

RECORDATION NO. 24420-R FILED

APR 06 2004 2:16 PM

SURFACE TRANSPORTATION BOARD

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

April 6, 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 April 2, 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, IL 62249

Debtor: Midwest Railcar Corporation
3 Professional Park Drive
Suite B
Maryville, IL 62062

Mr. Vernon A. Williams
April 6, 2004
Page Two

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

20 covered hoppers within the series UPNX 121702 – UPNX 121759

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

Memorandum of Commercial Security Agreement Modification

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

REGISTRATION NO. 244202 FILED

APR 06 '04 2:46 PM

SURFACE TRANSPORTATION BOARD

**MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT
MODIFICATION AGREEMENT**

dated April 2, 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 2nd day of April, 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 first amended May 30, 2003, and further amended March 5, 2004 (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 twenty (20) covered hoppers (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:

Jacya Ashley

MIDWEST RAILCAR CORPORATION

By: Richard M. Folio
Richard M. Folio, Executive Vice President

WITNESS:

Kristen Schmidt

FIRST MID-ILLINOIS BANK AND TRUST, NA

By: Gordon D. Smith
Gordon D. Smith, Community Bank President

STATE OF Maryland County of Baltimore

On this 31 day of March 2004, before me, a Notary Public of the County and State aforesaid, personally appeared Richard M. Folio, to me personally known, who being by me duly sworn, says that he is the Executive Vice 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)

Jacya Ashley
Notary Public

My commission expires:

My Comm. Exps. 2/04/2008

STATE OF ILLINOIS, County of Madison

On this 2nd day of April, 2004, 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 Community Bank 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.

(Seal) AS WITNESS ~~my hand and notarial seal~~
"OFFICIAL SEAL"
KRISTIN SCHMIDT
NOTARY PUBLIC—STATE OF ILLINOIS
MADISON COUNTY, IL
MY COMMISSION EXPIRES APRIL 24, 2007

Kristin Schmidt
Notary Public

My commission expires:

EXHIBIT "A"
DESCRIPTION OF RAILCARS

Twenty (20) 3000 cubic foot, 100-ton, 263,000 lb Gross Rail Load covered hoppers built originally in 1978 by Midwest Freight Company bearing reporting marks as follows:

Car Numbers
UPNX 121702
UPNX 121705
UPNX 121711
UPNX 121718
UPNX 121722
UPNX 121723
UPNX 121725
UPNX 121726
UPNX 121727
UPNX 121730
UPNX 121736
UPNX 121737
UPNX 121738
UPNX 121749
UPNX 121750
UPNX 121752
UPNX 121753
UPNX 121754
UPNX 121756
UPNX 121759