RECORDATION NO. 24124-C FILED

NOV 03 '03 10-07 AM

SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)
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OF COUNSEL
URBAN A. LESTER

October 31, 2003

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

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 Commercial Security Agreement Modification Agreement, dated October 15, 2003, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Commercial Security Agreement which was previously filed with the Board under Recordation Number 24124.

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

Secured Party:	First Mid-Illinois Bank and Trust, NA 12616 State Route 143 Highland, Illinois 62249
Debtor	Midwest Railcar Corp 9876 213th Avenue, N.W. Elk River, Minnesota 55330

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

3 100-ton boxcars: GNWR 98019 - GNWR 98021.

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

Memorandum of Commercial 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,

Robert W. Alvord

RWA/anm
Enclosures

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT MODIFICATION AGREEMENT

dated October 15, 2003

by and between

MIDWEST RAILCAR CORPORATION,
as Debtor

and

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

MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT MODIFICATION AGREEMENT

THIS MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT MODIFICATION AGREEMENT (this "Agreement) is made this 15th day of October, 2003, by and between **MIDWEST RAILCAR CORPORATION**, an Illinois corporation ("the "Debtor"), and **FIRST MID-ILLINOIS BANK AND TRUST, NA**, a state-chartered Federal Reserve Member bank organized under the laws of the State of Illinois ("the Secured Party"), witnesseth:

RECITALS

A. The Debtor and the Secured Party are parties to that certain Loan Agreement dated as of August 28, 2002 and amended October 15, 2003 (collectively, the "Loan Agreement"), pursuant to which the Secured Party agreed to extend to the Debtor the loan 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 Commercial Security Agreement dated as of September 12, 2002, pursuant to which the Borrower granted to the Bank a continuing, first priority security interest in and to, and lien on, certain railcars.

C. A Memorandum of Commercial Security Agreement (the "Memorandum of Commercial Security Agreement) was filed and recorded with the Surface Transportation Board pursuant to 49 U.S.C 11301 (a) on September 25, 2002 at 3:03 p.m. under Recordation No. 24124-B.

D. The Debtor subsequently purchased three (3), 60', 100-ton boxcars (collectively, the "Railcars") described on **Exhibit A** attached hereto.

E. The Secured Party and the Debtor executed a Commercial Security Agreement Modification Agreement dated as of the date hereof pursuant to which the parties amended Schedule 1 to the Commercial Security Agreement by adding the car 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 Commercial 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 Commercial Security Agreement is hereby amended as follows: **Exhibit A** attached to the Memorandum of Commercial 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 Commercial Security Agreement shall mean the Memorandum of Commercial 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 Illinois.

5. This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute one agreement.

(SIGNATURES APPEAR ON THE FOLLOWING PAGE)

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

WITNESS:

Karyn F. Ward

MIDWEST RAILCAR CORPORATION

By: _____
Richard M. Murphy, III, President

WITNESS:

Karyn F. Ward

FIRST MID-ILLINOIS BANK AND TRUST, NA

By: _____
Gordon D. Smith, Community President

STATE OF Illinois, County of Madison

On this 15th day of October, 2003, before me, a Notary Public of the County and State aforesaid, 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 the seal affixed to the foregoing instrument is the seal of said association, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and the 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)

_____
Notary Public

My commission expires: 2/4/04

OFFICIAL SEAL
LINDA K. HAYNES
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXPIRES FEB. 4, 2004

STATE OF ILLINOIS, County of Madison

On this 15th day of October, 2003, before me, a Notary Public of the County and State aforesaid, personally appeared Gordon D. Smith, to me personally known, who being by me duly sworn, says that he is a President of FIRST MID-ILLINOIS BANK AND TRUST, NA, that the seal affixed to the foregoing instrument is the seal of First Mid-Illinois Bank and Trust, NA, that said instrument was signed and sealed on behalf of First Mid-Illinois Bank and Trust, NA by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of First Mid-Illinois Bank and Trust, NA.

AS WITNESS my hand and notarial seal

(Seal)

Linda K. Haynes
Notary Public

My commission expires: 2/4/04

OFFICIAL SEAL
LINDA K. HAYNES
NOTARY PUBLIC STATE OF ILLINOIS
MY COMMISSION EXPIRES FEB. 4, 2004

EXHIBIT "A"

DESCRIPTION OF RAILCARS

Three (3), 60 foot, 100-ton boxcars bearing the reporting marks:

GNWR 98019
GNWR 98020
GNWR 98021