

RECORDATION NO. 23803-F FILED

JUL 6 '04

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SURFACE TRANSPORTATION BOARD

OF COUNSEL  
URBAN A. LESTER

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

July 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 (Collateral) Assignment of Lease, dated as of May 18, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum Lease which was previously filed with the Board under Recordation Number 23803-B.

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

MEMORANDUM OF (COLLATERAL) ASSIGNMENT  
OF LEASE

BETWEEN

THE BANK OF EDWARDSVILLE  
("BANK")

AND

MIDWEST RAILCAR CORPORATION  
("ASSIGNOR")

May 18, 2004

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SURFACE TRANSPORTATION BOARD

This Memorandum of Assignment of Lease is hereby entered into as of this 18th day May 2004 by and between The Bank of Edwardsville, an Illinois corporation ("Bank"), and Midwest Railcar Corporation, an Illinois corporation ("Assignor").

WITNESSETH:

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 thirty-seven (37) 100-ton, 7,452 c.f. woodchip gondola railcars with AAR Car type code E507 as evidenced by that certain Lease Agreement dated effective September 5, 2001 by and between Assignor (as Lessor) and Commercial Metals Company (as Lessee), and any other Exhibits or 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 May 18, 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: W.D. Barlow  
Name: William D. Barlow  
Title: Vice President

MIDWEST RAILCAR CORPORATION  
as Assignor

By: Richard M. Murphy  
Name: Richard M. Murphy  
Title: President

STATE OF Illinois )  
 ) ss.  
COUNTY OF Madison )

On this 17 day of May 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.

NOTARY PUBLIC: Sandra A Sachs

My commission expires: Sept. 13, 2005

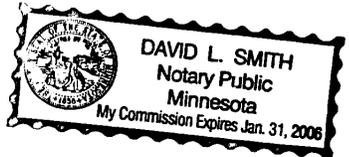


STATE OF MN )  
 ) ss.  
COUNTY OF Sherburne )

On this 17 day of May 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: David L. Smith

My commission expires: 1-31-06



SCHEDULE "A"  
To Memorandum of Assignment of Lease  
SCHEDULE OF RAILCARS  
One Page  
Written Number (Number in Numeric) Units

**SCHEDULE OF RAILCARS**

Thirty-seven (37), 100-ton, 7,452 c.f. woodchip gondola railcars with AAR Car type code E507, bearing the following reporting marks and numbers:

MWCX100114  
MWCX100115  
MWCX100116  
MWCX100117  
MWCX100118  
MWCX100119  
MWCX100120  
MWCX100121  
MWCX100122  
MWCX100123  
MWCX100124  
MWCX100125  
MWCX100126  
MWCX100127  
MWCX100128  
MWCX100129  
MWCX100130  
MWCX100131  
MWCX100132  
MWCX100133  
MWCX100134  
MWCX100135  
MWCX100136  
MWCX100137  
MWCX100138  
MWCX100139  
MWCX100140  
MWCX100141  
MWCX100142  
MWCX100143  
MWCX100144  
MWCX100145  
MWCX100146  
MWCX100147  
MWCX100148  
MWCX100150  
MWCX100151