

RECORDATION NO. 24420-0 FILED

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SURFACE TRANSPORTATION BOARD

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

March 11, 2004

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 as of February 23, 2004, 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 which was previously filed with the Board under Recordation Number 24420.

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

- | | |
|----------------|---|
| Secured Party: | First Mid-Illinois Bank and Trust
12616 State Route 143
Highland, Illinois 62249 |
| Debtor: | Midwest Railcar Corporation
3 Professional Park Drive, Suite B.
Maryville, Illinois 62062 |

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SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT
MODIFICATION AGREEMENT**

dated February 23, 2004

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 23rd day of February, 2004, 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 January 9, 2003 and amended May 30, 2003 (collectively, the "Loan Agreement"), pursuant to which the Secured Party agreed to extend to the Debtor a line of credit 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 January 2, 2003, 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 April 23, 2003 at 4:01 p.m. under Recordation No. 24420.
- D. The Debtor subsequently purchased Thirty-four (34) 100-ton flat bottom gondolas (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.

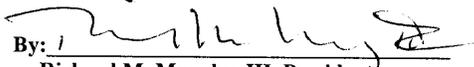
4. This Agreement may not be amended, changed, modified, altered, or terminated without in each instance the prior written consent of the Secured Party. This Agreement shall be construed in accordance with and governed by the laws of the State of Illinois.
5. This Agreement may be executed in any number 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.

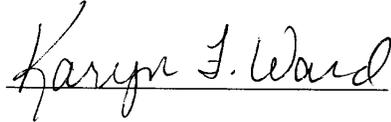
WITNESS:

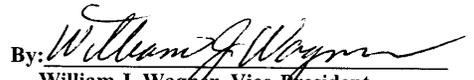
MIDWEST RAILCAR CORPORATION

By: 
Richard M. Murphy, III, President

WITNESS:

FIRST MID-ILLINOIS BANK AND TRUST, NA



By: 
William J. Wagner, Vice President

STATE OF MN, County of Sherburne

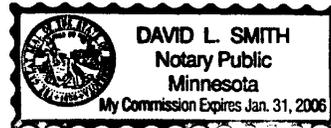
On this 23rd day of February, 2004, before me, a Notary Public of the County and State aforesaid, personally appeared Richard M. Murphy, III, to me personally known, who being by me duly sworn, says that he is the President of Midwest Railcar Corporation, an Illinois corporation, that the seal affixed 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: 1-31-06



STATE OF ILLINOIS, County of Madison

On this 23rd day of February, 2004, before me, a Notary Public of the County and State aforesaid, personally appeared William J. Wagner, to me personally known, who being by me duly sworn, says that he is a Vice-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)

Sharon E. Voss
Notary Public

My commission expires
"OFFICIAL SEAL"
Sharon E. Voss
Notary Public, State of Illinois
My Commission Expires 11/01/2006

EXHIBIT "A"

DESCRIPTION OF RAILCARS

Thirty-four (34), 4000 c.f., 100-ton flat bottom gondolas bearing reporting marks as follows:

<u>Car Initial & Number</u>
GCCX 83200
GCCX 83201
GCCX 83202
GCCX 83203
GCCX 83204
GCCX 83205
GCCX 83206
GCCX 83207
GCCX 83208
GCCX 83209
GCCX 83210
GCCX 83211
GCCX 83212
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