlement payments and requisition compensation from the sale, loss or other disposition of the Railcars;
- (e) all rights, claims and causes of action, if any, that the Borrower may have now or in the future against any seller of the Railcars or any manufacturer or re-builder of the Railcars (or any component thereof) or any other party, by contract or otherwise, in respect of any defect in the Railcars or any part thereof;



(f) all damages from time to time payable to or receivable by the Borrower in respect of the Railcars;

(g) all products or proceeds (cash and non-cash) of any of the foregoing; and

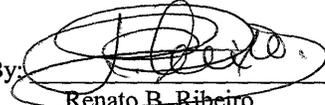
(h) all books and records relating to any of the foregoing.

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

WITNESS:

INCOBRASA INDUSTRIES, LTD.

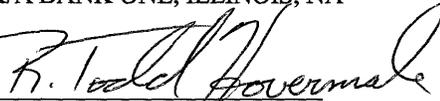
x 
Cleonice M. Ribeiro
Secretary

x By: 
Renato B. Ribeiro
President

WITNESS:

BANK ONE, NA,
F/K/A BANK ONE, ILLINOIS, NA



By: 
R. Todd Hovermale
Vice President

STATE OF ILLINOIS)
)
) SS:
COUNTY OF IROQUOIS)

On this 26th day of August, 2003, before me, a Notary Public of the County and State aforesaid, personally appeared Renato B. Ribeiro, to me personally known, who being by me duly sworn, says that he is the President of Incobrasa Industries, Ltd., an Illinois corporation, that said 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.

WITNESS my hand and notarial seal.

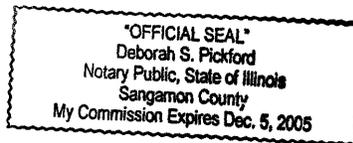


Kathy J. Merkle
Notary Public

STATE OF ILLINOIS)
)
) SS:
COUNTY OF SANGAMON)

On this 27th day of August, 2003, before me a Notary Public of the County and State aforesaid, personally appeared R. Todd Hovermale, to me personally known, who being by me duly sworn, says that he is a Vice President of Bank One, NA, f/k/a Bank One, Illinois, NA, a national banking association, that said instrument was signed on behalf of said bank 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 bank.

AS WITNESS my hand and notarial seal

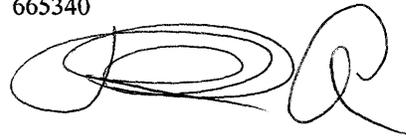


Deborah S. Pickford
Notary Public

EXHIBIT A

RAILCARS

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A handwritten signature in black ink, consisting of several overlapping loops and a long tail stroke extending to the right.