RECORDATION NO. 25542-A FILED

APR 0 8 '05 1-20 PM

SURFACE TRANSPORTATION BOARD

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

OF COUNSEL
URBAN A. LESTER

April 8, 2005

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 Assignment of Lease, dated as of December 9, 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 Agreement which is being filed with the Board under Recordation Number _____.

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

Bank: First Mid-Illinois Bank and Trust
12616 State Route 143
Highland, Illinois 62249

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:

8 boxcars: GNWR 98022 – GNWR 98029.

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

Memorandum of Assignment of Lease.

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

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SURFACE TRANSPORTATION BOARD

MEMORANDUM OF ASSIGNMENT OF LEASE

dated December 9, 2004

by and between

FIRST MID-ILLINOIS BANK & TRUST, NA
("Secured Party")

and

MIDWEST RAILCAR CORPORATION,
("Debtor")

MEMORANDUM OF ASSIGNMENT OF LEASE

THIS MEMORANDUM OF ASSIGNMENT OF LEASE is hereby entered into as of this 9th day of December, 2004 by and between **First Mid-Illinois Bank and Trust, NA** ("Secured Party"), and **Midwest Railcar Corporation, an Illinois corporation** ("Debtor").

WITNESSETH:

The Debtor hereby assigns, transfers and sets over unto Secured Party all of the Debtor's right, title and interest in and to the lease of eight (8), 60 ft., 100-ton, boxcars as evidenced by that certain Schedule #2 dated October 15, 2004 which incorporates by reference that Per Diem Rent Agreement dated effective June 27, 2002 by and between Debtor (as Lessor) and Mississippi Central R.R. Co. (as Lessee), and any other Equipment Riders and or schedules thereto (together, the "Lease") and all rents and other sums due under Schedule #2 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 Debtor to the Secured Party as provided for in the Commercial Security Agreement dated December 9, 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 therefore 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 reincurred, and not 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 therefore 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 Borrower to the Lender of any and all indebtedness of the Borrower to the Lender arising under the Agreement and the Promissory Notes, while no default exists under any of the other provisions thereof. If such payment in full is made by the Borrower 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 Borrower, the Borrower 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 and Rents.

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.

FIRST MID-ILLINOIS BANK AND TRUST, NA
as Secured Party

By: _____
Gordon D. Smith, Community Bank President

MIDWEST RAILCAR CORPORATION
As Debtor

By: _____
Richard M. Murphy, III, President

STATE OF ILLINOIS, County of Illinois

On this 9th day of December, 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.

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

(Seal)

Kristin Schmidt

Notary Public

My commission expires:

STATE OF MN, City of Elk River

On this 9th day of December, 2004, before me, a Notary Public of the County and State aforesaid, personally appeared Richard M. Murphy, III, to me personally known, who being by me duly sworn, says that he is the 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)

Notary Public

My commission expires: 1-31-06

DAVID L. SMITH
Notary Public
Minnesota
My Commission Expires Jan. 31, 2006

EXHIBIT "A"

DESCRIPTION OF RAILCARS

Eight (8) boxcars bearing reporting marks as follows:

GNWR 98022-98029, Inclusive