RECORDATION NO. 24851-B FILED

MAR 11 '04 1:03 PM

SURFACE TRANSPORTATION BOARD

ALVORD AND ALVORD
ATTORNEYS AT LAW
1050 SEVENTEENTH STREET, N.W.
SUITE 301
WASHINGTON, D.C.
20036

(202) 393-2266
FAX (202) 393-2156
E-MAIL alvordlaw@aol.com

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

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 (Collateral) Assignment of Lease, 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:

Bank: The Bank of Edwardsville
330 West Vandalia
Edwardsville, Illinois 62025

Assignor: Midwest Railcar Corporation
3 Professional Park Drive, Suite B
Maryville, Illinois 62062

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 (Collateral) Assignment of Lease.

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 (COLLATERAL) ASSIGNMENT
OF LEASE

BETWEEN

THE BANK OF EDWARDSVILLE
("BANK")

AND

MIDWEST RAILCAR CORPORATION
("ASSIGNOR")

March 5, 2004

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SURFACE TRANSPORTATION BOARD

This Memorandum of Assignment of Lease is hereby entered into as of this 5th day March 2004 by and between The Bank of Edwardsville, an Illinois corporation ("Bank"), and Midwest Railcar Corporation, an Illinois corporation ("Assignor").

W I T N E S S E T H:

The Assignor hereby assigns, transfers and sets over unto Bank, all of the Assignor's right, title and interest in (but not its obligations) and to the lease of fifty (50) 100-ton, 3010 cube, covered hopper railcars cars as evidenced by that certain Schedule #4 dated December 11, 2004 which incorporates by reference that Full Service Master Lease Agreement dated effective December 11, 2004 by and between Assignor (as Lessor) and Badger Mining Corporation (as Lessee), and any other Equipment Riders and schedules thereto (together, the "Lease") and all rents and other sums due thereunder, and all proceeds therefrom with respect to those certain railcars identified on the attached Schedule "A" hereto (the "Railcars"), and all rents, renewal rents, proceeds of settlement for the Railcars which are lost, destroyed or damaged beyond repair and all other sums due and to become due under and pursuant to or by reason of the Lease, including but not limited to, the payment of any purchase option price paid by the Lessee pursuant to the Lease, as well as any and all subleases of the Railcars.

This Assignment is given and intended as continuing collateral for the payment of the indebtedness of the Assignor (as "Grantor") to Bank (as "Lender") as provided for in the Commercial Security Agreement dated March 5, 2004 (the "Agreement"), including but not limited to any and all promissory notes executed thereunder (the "Promissory Notes"), including any and all interest thereon and expenses therefor and any and all extensions and/or renewals of the referenced indebtedness, whether such indebtedness shall at any time or from time to time have been reduced or paid in full and thereafter increased or re-incurred, and no renewal of, or extension of time of payment of the subject indebtedness or any part thereof, and no agreement not to sue or release or discharge of any persons liable therefor or thereon, or release or exchange of other collateral or any act or thing whatsoever shall diminish, discharge, impair or affect this Assignment or the security afforded hereby, save payment in full by the Assignor to Bank of any and all indebtedness of the Assignor to Bank arising under the Agreement and the Promissory Note, while no default exists under any of the other provisions thereof. If such payment in full is made by the Assignor while no such default exists or if any such payment in full is made while any default exists and all such defaults are subsequently corrected by the Assignor, the Assignor shall be entitled to have this Assignment discharged.

Capitalized terms not defined herein shall have the meanings ascribed to them in the Agreement. This Memorandum of Assignment of Lease may be executed in any number of counterparts, each executed counterpart constituting an original but together only one memorandum of Assignment of Lease.

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 Bank

By: _____

Name: William O. Barlow

Title: Vice President

MIDWEST RAILCAR CORPORATION
as Assignor

By: _____

Name: Richard M. Murphy

Title: President

STATE OF Illinois)
) ss.
COUNTY OF Madison)

On this 5 day of March 2004, before me personally appeared William O. 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.

NOTARY PUBLIC: Sandra A. Sachs

"OFFICIAL SEAL"
SANDRA A. SACHS
NOTARY PUBLIC—STATE OF ILLINOIS
MADISON COUNTY, IL
MY COMMISSION EXPIRES SEPT. 13, 2005

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, that the foregoing instrument was signed on behalf of said limited liability company, and he acknowledged that the execution of the said instrument was his free act and deed.

NOTARY PUBLIC: Michelle L. Anderson

My commission expires: Jan. 31, 2007

MICHELLE LEE ANDERSON
Notary Public
Minnesota
My Commission Expires Jan. 31, 2007

SCHEDULE "A"
To Memorandum of Assignment of Lease
SCHEDULE OF RAILCARS
One Page
Fifty (50) Units

SCHEDULE OF RAILCARS

Fifty (50) 100-ton , 3010 Cube, covered hopper railcars with the following marks and numbers:

MWCX300098
MWCX300099
MWCX300100
MWCX300101
MWCX300102
MWCX300103
MWCX300104
MWCX300105
MWCX300106
MWCX300107
MWCX300108
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
MWCX300137
MWCX300138
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MWCX300142
MWCX300143
MWCX300144
MWCX300145
MWCX300146
MWCX300147