

RECORDATION NO.

25322-A

FILED

DEC 06 '04 3-26 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

OF COUNSEL
URBAN A. LESTER

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

December 3, 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 November 1, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Lease which is being filed with the Board under Recordation Number _____.

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

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

Mr. Vernon A. Williams
December 3, 2004
Page 2

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

21 covered hopper cars within the series MWCX 460000 - MWCX 460067 as more particularly described in the description attached to the document.

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 \$32.00 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

RECORDATION NO. 25322-A FILED

DEC 06 '04 3-26 PM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF COMMERCIAL SECURITY AGREEMENT

BETWEEN

**ASSOCIATED BANK MINNESOTA
("LENDER")**

AND

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

November 1, 2004

Memorandum of Commercial Security Agreement made and entered into as of November 1, 2004, by and between Associated Bank Minnesota, an Illinois corporation ("Lender"), and Midwest Railcar Corporation, an Illinois corporation ("Grantor").

WITNESSETH:

To secure all obligations of the Debtor under a certain Commercial Security Agreement dated as of November 1, 2004 (the "Security Agreement"), and that certain Promissory Note dated November 1, 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 No. 1 dated effective July 14, 2004, which incorporates by reference that Full Service Master Lease Agreement dated effective July 14, 2004, by and between Grantor (as Lessor) and The National Lime & Stone Company (as Lessee), and any other Exhibits or 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.

ASSOCIATED BANK MINNESOTA
as Lender

By: Louis E Taylor

Title: Vice President

Date: 11-15-04

MIDWEST RAILCAR CORPORATION,
as Grantor

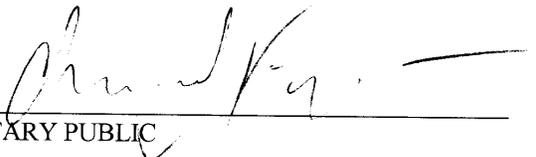
By: Tim M. King

Title: President

Date: 11-11-04

STATE OF MN)
COUNTY OF HENNEPIN) ss.

On this 16TH day of November 2004, before me personally appeared LOUIS F. TAYLOR, to me personally known, who being by me duly sworn, says that he is the VICE PRESIDENT of Associated Bank Minnesota, 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.

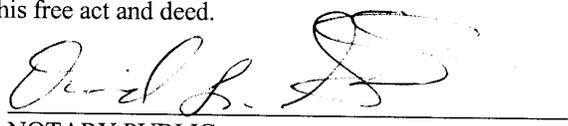


NOTARY PUBLIC

My commission expires: 1-31-2005

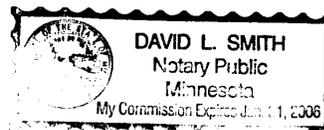
STATE OF MN)
COUNTY OF STEARBURN) ss.

On this 11 day of November 2004, before me personally appeared Richard M. Murphy III to me personally known, who being by me duly sworn, says that he is the PRESIDENT & CEO 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.



NOTARY PUBLIC

My commission expires: 1-31-06



SCHEDULE OF RAILCARS

Nineteen (19) railcars bearing the following reporting marks and numbers:

MWCX 460000
MWCX 460001
MWCX 460002
MWCX 460003
MWCX 460005
MWCX 460006
MWCX 460007
MWCX 460009
MWCX 460011
MWCX 460012
MWCX 460013
MWCX 460014
MWCX 460044
MWCX 460047
MWCX 460051
MWCX 460052
MWCX 460055
MWCX 460066
MWCX 460067