

RECORDATION NO. 24851-A FILED

MAR 11 '04 12:57 PM

SURFACE TRANSPORTATION BOARD

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OF COUNSEL
URBAN A. LESTER

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, dated as of March 5, 2003, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Schedule #4 to Full Service Master Lease Agreement which is being filed with the Board under Recordation Number 24851.

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

Lender:	The Bank of Edwardsville 330 West Vandalia Edwardsville, Illinois 62025
Grantor:	Midwest Railcar Corporation 3 Professional Park Drive, Suite B Maryville, Illinois 62062

Mr. Vernon A. Williams
March 11, 2004
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A description of the railroad equipment covered by the enclosed document
is:

50 covered hopper cars: MWCX 300098 - MWCX 300147.

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

Memorandum of Commercial 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

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT

BETWEEN

**THE BANK OF EDWARDSVILLE
("LENDER")**

AND

**MIDWEST RAILCAR CORPORATION
("GRANTOR")**

March 5, 2004

Memorandum of Commercial Security Agreement made and entered into as of March 5, 2004, by and between The Bank of Edwardsville, an Illinois corporation ("Lender"), and Midwest Railcar Corporation, an Illinois corporation ("Grantor").

WITNESSETH:

To secure all obligations of the Grantor under a certain Commercial Security Agreement dated as of March 5, 2004 (the "Security Agreement"), and that certain Promissory Note dated March 5, 2004, Grantor hereby assigns to Lender all of Grantor's rights, title and interest in, the railcars set forth and described on the Schedule of Railcars attached hereto (the railcars on the aforementioned Schedule of Railcars shall hereinafter be called the "Railcars"), as such Schedule of Railcars may be amended from time to time, and grants to Lender a first priority security interest in: (i) the Railcars; (ii) Grantor's interest in accessions, accessories, equipment, appurtenances and replacement and added parts appertaining or attached to any of the Railcars owned or hereinafter acquired, and all substitutions, renewals or replacements of and additions, improvements, accessions and accumulations to any of the Railcars, together with all the rents, issues, income, profits, proceeds and avails therefrom and the proceeds thereof; (iii) all proceeds and all present and future evidences of rights to payment, (including, without limitation, insurance and indemnity payments) due or to become due to Grantor on account of the lease, sale, loss or other disposition of the Railcars; (iv) that certain Schedule #4 dated December 11, 2003 which incorporates by reference that Full Service Master Lease Agreement dated effective December 11, 2003 by and between Grantor (as Lessor) and Badger Mining Corporation (as Lessee), and any additional Equipment Riders and schedules thereto (together, the "Lease") and all bills of sales or other similar documents, agreements and instruments relating to the Railcars, and all other leases, chattel paper, agreements, accounts, bank or deposit accounts and instruments relating to the Railcars, whether now existing or hereafter arising (collectively, the "Documentary Security" or "Security Documentation"), together with all of Grantor's estate, right, title, interest, claims and demands in, to and under such documents, agreements and instruments including all extensions of any of the terms thereof, together with all rights, powers, privileges, options, and other benefits of Grantor including without limitation the right to receive notices, give consents, exercise any election or option, declare defaults and demand payments thereunder, and (v) all rent, damages and other moneys from time to time payable to or receivable by Grantor under the Documentary Security (the Railcars, Documentary Security, proceeds, rights, claims and causes of action described in items (i) through (v) above being herein sometimes collectively called the "Collateral"), to have and to hold all and every part of the Collateral unto Lender, and its successors and assigns, for its and their own use and benefit forever.

This Memorandum of Commercial Security Agreement may be executed in any number of counterparts, each executed counterpart constituting an original but together only one Memorandum of Commercial Security Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be signed and sealed by their respective corporate officers as of the date and year first above written.

THE BANK OF EDWARDSVILLE, as Lender

By: *W. B. Baker*

Title: *Vice President*

Date: *3-5-04*

MIDWEST RAILCAR CORPORATION,
as Grantor

By: *D. M. Baker*

Title: *President*

Date: *3-5-04*

State of _____ County of _____

Subscribed and sworn before me on _____
(Date)

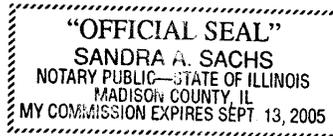
(Notary Signature)

STATE OF Illinois)
) ss.
COUNTY OF Madison)

On this 5th day of March 2004, before me personally appeared William D. Barlow, to me personally known, who being by me duly sworn, says that he is the Vice President of The Bank of Edwardsville, 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.

Sandra A Sachs
NOTARY PUBLIC

My commission expires: Sept. 13, 2005

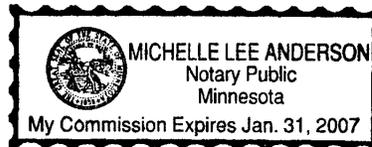


STATE OF Minnesota)
) ss.
COUNTY OF Sherburne)

On this 4th day of March, 2004, before me personally appeared Richard M. Murphy, 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 foregoing instrument was signed on behalf of Midwest Railcar Corporation, and he acknowledged that the execution of the said instrument was his free act and deed.

Michelle Anderson
NOTARY PUBLIC

My commission expires: 1/31/07



SCHEDULE OF RAILCARS

Fifty (50) 3010 cube, 100-ton covered hopper railcars with 263,000 lb. GRL with the following reporting marks:

MWCX300098	MWCX300137
MWCX300099	MWCX300138
MWCX300100	MWCX300139
MWCX300101	MWCX300140
MWCX300102	MWCX300141
MWCX300103	MWCX300142
MWCX300104	MWCX300143
MWCX300105	MWCX300144
MWCX300106	MWCX300145
MWCX300107	MWCX300146
MWCX300108	MWCX300147
MWCX300109	
MWCX300110	
MWCX300111	
MWCX300112	
MWCX300113	
MWCX300114	
MWCX300115	
MWCX300116	
MWCX300117	
MWCX300118	
MWCX300119	
MWCX300120	
MWCX300121	
MWCX300122	
MWCX300123	
MWCX300124	
MWCX300125	
MWCX300126	
MWCX300127	
MWCX300128	
MWCX300129	
MWCX300130	
MWCX300131	
MWCX300132	
MWCX300133	
MWCX300134	
MWCX300135	
MWCX300136	