

RECORDATION NO. 24865-A FILED

MAR 31 '04 2-59 PM

SURFACE TRANSPORTATION BOARD

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ELLSWORTH C. ALVORD (1964)

March 31, 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 February 18, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Schedule #2 to Full Service Master Lease Agreement which was previously filed with the Board under Recordation Number 24865.

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

Lender:	Associated Bank Minnesota 7760 France Avenue South Bloomington, Minnesota 55325-5833
Grantor:	Midwest Railcar Corporation 3 Professional Park Drive, Suite B Maryville, Illinois 62062

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

8 covered hopper cars: MWCX 300040 - MWCX 300047.

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**

**ASSOCIATED BANK MINNESOTA  
("SECURED PARTY")**

**AND**

**MIDWEST RAILCAR CORPORATION  
("DEBTOR")**

**February 18th 2004**

Memorandum of Commercial Security Agreement made and entered into as of February 18 2004, by and between Associated Bank Minnesota, a Minnesota corporation ("Lender"), and Midwest Railcar Corporation, an Illinois corporation ("Borrower").

**WITNESSETH:**

To secure all obligations of the Borrower under a certain Commercial Security Agreement dated as of February 18, 2004 (the "Loan Agreement"), and that certain Promissory Note dated February 18, 2004, Borrower hereby assigns to Lender all of Borrower'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) Borrower'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 Borrower on account of the lease, sale, loss or other disposition of the Railcars; (iv) that certain Schedule #2 made effective December 11, 2003 which is incorporated herein by reference by the Full Service Master Lease Agreement dated December 11, 2003 by and between Borrower (as Lessor) and Company Badger Mining Corporation a Wisconsin 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 Borrower'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 Borrower 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 Borrower 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.

ASSOCIATED BANK MINNESOTA, as Lender

By:  \_\_\_\_\_

Title: Vice President

Date: 3-25-04

MIDWEST RAILCAR CORPORATION  
as Borrower

By:  \_\_\_\_\_

Title: President & CEO

Date: 3-25-04



**SCHEDULE OF RAILCARS**

Eight (8) 2900 - 3000 cube. 100 ton Covered Hoppers with 263,000 lb GRL. Car Numbers  
MWCX 300040 – 300047, inclusive.